

**City of McDonough Georgia
COVID-19 PANDEMIC
EMPLOYEE RETENTION LOAN PROGRAM**

The COVID-19 Pandemic Employee Retention Loan Program (loan program) has been established to provide assistance to businesses during the National Pandemic Emergency Time Period. The loan program is administered by the McDonough Downtown Development Authority (DDA) working with the City of McDonough.

The loan program is authorized by Resolution adopted by the Mayor and Council on March 30, 2020, and administered, pursuant to an Intergovernmental Agreement, by the DDA.

The purpose of the Program is to provide assistance to local businesses employing a minimum of one employee/independent contractor to continue operations and employee retention during the COVID-19 Pandemic Period and serve as a bridge to other government resources that may become available or when the Social Distancing recommendations of the CDC and the Office of the Governor, as ordered by the City of McDonough Declaration of Local Emergency, expire.

The program is a loan program, not a grant program. The proceeds available to each qualified business will be in range of \$1 to \$3,000. The interest rate is 3%. However, interest will not accrue during the Declaration of Emergency made by the Mayor of McDonough. Repayment of the loan is due twenty-four months from the termination of the Declaration of Emergency by the Mayor. Qualified businesses are those within the McDonough Downtown Development Authority's jurisdiction (60%) and businesses outside the DDA's jurisdiction (40%). The additional requirements are:

1. The business operates with a minimum 1 employee or independent contractor, in addition to the business owner and
2. Holds a current Occupational Tax Permit and
3. Has no delinquent revenues due to the City and
4. The loan proceeds are to be used to assist the business in retaining employees or equivalents and
5. Is not owned by a member, or family member of the City's governing authority or the DDA.

6. Please complete the Loan Program Application and remit it to Mike Clark via email, mail, or drive-thru window at City Hall. Please contact Mike with any questions at mclark@mcdonoughga.org or 678-782-6208.

Important Note: Heritage Bank is donating loan administration services to assist the DDA in servicing the Loan Program. Borrowers should expect a joint letter from Heritage Bank and the DDA.

**MCDONOUGH DOWNTOWN DEVELOPMENT AUTHORITY
COVID-19 PANDEMIC
EMPLOYEE RETENTION LOAN PROGRAM APPLICATION FORM**

Open Records Notice:

All information submitted is subject to non-profit disclosure under the Georgia Open Records Act and other applicable laws.

Application Date: _____.

APPLICANT INFORMATION

Business Name as Shown on Occupational Tax Permit

Phone Number

Business Name and Address

Federal Identification Number: _____.

Occupational Tax License Number: _____.

Number of Employees/Independent Contractors: _____.

Loan Amount Requested (Not to exceed \$3,000): _____.

Description of Use of Proceeds for Employee Retention Purposes:

Applicant Signature: _____.

Date Received by DDA: _____.

Date Reviewed by DDA: _____.

Approved by: _____.

**MCDONOUGH DOWNTOWN DEVELOPMENT AUTHORITY
COVID-19 PANDEMIC
EMPLOYEE RETENTION LOAN PROGRAM PROMISSORY NOTE**

APPLICANT AGREEMENT:

The Applicant (Debtor), _____, agrees to pay to the order of the McDonough Downtown Development Authority (Creditor) the amount of \$ _____, including interest at 3%. Repayment of the loan is due within 24 months of the termination date of the Declaration of Emergency by the Mayor.

The loan is unsecured. Interest will not accrue during the COVID-19 Declaration of Emergency.

The Applicant agrees to submit a report on the actual use of the proceeds for the purpose of employee/independent contractor retention.

The Applicant is not a member or family member of the City's governing authority or of the DDA, or immediate family member thereof.

Applicant Signature: _____.

DDA Officer Signature: _____.