



# DISASTER RESOURCE WEBINAR #2

Office of Minority Business Development (OMBD) & Partners

Thursday, April 9, 2020 – 10:00AM EST



# AGENDA

- Brief Introductions
- Reason for webinar
- City of Richmond Resources
- The CAREs Act and SBA resources
- Additional resources
- How to ask Questions
- Schedule of Webinars

# OFFICE OF MINORITY BUSINESS DEVELOPMENT

- City of Richmond Offices closed until May 3<sup>rd</sup>
- OMBD is operating remotely (8:00am – 5:00pm)
- Available via phone & virtual meeting(s)
- Technical & Business Development Assistance
  - LaQuiana Bailey [LaQuiana.Bailey@richmondgov.com](mailto:LaQuiana.Bailey@richmondgov.com)
- Compliance
  - LaTisha Bragg [LaTisha.Bragg@richmondgov.com](mailto:LaTisha.Bragg@richmondgov.com)
  - Compliance Email: [M.BD.Compliance@richmondgov.com](mailto:M.BD.Compliance@richmondgov.com)
- OMBD Department [Minority.Business.Development@richmondgov.com](mailto:Minority.Business.Development@richmondgov.com)
  - Phone: (804) 646-5947

# CITY OF RICHMOND RESOURCES

- MicroLoan Enterprise Program
- Contact(s)
  - Patricia Foster, Director, OMBD
    - [Patricia.Foster@richmondgov.com](mailto:Patricia.Foster@richmondgov.com)
    - Phone: (804) 646-7966
  - Rick Winston, Program Administrator, DED,
    - [Rick.Winston@richmondgov.com](mailto:Rick.Winston@richmondgov.com)
    - Phone: (804) 646-5036
  - LaQuiana Bailey, Program Manager, OMBD
    - [LaQuiana.Bailey@Richmondgov.com](mailto:LaQuiana.Bailey@Richmondgov.com)
    - Phone: (804) 646-1875
  - General MicroLoan Inquiries: [MBDLoans@richmondgov.com](mailto:MBDLoans@richmondgov.com)

**City of Richmond has new resource website: RVAStrong - <https://www.rvastrong.org/>**

# RICHMOND'S SMALL BUSINESS DISASTER LOAN

- Richmond is offering loans of **up to \$20,000 for small businesses within city limits** to help employers cover labor costs to keep businesses open and pay employee wages.
- **The interest rate is 0%**. There is a six month deferment period, after which the loan is paid off in interest-free installments over 48 months.
- **To apply**, email the following documentation to Rick Winston, [rick.winston@richmondgov.com](mailto:rick.winston@richmondgov.com), at the Department of Economic Development:
  - Completed and signed Richmond Small Business Disaster Loan Program application;
  - Documentation of weekly payroll expenses for the last eight weeks;
  - Two years of the company's financial statements;
  - Two years of the business signed tax returns; and
  - Two years of the applicants' individual signed taxed returns.
- There is a limited amount of funding for this program. Applications will be considered in the order in which they are submitted.
- **The application is available at** <https://www.rvastrong.org/richmond-disaster-loan>

# CAPITAL REGION WORKFORCE BOARD

- The Commonwealth of Virginia recently awarded a \$201,000 grant to the Capital Region Workforce Board to reimburse Richmond Area businesses with certain costs related to the COVID-19 pandemic. Eligible uses of grant funds include paying for cleaning services so companies can stay open, paying for cleaning supplies, or purchasing items that can assist employees in teleworking. Other COVID-19 related items can be considered on a case-by-case basis. Reimbursement is available for allowable costs incurred between March 1, 2020 and August 31, 2020. Businesses must first incur the cost and present proof of payment to be reimbursed. (Note that “equipment” with a per unit value over \$5,000 is not allowed nor are wage reimbursements for employees.)
- **\$40,292 from this grant is available for Richmond businesses located in the City of Richmond. Grant awards will be made until the all of the funds are used.**
- Grant application: <https://vcwcapital.com/wp-content/uploads/RR-Bus-Supt-App.pdf>.
- Submit completed applications to Brian Davis at [dav113@henrico.us](mailto:dav113@henrico.us).
- For more information please contact Brian Davis at [dav113@henrico.us](mailto:dav113@henrico.us) or (804) 652-3228.

# CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT

- The programs and initiatives in the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was just passed by Congress are intended to assist business owners with whatever needs they have right now. When implemented, there will be many new resources available for small businesses, as well as, certain nonprofits and other employers. This guide provides information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as, some additional tax provisions that are outside the scope of SBA. To keep up to date on when these programs become available, please stay in contact with your local Small Business Administration (SBA) District Office.

# PAYCHECK PROTECTION PROGRAM

- 100% government guaranteed
- Small business as defined by SBA (500 employees but up to 1500 depending on industry sector)
- 501 (C)(3) non-profits with fewer than 500 employees
- Sole proprietors, the self-employed and independent contractors
- No personal guarantee or collateral required
- Lenders defer fees, principal, and interest for no less than 6 months and no more than 1 year



# PAYCHECK PROTECTION PROGRAM

## CONTINUED

- **Maximum Loans:** generally, monthly payroll costs for 2 ½ months, not to exceed \$10M
- **Requirements:** Employer certifies loan will be used to retain workers, maintain payroll, make mortgage or lease payments and pay utilities
- **Loan Forgiveness:** Borrower shall have a portion of their loans forgiven in the amount equal to their payroll cost, interest payments on mortgages, rent payments and utility payments between February 15 and June 30, 2020
- **Terms:** Maximum 10 years
- **Available:** through June 30, 2020

*Additional Provision: \$17B for SBA to cover 6 months of payments for businesses with current SBA loans*

# OTHER PROVISIONS

DETAILS CAN BE FOUND ON OUR WEBSITE UNDER "SUMMARY OF BIPARTISAN AGREEMENT ON CARE ACT"

- **Business tax provisions**
- **Payments and Relief for Individuals payments to taxpayers** (\$1200 per individual, \$2400 Joint, \$500 per Child)
- **Unemployment Program**
  - Extended by 13 weeks and include a four-month enhancement of benefits)
  - Upon agreement between a state, an additional \$600 per worker per week
- **Student Loans**
  - Defer student loan payments to September 30, 2020 w/o penalty
  - Suspend reporting to credit agencies
  - Suspend all involuntary collection on defaulted student loans including wage garnishment and reduction in tax refunds and other government provided benefits.

# ECONOMIC INJURY DISASTER LOAN

- In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. 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 Loans are also available to residents in declared disaster areas.

# ECONOMIC INJURY DISASTER LOAN

- Loans below \$200k can be approved without a personal guarantee
- Loans can be made based solely on credit score
- Borrowers can receive \$10k cash advances that are forgiven if spent on paid leave, maintaining payroll, increase cost due to supply chain interruption, mortgage or lease payments or repaying obligations that cannot be met due to revenue losses.
- SBA will disburse 10K advance within 3 days
- Application can be found on the SBA and Minority Business Development websites, as well as, "How to Apply" link

# ECONOMIC INJURY DISASTER LOAN

- To apply for a COVID-19 Economic Injury Disaster Loan
  - <https://covid19relief.sba.gov/#/>
- 100 most active SBA 7(a) lenders
  - <https://www.sba.gov/article/2020/mar/02/100-most-active-sba-7a-lenders>

# TRUIST

- Truist Financial Corp. is donating \$2 million to community development financial institutions to support grants to small businesses impacted by the COVID-19 pandemic in states served by the bank.
- Truist-NCIFund COVID-19 Grants:
  - <https://www.ncifund.org/what-we-do/truist-ncifund-covid-19-grants>
- COVID-19 Rapid Recovery Loan:
  - <https://www.ncifund.org/what-we-do/nc-covid-19-rapid-recovery-loan>

# KIVA COVID-19 RESPONSE

- Expanding eligibility, providing larger loans, and extending grace periods of up to six months for new borrowers.
- Kiva is a nonprofit provided crowd-funded microloans.
- Apply at [www.kiva.org/borrow](https://www.kiva.org/borrow)

# FACEBOOK SMALL BUSINESS GRANT PROGRAM

- Facebook is offering \$100M in cash grants and ad credits for up to 30,000 eligible small businesses in over 30 countries where we operate. We'll share more details as they become available.
- Specifics are not available at this time. To stay informed about when the application process opens, sign up for Facebook Small Business updates at:
  - <https://www.facebook.com/business/boost/resource>



# GRANTS FOR NON-PROFITS

- **CARES Act Nonprofit**

- Loans are up to \$2M
- The term is 30 years
- Interest Rates are 2.75% for non-profits
- The first month's payments are deferred a full year from the date of the promissory note.
  - <https://insidecharity.org/2020/03/30/cares-act-nonprofit-application/>
- You have to have been in business by January 31, 2020 to qualify, so you can't start a business now and receive this kind of grant. The SBA also offers other information and programming at [www.sba.gov/coronavirus](http://www.sba.gov/coronavirus).
- How long will it take to get the money? Unfortunately, Mr. Contreras could not give a definitive timeline from application to approval on these loans. There are some 30 million small businesses in the United States. In a busy year, the SBA processes 800,000 applications. If the 3.3 million unemployment numbers show anything, there will be a lot of demand for this relief (and systems may be overloaded). My advice: apply as soon as you can.

# UPCOMING WEBINARS

- Disaster Resources for the Construction Industry
  - Friday, April 17, 2020, 7:00PM EST
  - <https://www.signupgenius.com/go/10C0A49A4AD23A3F85-disaster2>
- Disaster Resources for the Professional Services Industry
  - Friday, April 24, 2020, 11:00AM EST
  - <https://www.signupgenius.com/go/10C0A49A4AD23A3F85-disaster3>
- Disaster Resources for the Restaurant Industry
  - Friday, May 1, 2020, 11:00AM EST
  - <https://www.signupgenius.com/go/10C0A49A4AD23A3F85-disaster4>

# ADDITIONAL CONTACTS

## **SBA -Richmond**

Carl Knoblock  
District Director -Richmond  
[carl.b.knoblock@sba.gov](mailto:carl.b.knoblock@sba.gov)  
Phone: 804-986-8901

## **SRT Wealth Design Group**

Sonji Rollins Tucker  
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## **Fulton Bank**

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Financial Center Manager  
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## **About the Books Accounting**

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## **LISC**

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Program Officer  
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Phone: 804-505-4183



**Please email all questions to  
LaQuiana Bailey, Program Manager**

[Minority.Business.Development@richmondgov.com](mailto:Minority.Business.Development@richmondgov.com)