

**GUIDELINES FOR THE  
ARROWHEAD REGIONAL DEVELOPMENT COMMISSION  
URGENT LOAN PROGRAM**

*This program can fund working capital loans for \$10,000 to \$75,000.*

**I. PURPOSE**

The purpose of the Urgent Loan Program is to support business activities for which credit is not otherwise available on terms and conditions which would permit COVID-19 impacted businesses to retain jobs. Aitkin County, Cook County, Carlton County, Itasca County, Koochiching County, Lake County and St. Louis County (including the City of Duluth).

The primary objective of the program is to preserve local businesses and retain jobs in northeast Minnesota.

**II. GEOGRAPHIC AREA OF PROGRAM**

The ARDC/RLF exists for businesses located, or to be located within the counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis (including the City of Duluth).

**III. ELIGIBLE BUSINESSES**

Any business or non-profit in the seven county region that can demonstrate impacts from the 2020 Pandemic and show a need for working capital.

**IV. LEVERAGING REQUIREMENTS**

A. Jobs

1. Applicants must demonstrate that they will retain a minimum of at least two jobs using the working capital.

**V. FINANCING POLICIES**

A. Allowable Use of Proceeds

Working capital

B. Term of Loan

Up to 10 years

C. Interest Rate

Existing businesses that are/were significantly impacted by the 2020 Pandemic can seek working capital loan funds, up to \$75,000, from ARDC at rate that is 75 percent of the prime rate listed in the Wall Street Journal. On August 27, 2020 that calculation resulted in a rate of 2.44%. Interest rate will be fixed throughout the term of the loan.

D. Fees and Charges

1. Origination Fee:  
None
2. Legal Costs:  
ARDC will pay legal fees.

E. Other Financing Policies

1. All loans shall be subject to whatever agreements and documents are reasonably necessary to protect the interests of Arrowhead Regional Development Commission and to insure that the purpose and intent of this program are met.
2. Loan recipients should demonstrate that they are credit worthy and have the ability to perform under any agreements entered into with Arrowhead Regional Development Commission.
3. All applicants receiving financing assistance must demonstrate an acceptable level of job retention.

**VI. APPLICATION PROCESS**

A. Application

1. Read and thoroughly understand program guidelines.
2. Submit to the following email address:  
  
alandgren@ardc.org
3. ARDC will notify applicant of project eligibility and ask additional questions.
4. ARDC staff will discuss full details of application preparation with applicant.
5. ARDC's Technical Advisory Committee will review the application and make recommendation to the ARDC's Administration Team.

Note: At any point in the review process, the application may be denied or sent back for further information.

**APPLICATION FOR THE  
ARROWHEAD REGIONAL DEVELOPMENT COMMISSION  
URGENT LOAN PROGRAM**

I. Basic Information

Name of Business: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Contact Person/Title: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ (If business is sole proprietorship.)

II. Description of project for which financing is requested (attach additional pages if necessary)

Working Capital

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

III. Type of Business

Sole Proprietorship       Corporation       Partnership

Brief description of the business the applicant is engaged in:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IV. Loan Request

ARDC loan amount requested:      \$ \_\_\_\_\_

Result of requested Urgent Loan:

Jobs Retained (or number of employees to be re-hired): \_\_\_\_\_

V. COVID-19 Pandemic Impact

Has your business been impacted by the 2020 Pandemic? Can you demonstrate a loss in sales between 2019 and 2020? Loss of grant funds or program income? Other impact? Please explain:

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Submit to: [alandgren@ardc.org](mailto:alandgren@ardc.org)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

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(for ARDC use only)

ARDC ACTION TAKEN, AND EXPLANATION FOR ACTION:

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\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date