

Local

# Dame rooting for small businesses to succeed through GRADD loan opportunity

By Freddie Bourne McLean County News

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The McLean County judge-executive's office wants to encourage both new and small business owners to take advantage of a loan program through the Green River Area Development District.

According to GRADD's website, the Revolving Loan Fund (RLF) was established to develop and assist in financial packages for companies in the industrial, commercial, agricultural and service sectors. It is designed to have an impact on the economic growth of the region.

"It's really for anyone that has been impacted by COVID," said Gina Boaz, economic development specialist of GRADD. "It can be for retail services, restaurants, car lots, small businesses..."

"It's really geared to helping a small business get started or providing that working capital," said McLean County Judge-Executive Curtis Dame. "You need to be able to buy pens, paper — all that stuff. If you're starting a new business, buying supplies — maybe it's just capital investments like furniture, soft costs. You're gonna have to figure out how to make that work and that's not going to be a readily available return on investment. A desk will help you to where you want to go but it's not going to repay you like a piece of manufacturing equipment."

Joanna Shake, executive director of GRADD, said the loan came at the perfect time for some people.

"Some people were on the brink of closing their business or losing their position," Shake said. "It was an opportune time to start a business."

Funding is available to small businesses for start-ups or expansions with zero interest for the first year. Loans will help with the purchase of machinery, equipment, working capital and additional industrial, commercials or tourism enterprise development.

Funds can range from \$5,000 to \$250,000. The program has a 0% interest rate for the first year, repayment terms from five to 15 years, and reduced collateral and equity injection.

"One of the key things about this is that a lot of our young and new businesses, here in this county, will qualify for this program," Dame said. "It's fairly easy."

Boaz and Shake said that despite wanting to help, interest in the county seems absent.

"We currently have zero applications from McLean County," Boaz said. "People may not be aware of it."

"We're here to help," Shake said. "We're open to any ideas."

Boaz said that the program has been shared through many mediums such as social media and print publications.

Dame said that in his time as judge-executive, he may see why some are resistant to apply for the program.

“One of the primary hurdles I see in the county for people is not the dream or the desire to do the business,” Dame said. “It’s the complexities of capital equity. What assets are you going to have to tie up with whatever financing you have?”

Boaz said that some may feel they are revealing too much about their financial situation but there is still interest.

“People don’t like to share that information,” Boaz said. “But we have a lot of people that want an application. We’re trying to help them get through this time.”

Dame said people, while hopeful, may risk too much and believes the program can alleviate that burden.

“The last thing we want to see ... is that some people are so very impassioned by business that they put their own home mortgage sometimes to go,” Dame said. “My goal is to (be) where people don’t have to do that.”

But Dame said that potential applicants are not the only ones taking a chance.

“GRADD is taking, what we consider, a little bit of a risk to make sure we get these loans,” Dame said. “But sometimes, if someone wants to start a new business, especially if you’re straight out of college ... you might not have the equity or the collateral you can put in.”

Dame said that GRADD is willing to help one-on-one with people that are interested in the program, even with filling out the application in-person and over the phone.

“In today’s world, getting a call back means a lot,” Dame said.

“Our core function is to help with any development we can,” Shake said. “We will even drive out to the county and meet.”

Currently, there are no success stories from the county about utilizing this program. Dame believes that people that have a new business and a detailed plan should consider applying.

“This program, from a judge-executive standpoint on helping our small local businesses, either get through this slump ... or start a new adventure and diversify,” Dame said. “This is a prime opportunity or prime resource to use for that.”

Applications are available on GRADD’s website, with the application fee being waived.

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