

Community Outreach
Local Business Assistance
Week of May 4 - May 8

Dear Local Business Owner,

We hope this message finds you well. In an effort to help streamline and simplify information, City staff have been working to compile information about various financial assistance programs available to local businesses. Below is information on Main Street Lending. Thank you for all that you do for our community! We will get through this challenging time together.

-City of New Richmond

Program Name: Main Street Lending Program

Administrator(s): Federal Reserve - The Program will operate through three facilities: the Main Street New Loan Facility (MSNLF), the Main Street Priority Loan Facility (MSPLF), and the Main Street Expanded Loan Facility (MSELF). Term sheets for each facility and [Frequently Asked Questions \(FAQs\)](#) providing more information regarding eligibility and conditions can be found below.

Who's Eligible: Small and medium-sized businesses that were in good financial standing before the onset of the COVID-19 pandemic (The Federal Reserve designed Main Street to support small and medium-sized businesses that were unable to access the PPP or that require additional financial support after receiving a PPP loan. Main Street loans are not forgivable.)

Structure: To implement the Program, the Federal Reserve Bank of Boston will set up a special purpose vehicle (SPV) to purchase participations in loans originated by eligible lenders. Lenders will retain a percentage of the loans. As detailed further in the term sheets, U.S. businesses may be eligible for loans if they meet either of the following conditions:

- (1) the business has 15,000 employees or fewer; or
- (2) the business had 2019 revenues of \$5 billion or less.

Loans issued under the Program would have a four year maturity, and principal and interest payments on the loans will be deferred for one year. Eligible lenders may originate new loans (under MSNLF and MSPLF) or increase the size of (or “upsized”) existing loans (under MSELF) made to eligible businesses.

Operational Status: The Federal Reserve is currently working to create the infrastructure necessary to operationalize the Program. More information will be posted here as it becomes available regarding Program terms and how eligible lenders can sell eligible loan participations to the SPV. Once the Program is operational, small and medium-sized businesses interested in the Program should seek to apply for Program loans from an eligible lender.

Timeline: Effective April 9, 2020 (Updated April 30, 2020)

More Details: <https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm>