Business Continuity Loan Fund
FAQ

What is the Business Continuity Loan Fund (BCLF)?
As the city of Atlanta’s economic development agency, Invest Atlanta is committed to supporting the business community through major disruptions. To ensure the viability of city businesses and help sustain employment, with funding from the City of Atlanta, Invest Atlanta has established a Business Continuity Loan Fund (BCLF). The fund provides a public benefit to assist small businesses affected by an economic shock due to the COVID-19 pandemic. It offers small businesses zero-interest loans to address a lack of working capital and cash flows as a result of reduced consumer demand, the ability to fulfill product or service orders, and other economic conditions.

Information about the fund is available on Invest Atlanta’s website at:
www.investatlanta.com/bclf

Immediate questions can be directed to:
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Why was the BCLF established?
Small businesses are a vital part of Atlanta’s economy. The fund was established to support Atlanta’s small business economy and protect jobs, providing a source of working capital to help businesses sustain operations by covering costs like rent and payroll while business activity is down. Based on previous economic impacts we know that an estimated 25 percent of businesses do not open again after a major disaster, according to the Institute for Business and Home Safety. In addition, 90 percent of smaller companies fail within a year unless they can resume operations within five days. Hence, Invest Atlanta is working to create a loan fund to try to mitigate this potential impact.

How much money is available for loans?
The fund was capitalized through a $1.5 million appropriation from Mayor Bottoms’ and the City Council of a $7 million emergency fund package to support those adversely affected by COVID-19. All $1.5 million will be applied to the Business Continuity Loan Fund to support small businesses and reduce job losses.

How much money can a business borrow?
Available loans range from $5,000 - $30,000 per applicant. The loan amount will be based on the economic injury and the company’s financial needs.

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What are the terms of the loan?
Loans are paid back monthly over a term not to exceed five (5) years at an interest rate of 0% with a 6 to 12-month deferment before the first payment is due.

Who is a qualified applicant for the BCLF?
The BCLF program is for businesses operating in the city limits for Atlanta. To be a qualified applicant for the BCLF, businesses must:
- Be an existing for-profit corporation, partnership, sole proprietorship or non-profit with for-profit activities in the city of Atlanta that contributes to trade.
- Be current on all financial obligations related to the lease or mortgage agreement for the business.
- Have 50 or fewer full-time employees, i.e., employees working at least 30 hours per week or 130 hours per month.
- Have been in operations for 1 year
- Have a current City of Atlanta business license.
- Be current on all city of Atlanta taxes and fees.

Who does not qualify for the BCLF?
- Non-profit organizations without for-profit activities.
- Businesses (or any of its principal owners) that derive any part of its annual gross income (including rental income) from gambling activities, except in those cases where an otherwise eligible small business concern obtains less than 13 percent of its annual gross income (either at loan inception or during loan term) from its income or commissions from the sale of official state lottery tickets under a state license.
- Individuals or organizations that hold real property for passive sale or investment with no active ties to for-profit business activities.
- Businesses engaged in an adult business as defined by City Code Section 16-29.001(3).
- Businesses owned or operated by officials or employees of the City of Atlanta or Invest Atlanta are not eligible loan recipients.
- Any individuals who are trying to start a new enterprise that has no current or historical financial statements and business activity.

Download the program guidelines at www.investatlanta.com/bclf for all application requirements.

How can the funds be used?
Loans will be made only for lease or mortgage payments, payroll, inventory management, and working capital.

How do I apply for the BCLF?
Invest Atlanta has established a webpage for the Business Continuity Loan Fund and other resources for businesses. Applications and a video with instructions on how to apply are available on the webpage at www.investatlanta.com/bclf. Applicants will be required to provide a description of their business, financial documents, intended use of the Business Continuity Loan Fund money, and other information.

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The types of information to be included in an application include:

- Source and use of funds
- Business narrative: 1-2-page description of your business, including management staff
- One year of business financials
- One year of personal financials
- Personal financial statement
- Documents describing the impact of the disaster on your business
- Copy of an executed current lease agreement or mortgage loan document (showing monthly obligation) on your site

Download the program guidelines at www.investatlanta.com/bclf for all application requirements.

**Is there a fee to apply?**
No.

**How will you choose which businesses are awarded loans?**
The BCLF is a repayable loan program and not a grant. The intention of the program is to sustain existing businesses and jobs through the crisis. Eligible applicants will be evaluated by Invest Atlanta and its Credit Review Committee on credit factors such as management, market, and the industry, credit history, financial analysis, and collateral. The BCLF program guidelines include a full list of criteria and conditions for funding. **Applications will be reviewed in the order they are received.**

**Can a business receive multiple BCLF loans?**
No, businesses can only receive one BCLF loan.

**What are the penalties if I default on the loan?**
Invest Atlanta is committed to working with any business to assist where possible on a payment schedule that is not overbearing to the business. Even after such an arrangement has been made and there continues to be a default, loans that are delinquent sixty (60) or more days will be sent to an outside collection attorney/agency.

**Will there be additional funding available through Invest Atlanta?**
The Business Continuity Loan Fund includes $1.5 million provided by the City of Atlanta to assist small businesses affected by COVID-19 pandemic. In addition to the BCLF, Invest Atlanta offers a number of small business financing programs that may be helpful. Information about these programs is available on Invest Atlanta’s website under small business loan programs or by visiting Invest Atlanta’s Business Continuity Loan Fund webpage at www.investatlanta.com/bclf.

The U.S. Small Business Administration, Access to Capital for Entrepreneurs (ACE) and other organizations have established resources to support small businesses during the COVID-19 pandemic. Links to information are available on Invest Atlanta’s Business Continuity Loan Fund webpage.

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Is this a revolving loan fund? Will repaid loan dollars be used to fund additional loans?
Yes. For the Business Continuity Loan Fund, in particular, this fund will only be used in times of a declared emergency.

Note: this Q&A document is to serve as a guide to the Business Continuity Loan Fund program. Please continue to check the Invest Atlanta website for updated information regarding the program.