

California Economic Disaster Loans for Small Businesses during COVID-19

On April 2, Gov. Newsom announced additional funding for loans designed to help small business owners suffering economic losses during the COVID-19 pandemic.

“Today, the Governor also announced that the state is allocating \$50 million to the California Infrastructure and Economic Development Bank for loan guarantees to small businesses to help eliminate barriers to capital for individuals who do not qualify for federal funds, including low wealth and undocumented immigrant communities. The state is also allowing small businesses to defer payment of sales and use taxes of up to \$50,000, for up to 12 months.”

For more info about the loans visit:

<https://www.ibank.ca.gov/>

California ofrece Préstamos de Desastre Económico para Empresas Pequeñas

En el 2 de Abril, el gobernador Newsom proporcionó fondos adicionales para ayudar dueños de pequeñas empresas sufriendo pérdidas económicas durante la pandemia de COVID-19.

“Hoy el Gobernador también anunció que el estado está asignando \$50 millón al Banco para el Desarrollo de Infraestructura y Economía en California [IBank] para garantías de préstamos a pequeñas empresas que no califican para fondos federales, incluyendo comunidades de baja riqueza e inmigrante indocumentado. El estado también está permitiendo a pequeñas empresas aplazar el pago de impuestos sobre ventas y uso hasta \$50,000 por hasta 12 meses.”

Para más información acerca de los préstamos, (en Inglés) visite:

<https://www.ibank.ca.gov/>



1 WHO QUALIFIES? ARE YOU ELIGIBLE?
Small Businesses located in California with 1-750 employees that have been negatively impacted or experienced disruption by COVID-19 and eligible nonprofits can use the disaster relief loan guarantee program.

2 FIRST STEP -- APPLY FOR A LOAN
CONTACT A PARTICIPATING LENDER in your area (a list of participating lenders will be available on the IBank website soon) and apply for a loan. You also can receive help in the application from one of seven IBank partner Financial Development Corporations (FDCs) listed on the IBank Small Business Finance Center website. They can help connect you to a participating lender as well as apply for the loan guarantee.

3 HOW DOES A LOAN GUARANTEE WORK?
A loan guarantee mitigates the risk assumed by a traditional lending institution. A bank is more willing to provide access to capital if there is a guarantee in place that would repay up to 95% of the loan should there be a default.

4 WHAT CAN LOAN PROCEEDS BE USED FOR?
Loan proceeds to be used for continuance of business including, but not limited to rent, payroll and more.

5 WHAT ARE THE LOAN TERMS?
The loan can be guaranteed up to 7 years and covers up to 95% of the loan. The interest rates are negotiated between the lender and the borrower. Qualifications are based on lender criteria.

VISIT WWW.IBANK.CA.GOV FOR MORE INFORMATION OR TO FIND THE FINANCIAL DEVELOPMENT CORPORATION (FDC) NEAREST THE BUSINESS. I BANK PARTNER FDCS ARE AVAILABLE TO PROCESS THE GUARANTEE ON A LOAN PROVIDED BY YOUR LENDER!

Si necesita más ayuda con este proceso de aplicación o necesita asistencia con otros modos de ayuda para su empresa pequeña, de parte de la agencia federal Small Business Administration (SBA), favor de contactar Claudia Ramírez en La Luz 707.938.5131 o claudia@laluzcenter.org