



# COUNTY OF KENOSHA

## Administrative Services Emergency Management

Bennett J. Schliesman  
Director

1000 - 55th Street  
Kenosha, WI 53140  
Telephone: (262) 605-7900  
Fax: (262) 605-7905  
E-mail: BSchliesman@co.kenosha.wi.us

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### PRESS RELEASE

For More Information, Contact:  
Ben Schliesman at 262-605-7900

## SBA Designates a Disaster Declaration for Kenosha County

The Small Business Administration (SBA) has designated Kenosha County with an SBA Disaster Declaration. "I'm extremely happy that the Small Business Administration realized the extent of storm damage in Kenosha County," stated Jim Kreuser, Kenosha County Executive. "The SBA Declaration will allow many home-owners, renters and small businesses the ability to rebuild their lives."

"The June 19<sup>th</sup> storm that came through Kenosha County dumped more than 5" of rain over the southern half of the County in a short period of time, which caused flash flooding," said Ben Schliesman, Director, Kenosha County Emergency Management. "People will now be eligible for low interest loans up to \$200,000 for homeowners to repair or replace damaged homes, homeowners and renters are also eligible for up to \$40,000 to repair or replace damaged or destroyed personal property."

People interested in receiving an SBA low interest loan application can call the SBA at 1-800-659-2955 or contact them by e-mail at [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance). Residents may also pick-up their SBA Loan application and/or get help in filling out their loan application at the SBA Disaster Loan Outreach Centers (DLOC's) in Kenosha County. Listed below are the DLOC locations with their dates and hours of operations.

#### July 21-25

Kenosha County Job Center  
Commons – Entrance D  
8600 Sheridan Road  
Kenosha WI 53143  
July 21-24, 9 AM – 6 PM  
July 25, 8 AM – Noon

#### July 27-31

Kenosha County Center  
Kenosha Dept. of Human Services  
19600 75<sup>th</sup> Street  
Bristol, WI 53104  
July 27-30, 9 AM – 6 PM  
July 31, 9 AM – 4 PM

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NOTE: SBA Fact Sheet Attached



# U. S. SMALL BUSINESS ADMINISTRATION FACT SHEET - DISASTER LOANS

## WISCONSIN #11809 & #11810 (Disaster #WI-00019)

For the Counties of Kenosha and Racine and contiguous counties of Milwaukee, Walworth and Waukesha in the State of Wisconsin; and contiguous counties of Lake and McHenry in the State of Illinois.

**Severe Storms and Flooding  
Occurred June 18, 2009 through June 19, 2009**

**Filing Deadline for applications for Physical Damage  
to homes, personal property, businesses:**

September 14, 2009

**Filing Deadline for applications for Economic Injury:**

April 15, 2010

Whether you rent or own your own home, own your own business, or own a small agricultural cooperative located in a declared disaster area, and are the victim of a disaster, you may be eligible for financial assistance from the U. S. Small Business Administration (SBA).

### What Types of Disaster Loans are Available?

- Home Disaster Loans – Loans to homeowners or renters to repair or replace disaster damaged real estate or personal property owned by the victim. Renters are eligible for their personal property losses, including automobiles.
- Business Physical Disaster Loans – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- Economic Injury Disaster Loans (EIDLs) – are working capital loans to help small businesses, small agricultural cooperatives and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration (SBA).

### What are Mitigation Loans?

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan, but may not exceed 20 percent of total amount of disaster damage to real estate and/or leasehold improvements, as verified by SBA to a maximum of \$200,000 for home loans. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

### What are the Credit Requirements?

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay all loans.
- Collateral – Collateral is required for physical loss loans over \$14,000 and all EIDL loans over \$5,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

### What are the Interest Rates

By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan. The interest rates applicable for this disaster are:

	<u>No Credit Available Elsewhere</u>	<u>Credit Available Elsewhere</u>
Home Loans	2.437%	4.875%
Business Loans	4.000%	6.000%
Non-Profit Organizations	4.000%	4.500%
Economic Injury Loans	4.000%	N/A

### What are Loan Terms?

The maximum term is 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 3-years term. SBA sets the installment payment amount and corresponding maturity based upon each borrower's ability to repay.

### What are the Loan Amount Limits?

- Home Loans – SBA regulations limit home loans to \$200,000 for the repair or replacement of real estate and \$40,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.
- Business Loans – The law limits business loans to \$2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- Economic Injury Disaster Loans (EIDL) – The law limits EIDL(s) to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates.
- Business Loan Ceiling – The \$2,000,000 statutory limit for business loans applies to the combination of physical and economic injury, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.

### What Restrictions are there on Loan Eligibility?

- Uninsured Losses – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- Ineligible Property – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- Noncompliance – Applicants who have not complied with the terms of previous SBA loans are not eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA or Federally Insured loans.

### Is There Help Available for Refinancing?

- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property), and (3) intends to repair the damage.
- Homes – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, in some cases up to the amount of the loan for real estate repair or replacement.
- Businesses – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, in some cases up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.

### What if I Decide to Relocate?

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

### Are There Insurance Requirements for Loans?

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance for the full insurable value of the property for the life of the loan.

**For more information, contact SBA Disaster Assistance Customer Service Center at  
(800) 659-2955 or [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)  
[www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance)**