



CITY OF MUSCATINE
215 SYCAMORE STREET
MUSCATINE, IA 52761
PH. (563) 264-1550 • FAX (563) 264-0750

CITY OF MUSCATINE PRESS RELEASE

For more information contact:

Kevin Jenison
Communication Manager
E-Mail: kjenison@muscatineia.gov
Phone: (563) 264-1550 • Fax: (563) 264-0750

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75 SMALL BUSINESSES AWARDED ASSISTANCE LOANS

Public-private partnership program providing financial help during health crisis

MUSCATINE, Iowa – The City of Muscatine is awarding 75 small businesses impacted by the COVID-19 health crisis assistance loans totaling \$183,267. Most of the businesses will receive the maximum \$2,500 assistance loan that could be forgiven pending a six-month review of the loan.

The Muscatine City Council authorized the City to disperse the assistance loan payments at its Thursday (May 14) meeting.

“This program was a public-private collaborative through the review process to expedite a response to these unprecedented times and support a quick and complete recovery for our small business community,” Jodi Royal-Goodwin, Community Development Director, said.

The loan amounts were based on the assistance requested or the maximum allowed under the program rules, whichever was lower. The awardees will be notified Friday (May 15).

“The message will require a response from the business accepting the loan along with the terms and conditions of the loan,” Royal-Goodwin said. “Upon return receipt of the acceptance, the funds will be dispersed by mail through the U.S. Postal Service.”

Applications for the Economic Assistance for Muscatine Small Business program opened on May 1.

“We had 20 applications completed and 21 were in the process of being completed on the first day,” Royal-Goodwin said.

The City of Muscatine, in cooperation with the Community Foundation of Greater Muscatine and the Greater Muscatine Chamber of Commerce, established the loan program to provide financial assistance to local small businesses affected by restrictions put in place as a result of the COVID-19 health crisis, and to ensure Muscatine’s economy can rebound as quickly as possible. The program is administered by the City’s Department of Community Development.

The Muscatine City Council recognized the need to assist local businesses and asked city staff during the April 16 Council meeting to create a program similar to the Small Business Forgivable Loan program that would assist small businesses impacted by the health crisis. The Council approved the transfer of up to \$400,000 to fund the program during its May 7 meeting.

During her presentation to the Council Thursday (May 14) night, Royal-Goodwin said that the cooperation between many entities resulted in the City being able to prepare and execute the program, and award assistance loans.

“An online application was developed by the Community Foundation of Greater Muscatine in cooperation with the City,” Royal-Goodwin said. “The application was then promoted on the websites of the City, Community Foundation, and the Greater Muscatine Chamber of Commerce & Industry.”

Direct mail postcards were also sent to more than 400 businesses, and the program was further promoted through press releases and partner agency activities.

Businesses who had started an application but not yet completed that application were sent email reminders as the deadline of 11:59 p.m. on May 7 deadline approached. Due to the number of incomplete applications, the committee reviewing the applications decided to extend the deadline through May 10.

“We wanted to make sure that all businesses that wanted to apply were able to do so,” Royal-Goodwin said.

Small businesses applying for the assistance loans had to be a for-profit business that was in operation prior to March 1, 2019, employed up to a maximum of 25 people (including sole proprietor), and able to demonstrate a loss in revenue due to the COVID-19 health crisis. Businesses must not have any liens held by the city, county, or state nor have already received aid from other state and/or federal sources.

The funds awarded can be used for any legitimate business expenses such as rent, mortgage, utilities, inventory, or personnel.

A loan review committee of city staff, individuals from the banking community, and a representative from City Council reviewed the applications. The committee is similar to the one established for the Small Business Forgivable Loan program. A scoring matrix was used to evaluate applications based on a variety of factors including eligibility, demonstrated need, and ability to execute a loan agreement.

For more information, click on the small business icon in the upper right hand side of the City of Muscatine landing page or click here to go to [ECONOMIC PROGRAMS](#). More information can also be found on the [Foundation](#), and the [Chamber of Commerce](#) websites.

[LIST OF SMALL BUSINESSES RECEIVING FINANCIAL ASSISTANCE](#)