



Resilient Columbia: Economic Sustainability Plan

Small Business Stabilization Forgivable Loan Guidelines

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******The City of Columbia reserves the right to modify these guidelines as needed at any time.***

City of Columbia

SMALL BUSINESS STABILIZATION FORGIVABLE (SBSF) LOAN GUIDELINES

I. OVERVIEW

On March 20, 2020, the City of Columbia City Council approved funds to launch the Small Business Stabilization Forgivable (SBSF) Loan Program to provide short-term loan relief to businesses within the corporate limits of Columbia that are seeing a reduction in revenue because of COVID-19. The City of Columbia recognizes the need to support small businesses that are struggling to access capital and keep their doors open in response to COVID-19. SBSF loans of up to \$10,000 will be made at zero interest in an effort to mitigate losses experienced by our small business community. This amount may be adjusted to provide immediate assistance to as many small businesses as possible.

In accordance with our Commercial Revolving Loan Fund policy, the City of Columbia defines a small business as a business with fifty (50) employees or less. Due to the severity of the COVID-19 impact, this opportunity is available to businesses with up to 100 employees. Priority will be given to: 1.) businesses with five (5) or less employees, and 2.) businesses with up to fifty (50) employees. Eligible applicants must demonstrate revenue decreases of 30% or more due to the COVID-19 crisis. Additionally, priority will be given to our most vulnerable business owners as indicated by the City of Columbia's 2020 COVID-19 Survey of Small Businesses and assessments made by other local, state, and national public entities.

II. TO APPLY

Eligible small business owners may apply online for the Small Business Stabilization Forgivable Loan Program through a secure portal at [COC Small Business Stabilization Forgivable Loan Application](#). Applications are also available by sending your request to stabilizationloan@columbiasc.gov. Applications will be accepted on an ongoing basis, reviewed regularly and are contingent on the availability of funds. Approved applications will be processed immediately.

III. PURPOSE

SBSF loan funds are designed to provide immediate financial relief needed to strengthen our local small business enterprises that have been affected by the COVID-19 pandemic. The purpose of the SBSF loan is to provide immediate financial assistance to our small businesses for a period of two (2) to four (4) weeks as alternative revenue sources are sought or other private and/or public financing options are made available.

IV. ELIGIBILITY

Applications will be accepted by qualified for-profit, privately held small businesses that have been in business for at least a year (as of April 1, 2020) and located within the corporate limits of the City of Columbia, South Carolina. All qualified applicants must illustrate the economic injury suffered as a result of COVID-19. The loan is for a period of two (2) years with 50% of the original loan forgiven annually at the anniversary of the origination of the loan. Businesses must remain in good standing throughout the term of the loan in order to receive forgiveness.

a. Eligible Applicants:

- Businesses with 100 or less employees at the time of loan submission;
 - Priority will be given to our most vulnerable businesses with five (5) or less employees and businesses with up to 50 employees;
- Businesses with a City of Columbia business license;
- Businesses with a physical establishment within the corporate limits of the City of Columbia;
- Businesses with documented or exhibited losses due to COVID-19; and
- Applicants must agree to provide a summary and verification report after SBSF loan funds have been exhausted, the report must indicate how the loan funds were spent and include supporting documentation (i.e. receipts, payroll records, etc...). Failure to submit these reports will result in borrower having to pay the loan back in full and forgiveness will be revoked.

b. Ineligible Applicants:

- Businesses Exclusively Residential;
- Franchises;
- Hotels or Motels;
- Liquor Stores;
- National/Regional Chain Businesses;
- Financial/Lending Institutions;
- Private Membership or Fraternal Organizations/Businesses;
- Business owners that have defaulted on a City of Columbia loan within the last 15 years;
- Businesses with 51% or More of Revenue from Alcohol Sales; and Adult Oriented Businesses; and
- Businesses owned in part or fully by City of Columbia staff, administration, or leadership.

V. Uses of SBSF Loan Funding

Due to the universal financial impact of COVID-19 on our business community, we realize that the needs of our individual small business owners will vary. As a small business owner you are making a number of very difficult decisions and adjustments to save your business. To assist you during this crisis, the SBSF loan funds may be used by the business owner to pay debts, cover payroll and other bills that will help sustain a small business in the short-term until other sources of assistance or revenue have been identified by the business owner.

VI. Right of Refusal

The City of Columbia may deny any request for SBSF loan funding which it deems inappropriate or not contributing to the purpose of the SBSF loan program.

The City will review each application to determine if it conforms to City policies, ordinances and the following:

- The availability and applicability of other governmental grants and/or loan programs.
- Whether the proposed activities are desirous and in the best interests of the public to provide funding.

SMALL BUSINESS STABILIZATION FORGIVABLE LOAN FUND

STEPS TO COMPLETING YOUR APPLICATION

GENERAL TIPS:

- Complete the application on a computer, rather than your phone.
- Complete the application using Google or Firefox, if possible.
- It is easiest to complete the application in one sitting. Prior to starting your application, you should gather all required documentation so that you can complete the application in its entirety.

Step 1: Read Guidelines Completely

Step 2: Determine Eligibility

- Your business has a City of Columbia business license.
- You have been in business for at least one (1) year.
- Business is located within the corporate limits of the City of Columbia. Please click on the City Information Viewer found [here](#) to determine the location of your business (*you must enter your address on the City Information Viewer page*). If you are not located within the corporate limits of the City of Columbia, please visit the [Office of Business Opportunities](#) or the [Office of Economic Development](#) websites for a list of other available resources to assist you during this crisis.

Step 3: Complete the eligibility pre-qualification application at [SBSF Loan Fund](#). After receiving email notification to proceed to full application, proceed to *Step 4*.

Step 4: Prepare Your Documents

Before you start your application, please prepare the following required documents. If you have all of your documents, the application will not take very long to complete. Incomplete applications will not be accepted.

- Copy of City of Columbia Business License
- Copy of State Issued ID
- Most Recent Year's Business or Personal State and Federal Tax Returns for All Owner(s);
- 2019 Income Statement Showing Monthly or Quarterly Sales (*Feel free to use format that you normally use – if you use an accounting software, just upload file from that software*);
- 2020 Earnings Statement, Year-to-Date (YTD), By Month (*Feel free to use format that you normally use – if you use an accounting software, just upload file from that software*); and
 - If you use an accrual accounting system, on a separate sheet, please subtract any revenue that has not been received on as to date. A list of accounts receivable must be provided.

Step 5: Complete the application at [SBSF Loan Fund](#).

If you have questions or need assistance in completing your application, please send your inquiries to stabilizationloan@columbiasc.gov. You may also call 803-545-3950.