

U.S. Small Business Administration

Agenda

1. Disaster Loan Assistance from the SBA for Small Businesses and private Non-Profits
2. Resource Assistance from the SBA and our Partners
3. Additional Resources

These slides will be made available to download at: www.sba.gov/tx/sanantonio

The CARES Act

https://www.congress.gov/bill/116th-congress/house-bill/748/text

- Signed into law Friday, March 27, 2020
- SBA policy regarding the CARES Act is not yet complete
- We can not offer legal interpretation of the Act
- We can not comment on portions of the Act unrelated to the SBA

Economic Injury Disaster Loans (EIDL)

- Loans up to $2 million; no payments for 12 months
- Small businesses and private non-profits are eligible
- 3.75% interest rate for small businesses *without credit available elsewhere*; businesses with credit available elsewhere are not eligible.
- 2.75% for private non-profits
- Long-term repayments for COVID crisis will be 30 years
- May be used for fixed debts, payroll, accounts payable and other bills affected by the disaster

Additional EIDL Details

No cost to apply

- No obligation to take the loan (if offered)

Not intended to replace lost sales/profits or for expansion

Amount is determined by SBA from the information you provide

Existing SBA Disaster or Business loans do NOT make you ineligible

- Loans can not be consolidated

Additional EIDL Details

Personal guarantee requirements:

- None if loan is under $200,000
- If over, then guarantee form all 20% or greater owners

Collateral

- If over $25,000 EIDLs require collateral
- SBA will not decline for a lack of collateral, but requires the pledge of what is available
- Does not require primary residence in Texas

Credit Elsewhere – requirement is waived by CARES Act

Who is Ineligible

- Any business where gambling is more than 1/3 of annual gross revenue
- Casinos & Racetracks where their purpose for being is gambling
- Businesses of a prurient sexual nature
- Pawn Shops is more than 50% of income derives from interest
- Religious Organizations
- Investment or Lending companies
- Charitable Organizations (private non-profits are OK)
- All Speculative Activities
- Agricultural Enterprises

How to Apply for EIDL

- **Works best with Internet Explorer or Microsoft Edge**
- For the COVID-19 disaster everything will be online
- Disaster Declaration #: TX-00544
- The website for applying for EIDL is **https://covid19relief.sba.gov/**
- You may also contact the SBA disaster customer service center:
  - 1-800-659-2955
  - e-mail disastercustomerservice@sba.gov
  - TTY: 1-800-877-8339

U.S. Small Business Administration

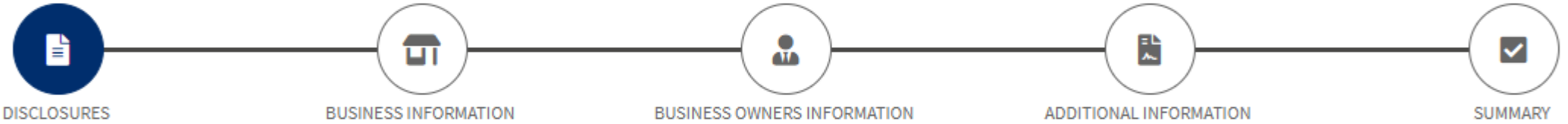
OMB Control #3247-0406

Expiration Date: 09/30/2020

Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

ELIGIBLE ENTITY VERIFICATION

Choose One:

- ○ Applicant is a business with not more than 500 employees.
- ○ Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- ○ Applicant is a cooperative with not more than 500 employees.
- ○ Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- ○ Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- ○ Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found at https://www.sba.gov/size-standards.
- ○ Applicant is a business with more than 500 employees that is small under SBA Size Standards found at https://www.sba.gov/size-standards.
- ○ Applicant is a private non-profit organization that is a non-governmental agency or entity that currently has an effective ruling letter from the IRS granting tax exemption under sections 501(c),(d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law, or a faith-based organization.

Review and Check All of the Following:

Applicant must review and check all the following (If Applicant is unable to check all of the following, Applicant is not an Eligible Entity):

- ☐ Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- ☐ No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- ☐ Applicant is not an agricultural enterprise (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery.
- ☐ Applicant does not present live performances of a prurient sexual nature or derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.
- ☐ Applicant does not derive more than one-third of gross annual revenue from legal gambling activities.
- ☐ Applicant is not in the business of lobbying.
- ☐ Applicant cannot be a state, local, or municipal government entity and cannot be a member of Congress.

DISCLOSURES — BUSINESS INFORMATION — BUSINESS OWNERS INFORMATION — ADDITIONAL INFORMATION — SUMMARY

Step 1 of 3

Business Information

Business Legal Name *

Trade Name *

EIN/SSN for Sole Proprietorship *

Organization Type*

Is the Applicant a Non-Profit Organization? *

Yes No

Is the Applicant a Franchise? *

Yes No

Gross Revenues for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Cost of Goods Sold for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster

Non-Profit Cost of Operation for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020)

Combined Annual Operating Expenses for the Twelve(12) Months Prior to the Date of the Disaster (January 31, 2020) for All Secular Social Services Provided by the Faith Based Entity



Step 3 of 3

Additional Information

In the past year, has the business or a listed owner been convicted of a criminal offense committed during and in connection with a riot or civil disorder or other declared disaster, or ever been engaged in the production or distribution of any product or service that has been determined to be obscene by a court of competent jurisdiction? ○ Yes ○ No

Is the applicant or any listed owner currently suspended or debarred from contracting with the Federal government or receiving Federal grants or loans? ○ Yes ○ No

a. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? ○ Yes ○ No

b. Have you been arrested in the past six months for any criminal offense?

c. For any criminal offense - other than a minor vehicle violation - have you ever been convicted, plead guilty, plead nolo contendere, been placed on pretrial diversion, or been placed on any form of parole or probation (including probation before judgment)?

If anyone assisted you in completing this application, whether you pay a fee for this service or not, that person must enter their information below.

Individual Name

Name of Company

Phone Number

Street Address, City, State, Zip

Fee Charged or Agreed Upon

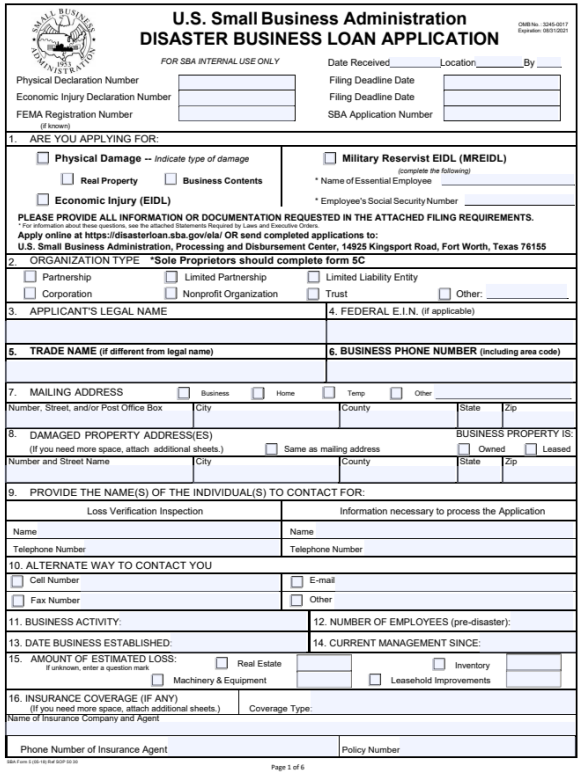
I give permission for SBA to discuss any portion of this application with the representative listed above. ○ Yes ○ No

☐ **I would like to be considered for an advance of up to $10,000.**

Information on the Application

https://www.sba.gov/disaster/apply-for-disaster-loan/index.html

Business Loan Application (Form 5)



U.S. Small Business Administration
DISASTER BUSINESS LOAN APPLICATION

OMB No. 3245-0017
Expiration: 08/31/2021

FOR SBA INTERNAL USE ONLY — Date Received ____ Location ____ By ____

Physical Declaration Number		Filing Deadline Date	
Economic Injury Declaration Number		Filing Deadline Date	
FEMA Registration Number (if known)		SBA Application Number	

1. ARE YOU APPLYING FOR:

☐ Physical Damage -- *Indicate type of damage*
☐ Real Property ☐ Business Contents
☐ Economic Injury (EIDL)
☐ Military Reservist EIDL (MREIDL) *(complete the following)*
* Name of Essential Employee
* Employee's Social Security Number

PLEASE PROVIDE ALL INFORMATION OR DOCUMENTATION REQUESTED IN THE ATTACHED FILING REQUIREMENTS.
*For information about these questions, see the attached Statements Required by Laws and Executive Orders.
Apply online at https://disasterloan.sba.gov/ela/ OR send completed applications to:
U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, Texas 76155

2. ORGANIZATION TYPE ***Sole Proprietors should complete form 5C**
☐ Partnership ☐ Limited Partnership ☐ Limited Liability Entity
☐ Corporation ☐ Nonprofit Organization ☐ Trust ☐ Other:

3. APPLICANT'S LEGAL NAME — 4. FEDERAL E.I.N. (if applicable)

5. **TRADE NAME** (if different from legal name) — 6. **BUSINESS PHONE NUMBER** (including area code)

7. MAILING ADDRESS ☐ Business ☐ Home ☐ Temp ☐ Other
Number, Street, and/or Post Office Box | City | County | State | Zip

8. DAMAGED PROPERTY ADDRESS(ES) (If you need more space, attach additional sheets.) ☐ Same as mailing address — BUSINESS PROPERTY IS: ☐ Owned ☐ Leased
Number and Street Name | City | County | State | Zip

9. PROVIDE THE NAME(S) OF THE INDIVIDUAL(S) TO CONTACT FOR:

Loss Verification Inspection	Information necessary to process the Application
Name	Name
Telephone Number	Telephone Number

10. ALTERNATE WAY TO CONTACT YOU

☐ Cell Number	☐ E-mail
☐ Fax Number	☐ Other

11. BUSINESS ACTIVITY: — 12. NUMBER OF EMPLOYEES (pre-disaster):

13. DATE BUSINESS ESTABLISHED: — 14. CURRENT MANAGEMENT SINCE:

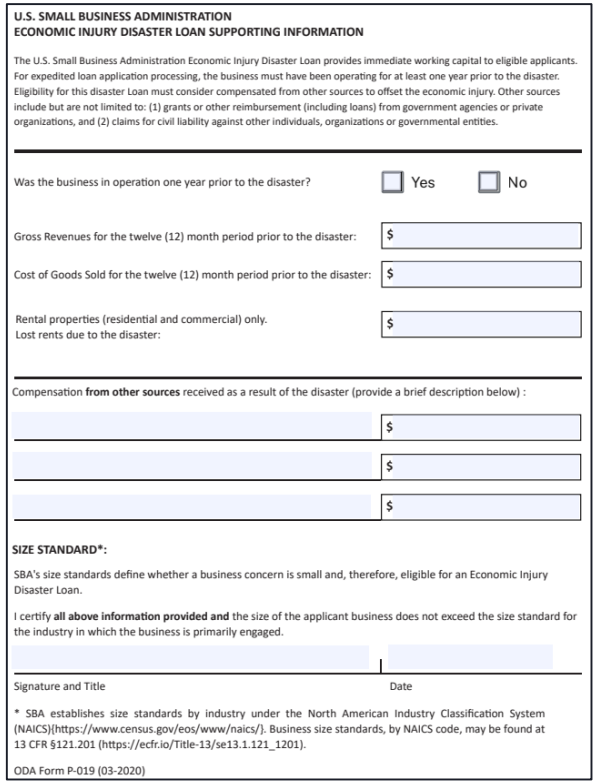
15. AMOUNT OF ESTIMATED LOSS: (If unknown, enter a question mark)
☐ Real Estate ☐ Inventory
☐ Machinery & Equipment ☐ Leasehold Improvements

16. INSURANCE COVERAGE (IF ANY) (If you need more space, attach additional sheets.) Coverage Type:
Name of Insurance Company and Agent
Phone Number of Insurance Agent | Policy Number

SBA Form 5 (03-19) Ref SOP 50 30

Page 1 of 6

EIDL Supporting Information (form p-019)



U.S. SMALL BUSINESS ADMINISTRATION
ECONOMIC INJURY DISASTER LOAN SUPPORTING INFORMATION

The U.S. Small Business Administration Economic Injury Disaster Loan provides immediate working capital to eligible applicants. For expedited loan application processing, the business must have been operating for at least one year prior to the disaster. Eligibility for this disaster Loan must consider compensated from other sources to offset the economic injury. Other sources include but are not limited to: (1) grants or other reimbursement (including loans) from government agencies or private organizations, and (2) claims for civil liability against other individuals, organizations or governmental entities.

Was the business in operation one year prior to the disaster? ☐ Yes ☐ No

Gross Revenues for the twelve (12) month period prior to the disaster: $

Cost of Goods Sold for the twelve (12) month period prior to the disaster: $

Rental properties (residential and commercial) only.
Lost rents due to the disaster: $

Compensation **from other sources** received as a result of the disaster (provide a brief description below) :

$
$
$

SIZE STANDARD*:

SBA's size standards define whether a business concern is small and, therefore, eligible for an Economic Injury Disaster Loan.

I certify **all above information provided and** the size of the applicant business does not exceed the size standard for the industry in which the business is primarily engaged.

Signature and Title — Date

* SBA establishes size standards by industry under the North American Industry Classification System (NAICS){https://www.census.gov/eos/www/naics/}. Business size standards, by NAICS code, may be found at 13 CFR §121.201 (https://ecfr.io/Title-13/se13.1.121_1201).

ODA Form P-019 (03-2020)

Economic Injury Disaster Loan Advance

Advance of UP TO $10,000 in Capital

- The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to $2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.

- The loan advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue.

- Funds will be made available within **three days** of a successful application, and this **loan advance will not have to be repaid**.

Economic Injury Disaster Loan Advance

Advance of UP TO $10,000 in Capital

- This advance may be available even if your EIDL application was declined or is still pending and will be forgiven.

- In order to qualify for the Advance, you need to submit the new application [www.covid19relief.sba.gov] even if you previously submitted an EIDL application.

- This will not impact the status or slow your existing application.

After Applying

Loan Processing Decision

- Information verified; you may be asked for more info
- Forecasts completed to determine the EIDL amount
- A loan officer contact you
- Decision normally takes up to 4 weeks

Loan Closes and Funds Disbursed

- Sign and Submit loan documents
- initial disbursement of $25K within 5 days
- Case Manger assigned that will help you with the rest

Important Notes About Your Application

- Please complete and submit everything required
  - Delays occur due to missing / incomplete information
- If more funds are needed, you can submit supporting documents and request an increase
- If less funds are needed you can request a reduction
- If denied you will be given up to six months to provide new information and a written reconsideration request

Important Notes About Your Application

- If you were in the middle of an application when the old site crashed, you will need to apply on the new site: https://covid19relief.sba.gov

- Reality check: Some people are trying to scam others in SBA's name.
  - There is no immediate deadline for an EIDL application
  - it does not cost anything to apply, get the papers together, no credit card is needed, etc.
  - Beware of any emails or websites ending in "SBA.HELP"

Deferments of Your Existing SBA Loan

7(a) Loans and Micro Loans

- Lenders may help with temporary cash flow issues by deferring payments
- For 7(a) loans, up to six (6) consecutive months
- For micro loans, up to six (6) consecutive months
  - *No deferment may not cause the loan to extend beyond the maximum seven (7) year* maturit

504 Loans

- CDCs may help with temporary cash flow issues by deferring payments
- The amount deferred should not exceed six (6) cumulative months or 20% of the original loan amount, whichever is less

Existing Disaster Loans

- SBA will defer existing loan payments through Dec. 31, 2020 automatically.
- Borrowers of home and business disaster loans do not have to contact SBA to request deferment.

SBA Debt Relief Program

The program will provide a reprieve to small businesses as they overcome the challenges created by this health crisis.

NEW 7(a) Loans

- SBA will pay the principal and interest of new loans issued prior to Sept 27, 2020

CURRENT 7(a) Loans

- SBA will pay the principal and interest of current loans for a period of 6 months

SBA Express Bridge Loans

Designed to supplement the Agency's Direct disaster loan capabilities

- EBL loans can only be made by SBA Express Lenders
- The small business must have been operational when the declared disaster commenced and must meet all other 7(a) loan eligibility requirements
- The EBL loan must be structured as term loans not to exceed 7 years
  - Revolving lines of credit are not permitted
- Maximum amount of an EBL loan is $25,000
  - not required to take collateral for EBL loans

www.sba.gov/tx/sanantonio



Business Resources and News

PRESS RELEASES

Local small business owners complete Executive Level education series
November 1, 2019

Call for SBA Award Nominations for 2020 National Small Business Week
October 18, 2019

2019 SBA San Antonio District Small Business Week Announced
March 25, 2019

SMALL BUSINESS RESOURCES

Follow These 10 Steps to Starting a Business
Business Plan Executive Summary
Business Structure and Tax Implications
Obtaining Business Licenses & Permits
WomenBiz.gov
Local Export Assistance

FROM OUR OFFICE

SBA EIDL Information Webinar
SADO Approved Express Lenders
National Small Business Week 2020 Winners
Quick Overview: SBA Loan Guaranty Programs

OUR RESOURCE PARTNERS

San Antonio SCORE
Austin SCORE
Women's Business Center - SAN ANTONIO
South-West Texas Border Small Business Development Center Network

SBA PROGRAMS

Find a Mentor or Counselor
SBA's Funding Programs
Borrowing Money for you Business
Find a Lender
Contract Assistance Programs
Dynamic Small Business Search

SUCCESS STORIES

SBDC Helps Manufacturer Wave a Flag of Success
One Project, One Relationship at a Time
Better Service, Better Access, and Better Technology
JSR Inc. thanks SBA business development programs for growth and success
Spot on Sciences – The bio-tech industries' rising star

LENDING ACTIVITY

September 2015

San Antonio District Office Approved Express Lenders
A+ FCU
AMISTAD BANK
AMPLIFY CU
AUSTIN CAPITAL BANK SSB
THE BANK OF AUSTIN
THE BANK OF SAN ANTONIO
BROADWAY NATIONAL BANK
FIRST TEXAS BANK
FIRSTMARK CU
FRONTIER BANK OF TEXAS
FROST BANK
GENREATIONS COMMUNITY FCU
HORIZON BANK, SSB
INTERNATIONAL BANK OF COMMERCE
JEFFERSON BANK
PIONEER BANK, SSB
R BANK
RANDOLPH-BROOKS FCU
SAGE BANK
SCHERTZ BANK & TRUST
SECURITY SERVICE FCU
SECURITY STATE BANK & TRUST
SOUTHSTAR BANK, SSB
TEXAS FINANCIAL BANK
TEXSTAR NATIONAL BANK
UNITED FCU
UNIVERSITY FCU
VANTAGE BANK TEXAS

Paycheck Protection Program

Part of the CARES Act

- The **Paycheck Protection Program** will provide capital to keep employees on payroll and small businesses operating.
- You cannot use your EIDL for the same purpose as your PPP Loan. (double dipping)
- Program will be available retroactive from Feb 15, 2020, so employers can rehire their recently laid-off employees through June 30, 2020
- The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities.
  - at least **75%** of the forgiven amount must have been used for payroll

Paycheck Protection Program

- Eligible businesses including:
  - non-profits
  - Veterans organizations
  - Tribal concerns
  - sole proprietorships
  - self-employed individuals
  - independent contractors
- with 500 or fewer employees, or no greater than the number of employees set by the SBA as the size standard for certain industries

Paycheck Protection Program

- All loans under this program will have the following identical features:
  - Interest rate of 0.5%
  - Maturity of 2 years
  - First payment deferred for six months
  - 100% guarantee by SBA
  - No collateral
  - No personal guarantees
  - No borrower or lender fees payable to SBA

Important Resource Assistance from SBA

SBA has three local Resource Partners

- South-West Texas Border Small Business Development Centers (SBDC) Network
- SCORE Chapters – San Antonio and Austin
- Liftfund Women's Business Center (WBC)

A range of help during the downturn, to include:

- Cash flow management / short term financial management
- Messaging / Social Media to stay engaged with customers
- Import/Export
- Supply Chain
- Strategic Planning and Financial Tune-Up; prepare to prosper after the disaster
- Planning for further disasters / Risk management / Insurance counseling

Contact Information

Austin SCORE Chapter #249 – Main Office
Westland Park
5524 Bee Caves Rd., Ste. M-100
Austin, TX 78746
Phone: 512.928.2425
www.scoreaustin.org

San Antonio SCORE Chapter #164 – Main Office
Hipolito Federal Courthouse
2nd Floor, Ste. 298
615 E. Houston Street
San Antonio, Texas 78205
Phone: 210.403.5931
www.sanantonioscore.org

LiftFund Women's Business Center

San Antonio Central Public Library
600 Soledad Street
San Antonio, TX 78205
www.liftfund.com

Veterans Business Outreach Center

1407 E. Freddy Gonzalez Dr.
Edinburg, TX 78452
www.utrgv.edu/vboc

South-West Texas Border SBDC Network Office

UTSA Institute for Economic Development (IED)
501 W. Cesar E. Chavez Blvd.
San Antonio, Texas 78207
www.txsbdc.org

UTSA SBDC – San Antonio
210.458.2450

Texas State SBDC – Austin
512.420.9379

TAMIU SBDC – Laredo
956.326.2847

Sul Ross – Eagle Pass
830.758.5022

UHV SBDC – Victoria
361.485.4485

ASU SBDC – San Angelo
325.942.2098

U.S. Small Business Administration

SBA San Antonio District Office

615 E. Houston St. Suite 298

San Antonio Texas 78205

(210) 403-5900

www.sba.gov/tx/sanantonio