



U.S. Small Business  
Administration

## A Message from SBA Colorado District Office

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**April 1, 2020**

**We realize there is significant interest in specific provisions of the recently passed CARES Act, especially the recently announced Paycheck Protection Program (PPP). However, be advised -- at this time, we do not yet have formal implementation directions on all initiatives. We appreciate your continued patience and will communicate widely once information is available. The information below covers information as it is currently available today. Additionally, you can sign up for our e-mail updates here for the latest news and alerts from the Colorado SBA: [SIGN UP HERE](#)**

### **FOR SMALL BUSINESS CLIENTS**

#### Paycheck Protection Program (PPP)

On March 30, the SBA and US Treasury jointly announced the establishment of a new program authorized under the CARES Act called the Paycheck Protection Program (PPP). The Program will provide much-needed relief to millions of small businesses so they can sustain their businesses and keep their workers employed.

**SBA is currently working on specific additional guidance, policies and procedures to apply for a PPP loan. It is critical that we provide accurate information, and we will be working with lenders to do so as soon as possible.**

As of now, summary information on the PPP is posted on the SBA and Treasury websites. Below you will find some highlights of what has been posted, as well as links to both sites. This will provide some insight into what may be required and summaries of terms so that you may start preparing to apply.

- <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>
- <https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>
- <https://home.treasury.gov/caresoks> like the
- <https://home.treasury.gov/system/files/136/PPP%20Lender%20Information%20Fact%20Sheet.pdf>

## Economic Injury Disaster Loan

-And-

## Economic Injury Disaster Loan Advance

The SBA now offers low-interest federal disaster advances and loans for working capital to small businesses throughout all of Colorado suffering from substantial economic injury as a result of the Coronavirus (COVID-19).

The EIDL and EIDL Advance programs are available to small businesses and private, non-profit organizations in designated areas of a state or territory to help alleviate economic injury caused by the Coronavirus (COVID-19). These programs are overseen by the SBA's Office of Disaster Assistance which supports the review of application submissions as well as conducts customer service assistance to potential borrowers and the general public.

Businesses interested in applying for the up to \$10,000 EIDL Advance – AND – the up to \$2 million EIDL loan programs should visit the SBA Office of Disaster Assistance web site at [www.sba.gov/disaster](http://www.sba.gov/disaster) in preparation to apply.

EIDL 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. This loan advance will not have to be repaid. Apply for the Loan Advance [here](#).

EIDL Loans offer up to \$2 million in assistance and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%. The SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

If you have previously applied for the EIDL Loan and have an application number, you can call or email the Customer Service Center to check the status. Customers who previously applied should have been directly contacted by SBA Disaster about the process to also apply for the EIDL Advance.

For program questions or assistance in completing the application, businesses can contact our Customer Service Center at 1-800-659-2955 or [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

### Express Bridge Loan (EBL) Pilot Program

The SBA's Express Bridge Loan (EBL) Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork. EBL loans can only be made by SBA Express Lenders that had a valid agreement with the SBA in effect as of the date of the applicable disaster. Eligible small businesses are those that were located, as of the date of the applicable disaster, in the Primary Counties that have been declared by the President's office as disaster areas, plus any Contiguous Counties. This includes all 64 Colorado counties.

The small business must have been operational when the declared disaster commenced and must meet all other 7(a) loan eligibility requirements.

Terms:

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

Find an Express Bridge Loan Lender via SBA's [Lender Match Tool](#) or by connecting with a Lender Relations Specialist in our office: [Robert.Martin@sba.gov](mailto:Robert.Martin@sba.gov).

For more information: <https://www.sba.gov/document/support--express-bridge-loan-pilot-program-guide.&nbsp;nbsp;>

### **COMING SOON!**

#### Small Business Debt Relief

Under the CARES Act, current 7(a) Borrowers will be relieved of any obligation to pay the principal, interest and any associated fees that are owed on a 7(a) loan in a regular servicing status (including Community Advantage loans) for a 6-month period beginning with the first payment due on a loan after March 27, 2020. SBA will pay this first loan payment to the Lenders within 30 days of the first loan payment due date after March 27, 2020.

SBA will provide further guidance to Lenders on the method and the date by which Lenders must provide the necessary documentation.

You can find a full listing of the SBA's traditional loan programs at [sba.gov](http://sba.gov).

## **OTHER RESOURCES:**

### Communication/Resources/Navigation

The SBA Colorado District Office is working closely with our state-wide strategic partners, such as the Colorado Office of Economic Development and International Trade (OEDIT), Colorado Small Business Development Center (SBDC) Network, Mi Casa Women's Business Center, Denver SCORE and Colorado Springs SCORE to assist small businesses with a variety of support and programs in their communities as well as technical training they require.

### **Colorado OEDIT**

The State of Colorado - OEDIT has established a Small Business Navigator Hotline and Email for businesses seeking general guidance, information on access to capital programs, workforce development concerns, and other areas small businesses are affected by. The Small Business Navigator hotline is available Monday through Friday from 8:00 a.m. to 5:00 p.m. MT, or, they can be reached via email.

Hotline: (303) 860-5881

Email: [oedit\\_sbnavigator@state.co.us](mailto:oedit_sbnavigator@state.co.us)

Also, you can sign up for COVID-19 email updates from OEDIT. They will email you whenever there is news to share, which could be daily or weekly depending on the situation. Please be sure to visit OEDIT's **COVID-19 Business Resource Center**, as that webpage has the most recent news and resources.

### **Colorado SBDCs**

CO SBDCs are committed to providing the most up-to-date and relevant information to help you and your business navigate potential hardships. The state SBDC Network has compiled many resources for your business on Disaster Preparedness and Continuity here: <https://pikespeaksbdc.org/what-we-do/programs/disaster-relief/>. The site is updated frequently. It is recommended you ***schedule a consultation appointment*** with the CO SBDC Network. You can find your local SBDC online at [www.coloradosbdc.org/location](http://www.coloradosbdc.org/location). The SBDC can assist businesses with EIDL applications and with additional small business resources and specialized disaster mitigation technical assistance. They have developed a new guide that is useful for businesses seeking information on a wide variety of subjects.

### **CO SBDC COVID-19 Small Business Response Resources Guide:**

[https://www.coloradosbdc.org/wp-content/uploads/2020/03/colorado-covid-guide\\_v4.pdf](https://www.coloradosbdc.org/wp-content/uploads/2020/03/colorado-covid-guide_v4.pdf)

Additionally, the Colorado SBDC Network offers a variety of webinars and virtual workshops to assist small businesses with a variety of topics. Click here learn more:

<https://tinyurl.com/rbwehm3>

### **Mi Casa Women's Business Center**

The Mi Casa Resource Center supports any and all entrepreneurs through all stages of business development, helping them explore, launch, and grow their business through bilingual consulting, in-depth training, and a variety of business-related workshops and resources. Mi Casa is currently supporting businesses remotely but are ready and able to assist all types of small businesses with a variety of programs. Contact them at (303) 573-1302 or e-mail them here: <https://micasaresourcecenter.org/contact-us/>

### **Denver/Colorado Springs SCORE**

SCORE is a one-stop shop organization for entrepreneurs seeking advice about how to start a new business or improve an existing one. With two chapters in Colorado, SCORE's more than 100 volunteers are usually retired entrepreneurs or executives with a deep breadth of experience and expertise to assist you. They provide workshops and one-on-one mentoring sessions as well.

Both chapters are working to offer video teleconference workshops for businesses as well as remote mentoring sessions for small businesses in need of advice and counseling. To learn more, visit their sites or contact them below:

#### *Denver SCORE*

Updates: <https://denver.score.org/content/take-workshop-264>

Email: [score62@scoredenver.org](mailto:score62@scoredenver.org)

#### *Colorado Springs SCORE*

Updates: <https://coloradosprings.score.org/>

Email: [leaders@coloradospringsscore.org](mailto:leaders@coloradospringsscore.org)

Colorado businesses and the public are encouraged to follow the SBA Colorado District Office on Twitter for the latest news and information on the revolving Coronavirus response: [www.twitter.com/SBA\\_Colorado](https://www.twitter.com/SBA_Colorado) (@SBA\_Colorado). Additionally, you can sign up for our e-mail updates here for the latest news and information from the Colorado District: **[SIGN UP HERE.](#)**

The Colorado Department of Public Health and Environment (CDPHE) is leading the State's multi-agency crisis response.

- COVID-19 Hotline: Call 303-389-1687 or 1-877-462-2911
- Email [COHELP@RMPDC.org](mailto:COHELP@RMPDC.org) .
- State public health web page: [www.colorado.gov/cdphe/2019-novel-coronavirus](http://www.colorado.gov/cdphe/2019-novel-coronavirus)
- Facebook (facebook.com/CDPHE) and Twitter (@CDPHE)
- CDC web page [www.cdc.gov/coronavirus/2019-ncov](http://www.cdc.gov/coronavirus/2019-ncov)

# **CARES Act – Small Business Resources – Town of Minturn**

## **Supplemental Document to Accompany the SBA Small Business Resources Summary Document**

Website just launched on March 31. Application window is tentatively set for April 3<sup>rd</sup> through June 30<sup>th</sup>.

[www.sba.gov/disaster](http://www.sba.gov/disaster).

For questions, or to check the status of an existing application, contact:  
800-659-2955

[disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)

Business owners cannot pursue / qualify for multiple SBA programs at the same time. They must choose one.

### **EIDL (Economic Injury Disaster Loan)**

#### **This may be best option for very small businesses (with no or minimal employees)**

This is a low interest (3.75%) loan, but includes a \$10,000 advance (grant) option that does not need to be paid back (the advance essentially becomes an emergency grant). When you apply for the loan, you can request the \$10,000 advance / grant and you are eligible to receive it even if you don't end up qualifying for the loan. (or if you end up declining the loan).

If you are approved for the loan, you still have the option to decline it. (Essentially, you can request just the \$10K grant and decline the loan option). Declining the loan does not affect your eligibility for the grant. No collateral is needed for the loan. Can defer for up to one year, but interest does accrue during this time.

If you wish to participate in the loan portion, the loan amount is calculated for you (based on working capital and payroll averages over a 6 month period).

EIDL goes directly through partner lenders (not through the SBA directly).

**If you already applied for an EIDL loan (prior to the announcement of the \$10K advance / grant), you would need to go back into the portal to opt in to the advance / emergency grant.**

### **PPP (Paycheck Protection Program)**

PPP also works like a loan / is a loan, but allows for a grant to cover up to 8 weeks of costs including Rent / Mortgage, Utilities and Payroll. However, this plan is contingent upon employee retention or hire-back. The purpose of this plan is to keep staff employed (or if have already had to let employees go, to hire back the same numbers).

Another caveat of this plan is that wages / salaries can only be reduced by 25%. Staffing levels / averages are measured from the previous year and specifically the period of Feb 15 through June 30, 2019.

Eligible funds are up to 250% of average payroll costs.

Other *possible* deferrals – NOT through SBA (dependent on lender / carrier):

It is recommended that you speak with your lender(s) and insurance carriers to find out about potential deferrals or forbearance options. Some businesses have had success with:

- Commercial mortgage
- Commercial auto loans
- Insurance payments (workers comp, etc)
- Commercial vehicle insurance (especially if the vehicles are not currently being used)
- Other insurance policies, especially while the business is closed or offering reduced hours / services