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Rhode Island governor and Goldman Sachs announce loan fund to benefit state's small businesses

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Governor Gina Raimondo

Providence, RI Governor Gina Raimondo said that Goldman Sachs has committed \$10 million for loans for small businesses in Rhode Island through a partnership with Rhode Island Commerce Corporation and with Community Reinvestment Fund (“CRF”), the largest non-profit, non-bank SBA 7(a) lender in the country. Applications are currently being accepted and can be found by visiting www.commerceri.com. 96% of all businesses in Rhode Island are small businesses, and Rhode Island will continue to deliver resources to its entrepreneurs.

"I want to thank Goldman Sachs for making this incredible commitment to Rhode Island," said governor Raimondo. "The decisions we've had to make to keep Rhode Islanders safe through this crisis have had an overwhelming impact on our economy, particularly our small businesses. It's urgent that we offer swift solutions that bring needed resources to our small businesses. I hope this announcement provides additional relief to our dedicated small business owners."

"We have long held Rhode Island as one of the best examples of a small business success story, with an incredibly motivated set of entrepreneurs and very strong support from elected leaders," said Goldman Sachs' executive vice president John Rogers. "Through this partnership with Gov. Raimondo and mission-driven lenders like CRF, we are moving as fast as we can to help secure the futures for small businesses across the Ocean State."

"CRF is proud to partner with the State of Rhode Island, which is prioritizing the needs of its small businesses and nonprofits at a critical time," said Frank Altman, co-founder and CEO of CRF. "With Rhode Island's dedication and our SBA lending expertise, we will be able to help many small businesses, sole proprietors and nonprofits access the SBA Paycheck Protection Program and keep their employees during such an unprecedented economic crisis. We're grateful for the governor's leadership and honored to partner with Rhode Island Commerce Corporation and Goldman Sachs in delivering this much-needed capital."

"Within Rhode Island's economy, the Coronavirus crisis has hit small businesses the hardest," said Rhode Island Commerce secretary Stefan Pryor. "This partnership will enable us to provide additional resources to our state's small businesses at a crucial time. We are very grateful to governor Raimondo and Goldman Sachs for bringing this program to Rhode Island, and we thank CRF for collaborating with us to implement the initiative."

This option is for small businesses and non-profits who have been unable to submit a PPP application through another lending institution. Loans will be made through Community Reinvestment Fund (“CRF”), the largest non-profit, non-bank SBA 7(a) lender in the country, pursuant to the Paycheck Protection Program (“PPP”) under the CARES Act. This program provides urgent cash flow assistances to small businesses that have been negatively impacted by COVID-19. These loans can be partially or wholly forgiven for businesses that maintain or rehire their workforce and can be used for:

- Payroll costs

- Interest on mortgages
- Rent; and,
- Utilities.

"Anything that helps small businesses right now is good news. So I join everyone in thanking governor Raimondo and Goldman Sachs for helping with these loans," said U.S. senator Jack Reed, a senior member of the Banking, Housing, and Urban Affairs Committee."

"These important funds will help mitigate the worst effects of this pandemic on Rhode Island's small businesses," said congressman David Cicilline. "It's critical that all of us in government continue fighting in the weeks and months ahead to ensure that workers get the resources they need to make it through this crisis."

Loans will be capped at \$250,000. No collateral or personal guarantees are required. Neither the State nor lenders will charge small businesses any fees in relation to these loans.

This capital commitment builds on existing investments by Goldman Sachs that support small businesses across the State of Rhode Island through the 10,000 Small Businesses program, which helps small businesses grow and create jobs by providing them with greater access to education, financial capital and business-support services.

To date, over 250 Rhode Islanders have graduated from the program. Nationally, two-thirds of graduates of the program report revenue growth within six months and nearly half report job growth.