



COVID-19 Financial Resources for Nonprofits and Small Businesses

(Updated May 7, 2020)

Below is a summary of various loan and grant programs available to nonprofits and small businesses. We will update this resource sheet as more information becomes available.

GOVERNMENT LOAN PROGRAMS

Paycheck Protection Program (PPP Loans)

(PPP has reopened - apply soon)

The Paycheck Protection Program provides small businesses, including nonprofits exempt under 501(c)(3), with funds to pay up to 8 weeks of payroll costs, including benefits. The maximum loan amount is the lesser of 2.5 times monthly payroll costs or \$10 million. Monthly payroll costs cannot include any salary amount that is over \$100K per year, nor can it include payments for independent contractors (who can apply separately). Loan proceeds may also be used to pay interest on mortgages, rent, and utilities. All or a portion of the loan proceeds will be forgiven so long as the loan is used for payroll costs, mortgage interest, rent, and utilities (with at least 75% being used for payroll). The forgiveness amount is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. The proportion of the loan that is forgiven will be reduced if full-time headcount declines, or if salaries and wages decrease. If a borrower does not qualify for forgiveness of the entire loan, the remaining portion will have an interest rate of 1%, payable over two years. For more information on PPP, see the [U.S. Department of Treasury Fact Sheet](#).

To apply for a PPP loan, contact your bank [if they are a participating lender](#). Note that most banks are only offering loans to small businesses with whom they have a banking relationship.

For assistance in applying for the PPP Loan, contact the [LA County Business and Worker Disaster Help Center](#).

For information on what childcare providers need to know about PPP, please consult this [resource created by the National](#)

[Association for the Education of Young Children.](#)

Economic Injury Disaster Loan (EIDL)

(EIDL is currently only available to agricultural businesses)

EIDL is an existing Small Business Administration (SBA) program that has been modified for small businesses impacted by the COVID-19 pandemic. Small businesses, including nonprofits, sole proprietors, independent contractors, and gig workers, can borrow up to \$2 million at interest rates of 3.75% for small businesses and 2.75% for nonprofits for a term of up to 30 years. The loan can be used to pay for financial obligations and operating expenses that could have been met had the disaster not occurred (e.g., payroll costs, occupancy, utility, debt payments). Payments are due one year after the origination date. For loans under \$200,000, no personal guarantee is required. Notably, EIDL loan applicants are eligible for an advance, up to \$10,000, that does not need to be repaid. The advance amount is limited to \$1,000 per employee. The advance should be made available within days of submitting an application.

Small businesses apply for the EIDL on the [SBA website](#). The application period closes on December 16, 2020 in most states. You do not need to have completed your 2019 tax returns to successfully apply for an EIDL loan and advance.

For assistance in applying for an EIDL, contact the [LA County Business and Worker Disaster Help Center](#).

For information on what childcare providers need to know about EIDL, please consult this [resource created by the National Association for the Education of Young Children](#).

SBA Express Bridge Loan

[This program](#) allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 on an emergency basis while the small business applies for long-term financing.

City of Los Angeles Small Business Emergency Microloan Program

The City of Los Angeles is providing loans between \$5,000 and \$20,000 to small businesses and tax-exempt entities with 100 or fewer employees that have been negatively impacted by the COVID-19 outbreak and will make their best effort to continue or re-establish their business operations. The interest rate is 0% for a term up to 18 months; 3% for a term of up to 5 years, with 12 months deferred (for for-profits); or 2% for a term of up to 5 years, with 12 months deferred (for non-profits). The primary business operation must be physically located in a commercial-use building within the City. More information available [here](#).

California Sales Tax Deferral Program

Effective April 2, 2020, small business taxpayers with less than \$5 million in taxable annual sales can take advantage of a 12-month, interest-free, payment plan for up to \$50,000 of sales and use tax liability. Payment plan requests will be made available in the coming months. Refer to the California Department of Tax and Fee Administration [website](#) for more information.

California Small Business Finance Center Disaster Relief Loan Guarantee

Small businesses located in California with 1-750 employees are eligible for the loan guarantee relief program. Loan proceeds can be used for business continuance or to cure economic injury as a result of the pandemic. The terms of the loan are negotiated between the lender and the borrower. To apply, contact a participating lender. A list of lenders is available [here](#).

Long Beach Emergency Microloan Program

Loans from \$2500 to \$10,000 at 2.44% interest for Long Beach businesses and nonprofits with five or fewer employees that have been financially burdened during the COVID-19 pandemic. Loan proceeds may be used for business expenses such as personnel, rent, supplies, utilities, and more. For more information and to apply, potential borrowers can sign-up for an appointment with the Small Business Development Center (SBDC) at www.longbeachsbdc.org or by phone at (562) 938-5100.

UNEMPLOYMENT ASSISTANCE

The federal CARES Act has expanded unemployment benefits to self-employed individuals, gig workers, and independent contractors through the Pandemic Unemployment Assistance Program (PUA). In California, PUA is operated through the Employment Development Department (EDD). PUA benefits are payable to business owners, self-employed individuals, gig workers, and independent contractors who have lost income due to COVID-19 and are not eligible for unemployment insurance, disability insurance benefits, or paid family leave. The application for PUA is now available. To apply online, you need to create a [login ID](#) with EDD. For more information on PUA, please see our FAQ in English [here](#) and in [Spanish](#) here.

PRIVATE LOAN PROGRAMS

CDC Small Business Finance Emergency Relief Small Business Loans

CDC Small Business Finance has two loan programs for small businesses affected by COVID-19. The C-19 Emergency Relief Microloan, available for California businesses, provides loans of up to \$50,000 with a rate of prime + 1% over a ten-year amortization. Their working capital loan program offers loans up to \$150,000 for business in certain areas, including California. Borrowers need a

minimum credit score of 680. The interest rate is Prime + 2.75 to 6%, based on applicant's combined personal and business credit. The term is 10 years, fully amortized. A personal guarantee is required. Learn more and apply [here](#).

Kiva

Kiva provides interest free loans of up to \$15,000. In order to qualify for a Kiva loan, you must demonstrate that you have a small number of friends and family who are also willing to loan your business money. To apply, visit [here](#).

LISC LA Kiva Accelerator Fund

LISC has a KIVA fund that provides zero interest loans to food-based businesses that are providing low-income neighborhoods with access to fresh and healthy food and prepared meals. Under the program, LISC will match borrower campaigns \$1 for \$1 up to \$5,000. In order to receive the matching funds, businesses need to be endorsed by a LISC Kiva Trustee in LA County. For more information, visit [here](#).

Jewish Free Loan Association (JFLA)

JFLA offers interest free loans to residents of Los Angeles or Ventura County affected by COVID-19. JFLA loans generally require guarantors. Apply for a JFLA loan [here](#).

Pacific Community Ventures Small Business Loans

Pacific Community Ventures' small business loan program provides loans from \$10,000-\$200,000 for companies that have been in business at least 12 months and have at least one employee. More information available on [their website](#).

GRANT PROGRAMS

Verizon Small Business Recovery Fund

LISC and Verizon will provide grants of up to \$10,000 to businesses facing immediate financial pressure because of COVID-19, with an emphasis on entrepreneurs of color, women-owned businesses, and other enterprises in historically underserved communities. The funds can be used for rent, utilities, payroll, outstanding debts, and other immediate operational costs. While the first two rounds are closed, the next application period will open on May 14. More information available [here](#).

Facebook

Facebook has launched a grant program for small businesses experiencing challenges due to COVID-19. Eligible businesses have between 2 and 50 employees and have been in business for over a year. More information available [here](#).

Business for All Grants

Emergency grants up to \$10,000 for small business owners impacted by COVID-19 pandemic. More information [here](#).

LA County Employee Assistance Grant Fund

The LA County Board of Supervisors launched the Employer Assistance Grant Fund to help small businesses impacted by the crisis. Businesses may be eligible to receive up to \$10,000 in grants based on need. Preference will be given to small businesses (between two to fifty employees), including non-profits, located in unincorporated areas of the county. While the county has stopped accepting applications, you can sign up to join the [waitlist here](#).

Red Backpack Fund Grant

Grants of \$5,000 each to female entrepreneurs. The first round of funding has closed but applications will open again on May 4, June 1, July 6, and August 3. To learn more and sign up for notifications when the application opens again, visit [here](#).