

## \$5 million in loans, flexible financing available for small Delaware businesses

***Gov. John Carney and Wilmington mayor Mike Purzycki came together with business and community leaders Monday to announce a new initiative to help small businesses in the state of Delaware.***

***Jeff Neiburg, The News Journal Published 9:44 a.m. ET Nov. 7, 2017***

The Grow Delaware Fund aims to mimic the Grow Wilmington Fund, a partnership between Wilmington Office of Economic Development, Discover Bank, Cozen O'Connor and the National Development Council.

The Grow Delaware Fund – facilitated by West End Neighborhood House, The Longwood Foundation, Discover Bank, Department of State Division of Small Business Development and Tourism and the National Development Council – will provide \$5 million to support loans to small businesses in Delaware that are seeking to strengthen their operations and grow jobs.

The initiative offers flexible financing to Delaware-based businesses through long-term, fixed rate financing designed to minimize monthly principal and interest payments to maximize growth. The goal is to help Delaware businesses to add and retain jobs.

Small businesses typically have less than 500 employees and have revenues between \$200,000 and \$20 million.

Program manager Deepa Singh said the group has been reaching out to various programs and chamber groups to inform businesses how to get involved.

"The way we'll work with them, which is kind of unique, there is no application fee," Singh said. "We'll walk them through the whole process. We'll go through the financial statements and other information and that gives us enough background to know if they're eligible.

"If they meet the criteria, we're able to provide them with a term sheet."

Since its inception, the Grow Wilmington Fund has loaned in excess of \$3.2 million to support four small businesses which were able to create 17 new and retain 52 existing jobs.

One of the fund's success stories, Paul Campanella's Auto & Tire Center, used the Grow Wilmington Fund to move from its former location just outside of the city limits to its new location near the intersection of Concord Avenue and Broom Street. Owner Paul Campanella hosted the Grow Delaware announcement ceremony at the new location, which is scheduled to open in November.

Grow Delaware Fund loans range from \$150,000 to \$4 million. The amount a business can borrow is subject to underwriting guidelines and loan fund availability.

Once obtained, loan funds may be used for the following: working capital (to be repaid over 10 years), machinery and equipment (to be repaid over 10 years), real estate acquisitions/renovation (to be repaid over 25 years), tenant improvements (to be repaid over the life of the lease) and refinancing existing debts.

Together, the funds will leverage over \$11 million to assist economic development and job creation.

"This is how we want to see economic development function in Delaware," Gov. John Carney said in a press release. "It takes a model that worked well at the local level and expands it statewide, helping businesses to grow and prosper from Claymont to Delmar. Small businesses are a cornerstone element of Delaware's overall economic strength, and I look forward to seeing the new successes that will come out of assistance from the Grow Delaware Fund."