

# SMALL BUSINESS 20/20 PROGRAM



## RELIEF FOR BUSINESSES IMPACTED BY COVID-19

The Small Business 20/20 Program was created to help mitigate the impact of the COVID-19 pandemic on small businesses and micro-enterprises in Wisconsin. The program is designed to ease these businesses' short-term cash flow challenges and, in conjunction with other state response programs, protect jobs and public health in Wisconsin.

### HOW IT WORKS

To help small businesses maintain cash flow in the face of unprecedented business disruption brought on by COVID-19, the Wisconsin Economic Development Corporation (WEDC) is leveraging the strong relationships the state's community development financial institutions (CDFIs) have with their clients to quickly deploy \$5 million in emergency capital.

### ELIGIBILITY REQUIREMENTS

Eligible applicants for Small Business 20/20 funds are Wisconsin CDFIs with a minimum organizational loan portfolio of at least \$4 million, or a collaborative of CDFIs with a combined organizational loan portfolio of at least \$4 million.

Approved CDFIs and collaboratives will make program grants available to for-profit businesses that are current loan recipients in good standing as of 3/1/20 with the approved CDFI and/or its collaborating CDFIs. These businesses must have 20 or fewer full-time or part-time employees and greater than \$0 but less than \$2 million in annual revenues. Preference will be given to service and retail businesses.

Businesses may be granted two months of payroll and rent expenses, up to a maximum of \$20,000. Funds must be used for rent and payroll expenses, including covering paid leave (sick, family and other leave related to COVID-19) during the duration of the funding period.

## ACCESSING SMALL BUSINESS 20/20 FUNDS

For more information about the Small Business 20/20 Program, visit [wedc.org/sb2020](http://wedc.org/sb2020).

Small business owners are encouraged to work with their lenders to address financial challenges posed by COVID-19.

# WEDC announces targeted grants to small businesses suffering losses due to coronavirus emergency

March 18, 2020 | [News, Uncategorized](#)

*\$5 million grant program will assist "smallest of the small" businesses around state*

**MADISON, WI. March 18, 2020** – In another step toward assisting small businesses that suffer losses related to the COVID-19 health emergency, the Wisconsin Economic Development Corporation (WEDC) is creating a program to provide grants to targeted businesses throughout the state, WEDC Secretary and CEO Missy Hughes announced today.

The WEDC Board of Directors on Tuesday approved \$5 million in funding for the program, which will be known as Small Business 20/20 (SB20/20). SB20/20 will provide grants of up to \$20,000 to targeted businesses with no more than 20 employees to cover rent and to meet payroll expenses, including paid leave (including sick, family and other leave related to COVID-19).

"This is an important first step by WEDC in helping small businesses in our state and their employees who are facing lost revenues, missed paychecks and other uncertainty due to COVID-19," said Governor Tony Evers. "As the impacts of COVID-19 continue to be felt, we will be relying on WEDC to develop additional innovative programs to meet the needs of our state."

"This is a program targeted at some of the 'smallest of the small' businesses that are vital to their communities. Many of these businesses, especially retailers, restaurants and small service providers, typically operate on the narrowest of margins," said Hughes. "Many don't have the cash reserves needed to survive a substantial loss of revenue, which can happen with a prolonged emergency. SB20/20 will help put cash in the pockets of these businesses and their employees when they need it most."

"We understand that this is just a start, and WEDC is working to develop additional programming to help get resources out to the communities and increase eligibility for participation. We will be looking for additional solutions in the coming days as we learn more in this evolving situation."

The grants will be deployed by partnering with state's 23 community development financial institutions (CDFIs). Because the CDFIs have pre-existing relationships with many of these small businesses, CDFIs will be able to provide the grants quickly and directly to their clients.

CDFIs are specialized community-based financial institutions with a primary mission to promote economic development by providing financial products and services to people and communities underserved by traditional financial institutions, particularly in low income communities. CDFIs include community development banks, credit unions and non-regulated institutions such as nonprofit loan funds or venture capital funds.

WEDC is encouraging CDFIs with a minimum organizational loan portfolio of at least \$4 million to participate in SB20/20. In addition, smaller CDFIs are encouraged to work together and apply as part of a collaborative with a combined organizational loan portfolio of at least \$4 million, designating one CDFI as the lead applicant/recipient of funds. CDFIs that don't meet the minimum portfolio size are also encouraged to collaborate with the larger CDFIs to serve their clients.

[More information about the program is available at wedc.org/sb2020.](http://wedc.org/sb2020) **Applications for business assistance must be processed through the CDFIs and not WEDC. WEDC plans to identify the participating CDFIs within the next two weeks.**