



ASSISTANCE FOR BUSINESSES IMPACTED BY THE CORONAVIRUS

MONTEREY COUNTY EMERGENCY MICROLOAN FUND

The County of Monterey is creating an Emergency Microloan Fund to assist local small businesses impacted by COVID-19. **Loans are up to \$25,000** at a reduced interest rate (rate at 75% of WSJ Prime). Loans will have up to a 5-year term, with payments deferred for up to 9 months. The County has approximately \$661,000 in federal funds available for lending, which could help an estimated 25 businesses. **The program is first come, first serve.** The County wants to make sure that all businesses in the County can access these funds and has reserved funds for South County businesses that **apply by May 15, 2020**. To find out more about microloans or to apply, contact CalCoastal at (831) 424-1099 or www.calcoastal.org.

<p>To be eligible for microloan:</p> <ul style="list-style-type: none"> • Must be located within Monterey County • Have between 2-10 employees • Annual revenues not to exceed \$2,000,000. 	<ul style="list-style-type: none"> • Have been in business for a minimum of one year, and able to provide a 2018 Federal Tax Return and interim financial statements 	<ul style="list-style-type: none"> • Must present a feasible plan to recover post-disruption. • Be current on federal income taxes. • Operating business, not a passive real estate entity.
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SBA SMALL BUSINESS DEBT RELIEF PROGRAM

If you are a current borrower under SBA 7(a), 504 loan program or a microloan, you are eligible for debt relief and SBA will cover all loan payments for 6 months. SBA will cover all loan payments on these SBA loans, including principal, interest, and fees for six months. This relief will also be available to new borrowers who take loans within 6 months of the President signing the bill into law.

SBA ECONOMIC INJURY DISASTER LOAN (EIDL) – Second Round of Funding

The Small Business Administration (SBA) will have a second round of funding available for EIDL funds. This loan can be used for fixed expenses (e.g. insurance, mortgages interest, rent, accounts payable, payroll, and other expenses impacted by COVID-19. Max is \$2 million with a rate of 3.75% (APR) with a 30-year term, where payments may be deferred up to 12 months. Visit covid19relief.sba.gov to complete the forms. You will need your 2019 tax returns or 2018 if you have not yet filed. Sole proprietors, independent contractors, and corporations with no more than 500 employees, as well as non-profits 501 (c), (d), or (e). Credit score and collateral are supporting factors but not necessarily determining. This loan has a \$10K advance available on completion of the application. Remember to know the calculation on Interest (e.g. borrowing \$100,000 for 30 years at 3.75% = \$463/month). Visit the SBA website <https://disasterloan.sba.gov/ela/> or contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or email disastercustomerservice@sba.gov.

PAYCHECK PROTECTION PROGRAM (PPP) – Second Round of Funding

The PPP established by the CARES Act and implemented by SBA is a first come-first serve basis. The second round of funding will be available after the president signs the Paycheck Protection Program & Health Care Enhancement Act. The second round of funding will add funding to the PPP for businesses or non-profits with less than 500 employees that meet SBA's size standards affected by COVID-19. The PPP can be used for mortgage payments, payroll, rent, utilities. The max is \$10 million at an interest rate of 1% (APR) over two (2) years. The first payment is deferred for 6 months. Your loan amount will be determined by your average payroll cost multiplied by 2.5 capped at \$100,000 per employee. You can apply through an existing SBA 7 (a) lender, any participating federally insured depository institution or federal credit union. Up to 100% forgiveness loan amount equal to the sum of the qualified cost incurred and payments made during the covered 8-week period following loan origination). At least 75% of the loan must have been used on payroll costs. Forgiveness will be reduced if full-timed employees declines or if salaries and wages decrease. Visit the SBA website <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program> for more information or contact CalCoastal SBDC at (831) 424-1099.

CALIFORNIA SMALL BUSINESS DISASTER RELIEF LOAN GUARANTEE PROGRAM

The State of California is allocating \$50 million to the Small Business Finance Center to recapitalize the IBank Small Business Loan Guarantee Program. Small businesses with 1-750 employees that have been negatively impacted or experienced disruption by COVID-19 and eligible non-profits can apply for the program. The loan can be guaranteed up to 7 years and cover up to 95% of the loan. Interest rates are negotiated between the lender and the borrower. These funds can be used for business continuance as a result of COVID-19. Visit www.ibank.ca.gov for more information or Contact CalCoastal Rural Development Corporation at (831) 424-1099.

CALIFORNIA CAPITAL ACCESS PROGRAM (CALCAP) (1-500 EMPLOYEES)

CalCAP is a loan loss revenue program which may provide up to 100% coverage on losses as a result of certain loan defaults. Individual borrowers are limited to a maximum of \$2.5 million enrolled over a 3-year period. Visit <https://business.ca.gov/coronavirus-2019/> for a list of participating lenders. You can also contact the California State Treasurer's Office at 1 (916) 653-2995.

GOVERNMENT CONTRACTING

The Monterey County Procurement Technical Assistance Center (PTAC) assists small businesses in obtaining federal, state, and local government contracts. PTAC can assist with small business counseling, certification and registration, subcontracting opportunity distribution, electronic bid-match service. Visit www.montereybayptac.org.

WATER AND WASTEWATER FEES



Businesses that are closed and use no water for a full billing cycle may also have their water and City wastewater charges frozen. Call CalWater at (831) 385-5486 for assistance.

AVAILABLE BUSINESS COUNSELING SERVICES & ASSISTANCE



SBDC is there to help you navigate through the available resources and to answer your business questions. Visit their website for a complete list of other business resources and to participate on their next available webinars. <https://calcoastalsbdc.com/covid-19-resources>. The best way to contact CalCoastal (SBDC) for assistance is by first registering at <https://calcoastalsbdc.com/covid-19-resources> and click on "Request Assistance". You will be contacted in order of registration or contact CalCoastal SBDC at **(831) 424-1099 extension 3**.