

## City of Lewiston Press Statement - April 23, 2020

**LEWISTON:** Mayor Mark Cayer, the Lewiston City Council, and Lewiston's Economic & Community Development Department are announcing several new programs intended to provide support to families, landlords, lenders, and Lewiston's small business community.

Upon learning of an additional \$538,518 in CDBG funds being allocated to the City, Mayor Cayer quickly concluded **“that once these limited funds were made available, it was clear that we must find ways to have the greatest impact to our residents and small businesses including local landlords.”**

**BELOW is a summary of the programs to be offered.** The Lewiston City Council learned of the programs at their April 22<sup>nd</sup> workshop and was enthusiastic about getting the money on the streets.

The **Emergency Income Payment Assistance Program** is designed to help households that are at or below 80% of the area median Income meet their rent or mortgage obligations if the household is unable to do so because of income loss attributable to COVID-19. For those who qualify, payments will be made directly to landlords, lenders, or utility providers.

2020 Income Limits-Lewiston								
AMI by Household Size								
	1	2	3	4	5	6	7	8
<b>80% Low</b>	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800

### Business Assistance Programs

Funding is available now for 0% interest, deferred, forgivable loans on all microenterprise and economic development programs. Individuals may apply on the City's Economic and Community Development web page: [www.lewistonmaine.gov/emergencyincome](http://www.lewistonmaine.gov/emergencyincome)

In addition, several COVID specific programs have been developed to assist local business. Details are in the attached, but a public process and public hearing must occur before funds are available – City Council action on the changes are scheduled for May 5<sup>th</sup>. The income limits associated with job creation/retention by businesses utilizing the programs are noted above. Materials will be posted on the web page as they are developed, and Economic and Community Development Department staff are working to develop application materials, underwriting criteria, staffing, and the processes to review and act upon applications expediently, while continuing to meet federal regulatory requirements. Loans and grants are contingent upon the availability of funds.

Inquiries/questions may be directed to the Economic & Community Development Department at (207) 513-3126.

## **Summary of Available CDBG Assistance**

[www.lewistonmaine.gov/emergencyincome](http://www.lewistonmaine.gov/emergencyincome)

### **Emergency Income Payment Assistance – up to \$1000/month for 3 months (mortgage/rent) or up to \$500 (utilities)**

The Emergency Income Payment Assistance program will provide relief of rent, mortgage, or utility payments for up to three months to alleviate the housing burden for low-income households that have lost employment income as the result of a widespread emergency situation. Currently, this program will be used to provide assistance during the COVID-19 crisis. Funding may be used for rent, mortgage, or utility payment. Household income must be at or below 80% of Median Family Income (see income chart for eligible income amounts). Applicant must show a gap between household income prior to COVID-19 and income at time of application. Income losses must be directly related to COVID-19. Emergency income payments may not duplicate funds received through other federal, state, or local programs.

### **Emergency Business Assistance – up to \$25,000 (ED) or \$15,000 (Micro)**

The Emergency Business Assistance will provide much needed working capital, operating expenses, and rehabilitation costs to Lewiston businesses who have experienced income losses or additional expenses due to a widespread emergency situation. Currently, this program will be used to provide assistance during the COVID-19 crisis. Businesses must create or retain at least one job made available to low-income individuals for every \$25,000 of assistance. Emergency business assistance may not duplicate funds received through other federal, state, or local programs.

### **Emergency Rehabilitation Expenses – up to \$1750.**

The Emergency Rehabilitation program will assist businesses in making physical changes to their establishment in order to remain operating during a widespread emergency situation. Currently, this program will be used to provide assistance during the COVID-19 crisis. Eligibility for this program will mirror the Emergency Business Assistance program

### **Microenterprise Loans and Grants – up to \$15,000**

The Microenterprise Loan program is designed to support entrepreneurs, help existing businesses build capacity, develop business in the target area, and increase the tax base. Owner must be low-moderate income or create/retain jobs for low income persons. Business must have between 1-5 employees, one of which is the owner. Eligible activities can include financial start-up support such as: equipment, initial product, working capital, operating expenses; general owner support such as: transportation, child care, counseling, peer support; or technical assistance.

### **Economic Development Loans and Grants – up to \$25,000**

The Economic Development Loan Program is designed to support business in the target area (census tracts 201-204), increase jobs and services for low- to moderate-income persons, and increase the tax base. Eligible activities can include working capital, operating expenses, and rehabilitation. The business must either create or retain at least one job to low-moderate income individuals.

## TERMS FOR ALL LOANS

All loan programs will have a three-year term at a 0% interest rate. **If your business is able to create or retain at least ONE low or moderate income job for the first two months after the receipt of loan funds then the loan will be completely forgiven.** If your business is unable to provide such documentation, it will not be deemed to have met the requirements to enable it to be forgiven, however repayment will be deferred for the first twelve (12) month period after the loan is administered. Businesses will begin monthly loan repayments on month 13. After repayment begins, businesses shall have two (2) years (Twenty-four (24) months) to complete full repayment of the loan.