

Baker-Polito Administration Launches Drought Emergency Loan Fund

Mass Growth Capital's Loan Fund to Help Family Farms and Related Businesses Recover from historic drought conditions

BOSTON – Recognizing the hardship that farms throughout the Commonwealth have faced in recent weeks due to unprecedented drought conditions, Governor Charlie Baker and Lieutenant Governor Karyn Polito announced that the Massachusetts Growth Capital Corporation (MGCC) has approved a new drought loan fund to help Massachusetts small businesses. The financial support will assist farm related businesses regain financial stability and recover from lost revenue due to the drought.

“Our new Massachusetts Drought Emergency Loan Fund will provide affordable working capital loans to small businesses, including family farms, grappling with a downturn in business caused by this prolonged drought,” **said Housing and Economic Development Secretary Jay Ash.** “Additionally, we are activating all of our business development channels, to remind consumers that Massachusetts farmers markets and farm stands still have top-quality produce for sale, and they have our full support.”

MGCC will make up to \$1 million in loan funds available to provide micro-loans of \$5,000 to \$10,000 to farms located in communities impacted by the drought, particularly those in severely hit counties.

“We’re pleased to offer support to struggling family farms and related businesses hit hard by the drought,” said Larry Andrews, President of MGCC. “Our team will provide prompt review of each application and work to help local farmers in need.”

MGCC will be responsible for funding the loan, managing the loan portfolio, collection of interest and principal payments and all decision-making regarding loan approval. It is anticipated that this program will run through November 2016. For more information and an online application, visit: www.massgcc.com or call 617-337-2803.

2016 DROUGHT LOAN FUND INSTRUCTIONS

The 2016 Drought Loan Fund is up and running. Completed applications must be submitted to one of MGCC's partner organizations.

Below you will find links to our partner organizations: Massachusetts Small Business Development Centers, Massachusetts Association of Community Development Corporations, Gateway Cities Economic Development Offices. You can also contact your local Chamber Commerce for sponsorship.

[Mass Small Business Development Centers](#)

[Mass Association of Community Development Corporations](#)

General Terms and Conditions

- Open to Massachusetts-based family farms and farm related businesses
- Ineligible businesses include companies involved in real estate investment, multi-level marketing, adult entertainment, or firearms
- Loan amounts \$5,000 to \$10,000
- 3-year note with a 6-month moratorium on principal (interest due monthly), then 30-month of principal and interest (direct debited)
- Annual interest rate 3%
- Personal guarantee required of all owners with 20% or more interest in the company
- All asset lien on business
- No prepayment penalty

Approval contingent on business being profitable prior to 2016 drought and no adverse personal credit reports 60 days past due for the first six months of 2016.

Steps to submit application:

- Please fill out the 2016 Drought Loan Fund Application
- Attach other required information
 - 2015 business and personal tax return
 - Interim 2016 internally prepared financials
- Completed application and attachments need to be presented to a partner organization:
 - A member of The Massachusetts Association of Community Development Corporations [MACDC](#)
 - Your local Massachusetts Small Business Development Corporation [MSBDC](#)
 - A Gateway City or other cities' economic development department [Gateway Cities Economic Development Contact](#)
 - Your local chamber of commerce [Massachusetts Chamber of Commerce Directory](#)
- Partner organization signs endorsement statement and submits completed loan application and attachments to MGCC

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Other information required as attachments

- 2015 business and personal tax return
- Interim 2016 internally prepared financials

I: BUSINESS INFORMATION

Business name (legal): _____

Business phone: _____

Business address (street, apt. #): _____

City, State, ZIP: _____

Please provide a brief description of your business: _____

How long has your business been in operation? _____

What was your business revenue for 2015? _____

\$ _____

What was your business' profit or loss for 2015? _____

\$ _____ Profit Loss

What is the legal entity of your business? _____

Corporation LLC Sole proprietorship Other

Do you own 100% of the business? _____

Yes No

If no, please list owners with more than 20% interest in the company (each have to fill out a separate application): _____

Number of employees, including yourself: _____

Full time: _____ Part time: _____

II: PERSONAL INFORMATION

Full name: _____

Email address: _____

Home address (street, apt. #): _____

City, State, ZIP: _____

Home phone: _____

Cell phone: _____

Date of Birth (month, day, year): _____

Social Security number/ITIN: _____

Have you received a loan from MGCC in the past? _____

Best time to call: Morning Afternoon

Annual salary: \$ _____

Assets Cash: \$ _____

Liabilities Mortgage: \$ _____

Home Value: \$ _____

Credit cards: \$ _____

Other _____: \$ _____

Other _____: \$ _____

III: LOAN REQUEST

Detail how the business was impacted by the drought of 2016? (Must be verifiable)

Amount Requested: \$ _____

Use of Funds: _____

IV: PARTNER AGENCY

Type of outreach partner agency:

- Community Development Corporation
- Community Development Finance Institution
- Main Streets Organization

- City Economic Development Office
- Chamber of Commerce
- Small Business Development Center
- Other: _____

Name of outreach partner agency: _____

Contact Name: _____

Phone number: _____

V: APPLICATION QUESTIONS

Have you ever declared personal or business bankruptcy? Yes No

If yes, was your bankruptcy discharged or dismissed more than 12 months ago? Yes No

Have you ever been arrested or convicted of a crime? Yes No

VI: AUTHORIZATION FOR VERIFICATION OF INFORMATION:

Please read carefully before signing inquiry

I attest that, to the best of my knowledge, all information on this inquiry is true and correct. I authorize Massachusetts Growth Capital Corporation (MGCC), to obtain consumer and/or commercial credit reports, now or in the future, and to exchange this information about credit experience internally and/or with other creditors, as authorized by law. I also understand that this Inquiry will serve as the first step of my loan application process with MGCC and authorize MGCC to investigate and verify all of the above information and any additional information that may be requested. I also understand that any and all information provided to MGCC, including any credit report(s), may be used by MGCC to approve or decline my request and that MGCC will keep this inquiry whether or not I receive a loan.

APPLICANT SIGNATURE _____ **DATE** _____

VII: ENDORSEMENT OF PARTNER AGENCY:

Please accept this completed application request. We acknowledge this company is currently operating at stated address.

PARTNER SIGNATURE _____ **DATE** _____

For Partner Agency Use Only:

Date received:

For MGCC Use Only:

Date received:	Date business contacted if incomplete:
Approved _____	Declined _____
Date closed:	Date client notified: