

# How to Access Federal and Prince George's County Business Relief Funding

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[www.bowiebic.com](http://www.bowiebic.com)



# HOST

Lisa S. Smith

Executive Director  
Bowie Business Innovation Center  
[Lisa.Smith@bowiebic.com](mailto:Lisa.Smith@bowiebic.com)



# AGENDA

Welcome  
Presenters  
Q & A

# WELCOME

The Honorable Todd M. Turner

Chair

Prince George's County Council



# WELCOME

Sherman L Ragland, II

Chair

Bowie Business Innovation Center



# WELCOME

Alicia Moran

Manager of Small Business Services  
Prince George's County Economic  
Development Corporation



# PRESENTER

Eddie Tuvin

Chief Lender Officer

FSC First





# **COVID19 Business Relief Resources**

# ABOUT US

## **OUR MISSION**

FSC First is a flexible, risk tolerant alternative funding source. We provide direct commercial loans via innovative and creative financing solutions as well as loan administration services to benefit small and emerging businesses. FSC First is an end to end financial services provider.



# OUR CAPABILITIES

FSC First has the requisite resources to administer this fund pool. Useful and important knowledge already exists in our business. It can be found in:

- The experience of our employees
- The designs and processes for our loan programs
- The files of documents including applications and other forms such as PFS, Management Resume, required for analysis
- The loan servicing capabilities

# LEGACY IMPACT OF FSC FIRST

- 2,000+ businesses assisted
- \$121.9 Million in approved loans
- \$2.5 Million closed and funded annually
- \$1.4 Billion in additional public-private dollars
- 7,700 Local Jobs
- 41 years of providing creative business financing solutions
- 20 years of providing business development and technical assistance
- Locally based, nationally certified



# COVID19 Business Relief Fund

**PURPOSE:** The Prince George's County COVID19 Business Impact Fund is to provide assistance to businesses so that they may retain their pre-pandemic workforce and sustain operations through social distancing.

**USE OF FUNDS:** To support cash operating expenses including payroll, suppliers, rent, fixed debt payments and other business critical cash operating costs

# COVID19 Business Relief Fund

## **ELIGIBILITY:**

Principal business office or location must be physically located in Prince George's County

Business meets U.S. Small Business Administration definition of small business

New business ventures are not eligible

**HOW TO APPLY: Use the PGCEDC website:**

**[www.pgcedc.com/covid-business-fund-2020](http://www.pgcedc.com/covid-business-fund-2020)**

# COVID19 Business Relief Fund

## LOAN TERMS

Term	3 years; 10 year amortization
Rate	3.75% Fixed
Loan Amount	Up to 6 months of verified payroll & operating expenses; not to exceed \$100,000
Deferred Payments	12 months of deferred principal & interest payments
Personal & Corporate Guaranty	Yes
Collateral	UCC lien filing on business assets
Application Fee	\$0
Requirements	Business must retain jobs (certified to County) with a goal of hiring County residents for future vacancies Business must maintain its operations in the County for the term of the loan Commit to best effort to have 35% County based business participation in any future construction work Provide evidence that application has been submitted to the U.S. SBA and State of Maryland

# COVID19 Business Relief Fund

## COUNTY GRANT\* TERMS

Businesses with less than 10 employees	Up to \$5000
Businesses with 10 or more employees	Up to \$10,000
Requirements	Same documentation as loans and employee certification Provide evidence that application has been submitted to the U.S. SBA and State of Maryland

### Required Documents:

1) Completed Application	4) 2018 Business Tax Return as filed with IRS
1) Completed 4506T form	5) 2019 Income Statement or Business Tax Return
1) Payroll/Employee Roster (for week of March 2, 2020) & Signed Employment Certification	6) 2020 Year to Date Income Statement (January – March)

# GoFundMe Small Business Relief Initiative

What happens when you partner GoFundMe, the world's largest social fundraising platform, with Yelp, the company that connects people with great local businesses? You get a partnership that introduces small business owners to the Small Business Relief Initiative, a program to provide microgrants and fundraising tools to qualifying small businesses that have been negatively impacted by COVID-19.

As part of the Small Business Relief Initiative, GoFund, Yelp, and accounting software provider Intuit Quickbooks are all pledging to donate up to \$1.5 million in donations to the Small Business Relief Fund. Once that fund has been depleted, GoFundMe will continue to issue \$500 in matching grants to qualifying businesses. This will allow small businesses to keep raising funds and inspire members of the community to assist with contributions and make donations.

# Facebook Small Business Grants Program

Facebook has committed to offering up to 30,000 small businesses \$100 million in cash grants and Facebook advertising credits. The grants will be provided to businesses in more than 30 countries. Information is limited, but sign up to get more details from the company when they're available.

<https://www.facebook.com/business/boost/grants>

WE'RE HERE TO HELP

EMAIL US

[covid19@fscfirst.com](mailto:covid19@fscfirst.com)

[www.fscfirst.com](http://www.fscfirst.com)



# PRESENTER

Angie Duncanson

Senior Counselor  
Maryland Women's Business Center





U.S. Small Business  
Administration



Funded in part by a Cooperative  
Agreement with the U.S. Small  
Business Administration  
[www.marylandwbc.org](http://www.marylandwbc.org)



# Breaking Down SBA's COVID-19 Economic Injury Disaster Loan (EIDL) and Paycheck Protection Program (PPP)

# Maryland Women's Business Center

## Who We Are

- MWBC Works with women entrepreneurs across the state to start, grow and sustain businesses. We are located in Montgomery, Frederick, and Prince George's counties
- In FY19 we created **178 new jobs**, conducted **891 counseling sessions** and had **1,222 training attendees**

## Our Services

- Workshops & Seminars
- Business Counseling
- Online Training & Ed2Go



# COVID-19

The unprecedented impact of the COVID-19 pandemic on small businesses has caused the Small Business Administration (SBA) to institute an **Economic Injury Disaster Loan (EIDL) program** aimed at aiding those affected by the pandemic.

*Whether you're a government contractor or a commercial business, we're breaking down for you the who, what, where, when, and how of the SBA's detailed EIDL application process.*

# Who: Eligible Businesses

- To be eligible, in addition to other conditions, an applicant must be a **small business, small agricultural cooperative, or a private non-profit organization**.
- The business's principal office **must be located in a state that has an EIDL declaration, such as Maryland**.
- The SBA must determine the business to be **creditworthy**. Loans that exceed \$25,000 must be secured by collateral to the extent possible and, if the business has no collateral to pledge, assets of the business's owners may need to be pledged as collateral.
- Applicants must show that they have the **ability to repay all loans**.
- EIDL assistance is available only to a small business when **SBA determines that such business is unable to obtain credit elsewhere**. If you have not explored obtaining financing through other avenues (SBA or other), please contact a trusted advisor who can help align your objectives with an appropriate lender and/or investor.

# What: Economic Impact Disaster Loan

- EIDLs are loans **issued to eligible business by SBA** under its own authority, following a request to the SBA from a state or territory's governor that the businesses in their respective area have been adversely affected by the COVID-19 pandemic, as provided for in the recent [Coronavirus Preparedness and Response Supplement Appropriations Act](#).
- An EIDL is a **loan for a business to pay fixed debts, payroll, accounts payable and other liabilities**. The actual amount of each loan is limited to the economic injury suffered by the business as determined by SBA, up to a **maximum of \$2 million**, which maximum can be waived by SBA if the business is a major source of employment. "Economic injury" has been interpreted to mean that the business is unable to meet its obligations and to pay its ordinary and necessary operating expenses. Importantly, such loans do not replace lost sales or revenue, and such losses will not be considered an economic injury.
- The maximum **interest rate is 3.75%** for small businesses.
- The maximum term of each loan is **30 years**, though the period of time to repay the loan is determined on a case-by-case basis depending on the business's creditworthiness.

# When and How

SBA has already started processing applications.

## Starting the application process:

- Visit [SBA Disaster Loan Assistance](#)
- Call the SBA Disaster Assistance Customer Service Center at 1-800-659-2955 (TTY: 1-800-877-8339)
- Email [emaildisastercustomerservice@sba.gov](mailto:emaildisastercustomerservice@sba.gov).

# General Loan Approval Criteria

- **Credit History**: Applicants must have a credit history acceptable to the SBA.
- **Repayment Ability**: The SBA must determine that the applicant business has the ability to repay the Economic Injury Disaster Loan.
- **Eligibility**: The applicant business must be physically located in a disaster-designated area and have suffered working capital losses due to the declared disaster.

# EIDL Application Process

Copy and paste into your browser: <https://disasterloan.sba.gov/ela/>

Register as a new user, and start the process to apply for an SBA Economic Injury Disaster Loan (EIDL).

- It is **STRONGLY** suggested that once you register, download and/or print out the application forms, familiarize yourself with what information is required, complete all fields by hand, and then submit your application packet online, referring to your written answers as you continue through the online process.

SBA urges everyone to have a complete application up front before submitting online.

# EIDL Application Process

If your application packet is incomplete, it will be set aside. You will be notified of what is missing and your application will stay in suspense until all the necessary information is received.

*YOU WILL THEN GO TO THE END OF THE QUEUE.*

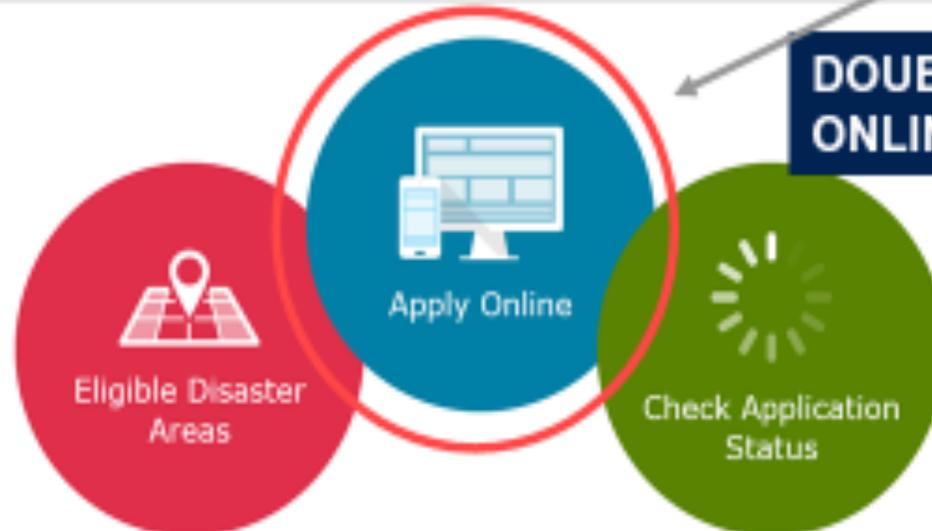
# Website View: 3 Step Process

DOUBLE-CLICK ON THE LINK TO ACCESS THE SITE

<https://disasterloan.sba.gov/ela/>



**DOUBLE-CLICK APPLY ONLINE**



# Important Takeaways

- Businesses should **review their current insurance policies, other assistance programs, and other banking relationships currently in place** to determine whether obtaining an EIDL is an “event of default” or can otherwise adversely affect their financing agreements and arrangements that are currently in place.
- The COVID-19 pandemic is an unprecedented national crisis that will put a strain on governmental resources which, in turn, may cause delays in the processing of loan applications. Accordingly, SBA officials have repeatedly stressed that **applicants should thoroughly complete their applications before submission** to ensure they are able to be processed the first time they are submitted.

# Paycheck Protection Program

- The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll and maintaining salary levels.
- SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll to include benefits, costs for employee vacation, parental, family, medical, and sick leave.
- Funds can also be used for rent, mortgage interest, or utilities.

# Fully Forgiven

Funds are provided in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll).

Loan payments will also be deferred for six months.

No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

# Must Keep Employees on the Payroll – or Rehire Quickly

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels.

Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

# Small Business Eligibility

Small businesses with 500 or fewer employees—including nonprofits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors— are eligible.

Businesses with more than 500 employees are eligible in certain industries.

# When To Apply

Starting April 3, 2020, small businesses and sole proprietorships can apply.

Starting April 10, 2020, independent contractors and self-employed individuals can apply.

We encourage you to apply as quickly as you can because there is a funding cap.

# How To Apply

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program.

You should consult with your local lender as to whether it is participating. All loans will have the same terms regardless of lender or borrower. A list of participating lenders as well as additional information and full terms can be found at [www.sba.gov](http://www.sba.gov). Look for the Lender search box and insert your zip code.

<https://www.sba.gov/document/support--faq-lenders-borrowers>

# SBA Resources

## SBA Daily Calls & Webinars

- The U.S. Small Business Administration (SBA) is conducting daily webinars and conference calls to help small business owners understand and apply for the coronavirus relief options. The SBA offers these programs: Paycheck Protection Program, EIDL Loan Advance, SBA Express Bridge Loan, SBA Debt Relief.
- [3:00 pm](tel:202-765-1264) – Daily Conference Call  
[202-765-1264](tel:202-765-1264); ID # 827-299-626
- [5:30 pm](tel:202-765-1264) – Daily Conference Call  
[202-765-1264](tel:202-765-1264); ID # 310-688-488
- [10:30 am](tel:6794772946) and [8:00 pm](tel:6794772946) – Zoom Webinar (download the ZOOM app for free)  
Meeting # [6794772946](tel:6794772946) *Have all your necessary documents ready*

# Program Implementation

The Paycheck Protection Program is implemented by the U.S. Small Business Administration with support from the Department of the Treasury.

Lenders should also visit [www.sba.gov](http://www.sba.gov) or [www.coronavirus.gov](http://www.coronavirus.gov) for more information.

# MWBC – Connect With Us!

Angie Duncanson, Senior Business Counselor/Trainer

[angie@marylandwbc.org](mailto:angie@marylandwbc.org)

301-383-1550 ext 104

Follow Maryland Women's Business Center on social media:



Marylandwbc



@marylandwbc



@Maryland.wbc



Maryland Women's Business Center



Maryland-women's-business-center

# Question & Answer

**Angie Duncanson**

Senior Business Counselor  
Maryland Women's  
Business Center  
angie@marylandwbc.org



**Mark Wells**

Business Consultant  
Small Business  
Development Center  
mwells14@umd.edu



# Thank you for joining us

County Covid-19 Business Relief Fund

[www.pgcedc.com/covid-business-fund-2020](http://www.pgcedc.com/covid-business-fund-2020)

SBA Small Business Relief Programs

[sba.gov/funding-programs/loans/coronavirus-relief-options](http://sba.gov/funding-programs/loans/coronavirus-relief-options)

