



NetWork Kansas

2020 Special Committee on Economic Recovery

- **Supporting Businesses and Communities Through Partnerships**
- **Steve Radley, President & CEO**
 - Financing: Extending, creating, and infusing financing capital
 - Programs and Partnerships: Commerce, Banks, and Corporations
 - Federal Partners: SBA
- **Erik Pedersen, Vice President**
 - E-Community Portfolio and Activity
 - State Level Partnerships: Infusing loan and grant funds



Response & Recovery

Extending Capital – NetWork Kansas Current Portfolio

- \$7.524 million of \$22.063 million or 34% have some type of deferral
- A. Paying Interest Only: 24%, B. Paying Nothing: 10%
- 220 of 725 loans have some type of deferral
- A. Paying interest only: 19.58% B. Paying Nothing: 10.75%

Creating and Infusing Capital – Loans from March 2020 through August 2020

- \$7.045 million in loans to 445 businesses, leveraged more than \$7.6 million in additional capital
- 401 (90%) of the loans were attributed to two programs created, launched and funded to respond to COVID19. (HIRE and Restart Kansas)
- 4 plus years of loans in 6 months!

James Barfield, Squeegee Squad, Restart Kansas Loan Recipient

“The funds we received through Restart Kansas have been very impactful to our small firm. COVID19 has definitely affected our business which made it difficult to maintain cash flow. These funds allowed us to invest in our current staff, increase marketing and working capital.”



COVID19 Response: Programs and Partners

- HIRE Loan Program/Kansas Department of Commerce
- Restart Kansas/13 Kansas Banks, Evergy (Greater Wichita Partnership)
 - \$545,000 to 55 businesses
- PPE Grant Program/Blue Cross Blue Shield of Kansas
 - \$250,000 in grants to 9 businesses and colleges to produce PPE equipment for Kansas healthcare providers

Aaron Bastian, President, Fidelity Bank, Wichita

“This isn’t just a program to support businesses. “Restart Kansas is lending confidence to business owners, employees, customers and their families all across Kansas. We hope others will join us in helping to ease the burden for these small businesses.”

Matt All, President & CEO, Blue Cross and Blue Shield of Kansas

“We are proud to provide relief where we can to organizations across our state that are working hard to meet the needs of all Kansans. We care deeply about our communities and are committed to providing assistance where we can. NetWork Kansas is doing an incredible job of keeping the entrepreneurial spirit alive and strong during this time while also helping those on the frontlines, and we are grateful for that work.”



Kansas SBA: A Once in a 100 Years Capital Response

- PPP Loans: 53,755 loans approved totaling \$5.031 billion
- Economic Injury Disaster Loans (EIDL): 17,265 loans/\$991.56 million
- 2019: 418 loans approved for \$214.18 million
- Nationally: 14 Years of loans in 14 Days!



Entrepreneurship (E-) Communities



HIRE Fund (Hospitality Industry Relief Emergency)

- \$5,000,000 to be deployed in 3 days
- \$2M KC Metro, \$1M Sedgwick County, \$2M Rest of State
- Application posted on Commerce website
- \$15,000 loans, 0% interest, 48 month term, 4 month deferral
- 1,400+ applications received
 - In order of date/time stamp as long as criteria met
 - Local review teams: 10-12 ED Directors & Chamber Directors, per region
 - Criteria: HIRE Industry, Use of Funds, Discussion of business, Any obvious red flags?
- 346 approvals
 - Jobs Retained: 1,645 F/T, 2,832 P/T
 - First pmt due 7/25: 8 PIF, 11 received 3 month deferral, 46 no payment, 281 made payment



Small Business Working Capital Grants

- \$23,395,000
- 40% KC Metro, 20% Sedgwick County, 40% Rest of State
- Application posted on Commerce website
- Scoring criteria
 - Meets basic eligibility: 50 points
 - Revenue Loss: 20 - 30 points
 - Currently Open & Operating: 0 points (no) or 10 points (yes)
 - Essay Question: 0 points (no) or 10 points (yes)
 - Does the Business Present a Plan for Using the Funds and Mitigating Future Crisis Situations?
 - Minority, Woman, Disadvantaged or Veteran Business Enterprise: 0 points (no) or 10 points (yes)



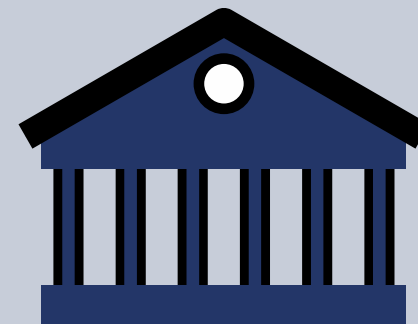
Small Business Working Capital Grants

Fund	Reviewer	Total Award Allocation	Max Award Amount per Company
Retail	NetWork Kansas	\$2,320,000	\$10,000 (<\$150K gross receipts)
			\$15,000 (\$150K-300K gross receipts)
			\$20,000 (>\$300K gross receipts)
Restaurant & Hospitality	NetWork Kansas	\$5,805,000	\$20,000
Professional Services	NetWork Kansas	\$3,480,000	\$20,000
Personal Services	NetWork Kansas	\$3,480,000	\$20,000
Other	NetWork Kansas	\$8,310,000	\$20,000



Small Business Working Capital Grants

	KC Metro	Sedgwick	Rest of State	Total
Retail	209	92	365	666
Recommended Apps	80	62	143	285
Restaurant/Hospitality	373	170	530	1073
Recommended Apps	165	113	279	557
Professional Services	253	127	265	645
Recommended Apps	88	79	100	267
Personal Services	243	110	236	589
Recommended Apps	83	60	168	311
Other	759	370	980	2109
Recommended Apps	221	212	377	810
Grand Total	1837	869	2376	5082
Grand Total Recommended	637	526	1067	2230



Entrepreneurship (E-) Communities

- March 1 – August 31, 2019 vs. March 1 – August 31, 2020
- E-Community Loans
 - '19: East- 14, Central- 15, West- 14
 - '20: East- 7, Central- 4, West- 18
- E-Community Loan Dollars
 - '19: East- \$533,650, Central- \$587,330, West- \$581,500
 - '20: East- \$174,000, Central- \$49,237, West- \$644,920
- E-Community Loan Dollars are 18% of funds in the financing package



Steps Going Forward

- Engage Partners and Communities in current and new strategies to connect resources to businesses
- Continue to expand partnerships beyond ED groups to banks and community development organizations (foundations, healthcare providers, etc.)
- Execute on the mission to create, grow, and connect Kansas businesses to start and grow their business



Banks/Headquarters: 2020 Investors

Adams Bank and Trust, Ogallala, Nebraska

Community National Bank & Trust, Chanute

Farmers and Merchants Bank of Colby, Colby

Fidelity Bank, Wichita

First National Bank & Trust, Phillipsburg

Intrust Bank, Wichita

Peoples Bank & Trust, McPherson

Bank of Hays, Hays

Emprise Bank, Wichita

Farmers Bank & Trust, Great Bend

First National Bank & Trust of Hutchinson, Hutchinson

Heartland Tri-State Bank, Elkhart

Mid America Bank, Baldwin City

Businesses/Colleges Receiving PPE grants

- Alderman Acres Manufacturing, Inc., Coffeyville, \$32,000
- Emporia State University, Emporia, \$32,000
- Wichita State University, Wichita, \$37,000
- Fab Lab, Independence, \$25,000
- Fuller Industries, Great Bend, \$31,000
- Hodgeman Economic Development, Jetmore, \$21,000
- U.S. Awards, Inc., Pittsburg, \$25,000
- New Age Industrial Corporation, Inc., Norton, \$15,000
- *One grantee asked that their name be withheld.

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