

Program Title	Appropriation	Who Administers
Vermont Economic Injury Disaster Loans	\$ 42,400,000	VEDA
Vermont Economic Injury Disaster Grants	\$ 30,000,000	VEDA
VEDA Loan and Grant Administration Fee	\$ 1,800,000	VEDA
VEDA Loan Interest Subsidy Program	\$ 5,800,000	VEDA
Restart Vermont Emergency Action Grants	\$ 100,000,000	Dept. of Tax
Restart Vermont Loan Guarantee Program	\$ 20,000,000	VCLF and Non-Profit Lenders

Restart Vermont Grant Program	Included above	Non-Profit Lenders
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Restart Vermont Technical Support Network \$ 5,000,000 TBD

Recommendation	Brief Descr.
<p>Wait. Since CRF funds cannot be retained for a revolving loan fund, this money is limited to a one time use and would not leverage additional capital. Consider making grants according to narrow criteria instead of loans.</p>	<p>Low interest loans of 0% and no payments for 12 months, then 2% for next 12 months, then VEDA Base Rate for term of loan, maximum 10 years, max amort. of 20 years.</p>
<p>Wait. VEDA does not have the capacity to administer a high volume of grant requests, as evidenced by high PPP loan volume of 220 in three weeks when program first came out. VEDA's strength is in loans not in grants.</p>	<p>Grants for businesses who have suffered economic injury because of COVID19</p>
<p>Wait. If VEDA does administer 0% loans of CRF money, this amount may need to be higher because of lost interest in months beyond 13.</p>	<p>Payment to VEDA to administer the VEIDL Loan and Grants.</p>
<p>Go forward. Ensure that there is no double dipping with funds disbursed to dairy farms and processors.</p>	<p>6 payments of interest on loans from VEDA and/or Vt. Agr. Credit Corp, following expiration of any deferrals granted.</p>
<p>Go forward. Tax Dept. provides the only viable solution for processing a high volume of grants. 40,000 businesses could qualify. Consider initial qualification of 75% economic injury with more generous formula, then consider second wave of grants of 50% economic injury with lower formula, in order to help the most seriously affected businesses first.</p>	<p>Grants for businesses in vulnerable sectors who file monthly or quarterly reports for revenue from Rooms, Meals, Alcohol and retail sales, and have suffered economic injury because of COVID19</p>
<p>Consider adjusting program. No loan guarantees from VCLF or grants administered by VCLF or RDCs. Instead, extend to borrowers interest rate buy-downs and 6 months of payments to be used solely for that purpose. Allocate \$3 million.</p>	<p>\$4 Million for 100% Loan Guarantees held in reserve by the Vermont Community Loan Fund. \$2 million for grants to be administered by VCLF. \$14 million allocated to RDCs to buy down interest rates for borrowers or make grants.</p>

Redesign. Identify a fiscal agent or government agency able to administer grant programs that were intended to go through VEDA, VCLF and RDCs to handle the volume, simplify for applicants and ensure consistency across the program. Could be the \$43 million that was intended.

Included above.

Establish a network of Recovery Navigators with expertise in specific areas to help businesses recover from COVID19 and emerge as a viable form.

# of employees	Revenue	Max. Amt.	Calculation	Show Economic Injury
> 5	N/A	\$2,000,000	Debt service coverage.	N/A
> 5	N/A	\$ 62,500	Annual Revenue x 2.5%	50% decline in revenues for any months from 3/1-8/31
Current Borrowers	NA	N/A	Existing loan payments	N/A
N/A	\$ 2,500,000	\$ 62,500	Average Revenue x 2.5%	50% decline in revenues for any months from 3/1-8/31 compared to 2019 or 2018
Less than or equal to 5.	\$ 1,000,000	\$ 20,000	Debt service Coverage	

Less than or equal to 5. \$ 1,000,000 \$ 25,000 Annual Revenue x 2.5% 40% decline in revenues for any months from 3/1-8/31

N/A

Exclusions, Requirements Recommendation

Personal Guarantee required of any owner of more than 20% of entity when loan >\$50K. 15% loan loss reserves to be reduced from appropriation.

For real estate loans, subsidy must pass to any tenants.

Grant reduced by PPP loan proceeds and receipt of business interruption insurance. First come, first-served. Average revenue is 3 years of 2017, 2018 and 2019, or calculated based on the time business was open.

Lenders get 2.5% administration fee. Borrower must have applied for SBA PPP or EIDL loan, or loan from participating lender. Interest rate buy-down maximum of 3%. Min. Term of 5 years. Effective Interest rate of 0%. Credit score of borrower at least 620.

If applied for PPP loan, amount limited to Annual Revenue x 2.0%.
If received EIDL grant, reduce this grant by that amount.

ACCD will issue a Request For Proposal (RFP) for service providers to submit proposals to manage this network.