

ASSISTING BUSINESSES WITH THE IMPACTS OF COVID-19

A Collaboration of the Village of Trumansburg and the Trumansburg Area Chamber of Commerce



Special thanks to: Judy McKinney Cherry, Executive Director of the Schuyler County Partnership for Economic Development (SCOPED) for providing information included in this packet.

INTRODUCTION

Small businesses should:

- Protect cash positions & inquire on ALL relief options
- Maintain access to bank credit (establish a LOC if not already in place)
- Inquire if a deferral is being offered by their financial institution

RESOURCES: APPLICATION PROCESS CHANGING WEEKLY

- SBA Economic Injury Disaster Loan (EIDL)
- SBA Emergency Economic Injury Grants
- Paycheck Protection Program (PPP) Loans
- Other pre-existing SBA loan programs

ECONOMIC INJURY DISASTER LOAN (EIDL) ASSISTANCE

- SBA provides low-interest, long-term loans for physical and economic damage caused by a Federally declared disaster.
- Federal COVID-19 Disaster Declaration Makes EIDL Available Due to the Coronavirus (COVID-19) Outbreak
- Direct Treasury Department funding.
- Available to: small businesses, small agricultural cooperatives, small aquaculture businesses, and most private non-profit organizations

EIDL

- Eligible entities may qualify for loans **up to \$2 million.**
- Interest rate:
 - 3.75% for for-profit businesses
 - 2.75% for not-for-profit businesses
- Maturity is up to 30 years
- Loans < \$25k – no collateral
- Loans > \$25k – available collateral will be taken, regardless of existing prior liens.

EIDL

- New York is in advantage situation (so far)
- Decisions are First In First Out
- Decisions made in 8-21 days.
- Funds are expected to be received in 5-10 days after “signing” for loan.
- *This is changing daily.*

EIDL: ELIGIBILITY

- Must have a significant physical presence in NYS
- Must show ability to repay the loan (so a business that has been struggling for years, would not qualify)
- Credit History “acceptable to SBA” which may be more lenient than bank standards
- Must be defined as a small business (less than 500 employees)

EIDL: USE OF FUNDS

- Working capital loans may be used to pay:
 - fixed debts
 - payroll
 - accounts payable
 - other bills that could have been paid had the disaster not occurred.
- The loans are not intended to replace **lost sales or profits** or for expansion.

EIDL: APPLICATION

- **Applications can be made online at: www.sba.gov/disaster.**
Paper applications can also be made, but the SBA prefers the online app, and process should be quicker
- Customer service number is #800-659-2955.
- No cost to apply, no cost to take the loan, SBDCs will assist

HOW TO APPLY

<https://www.sba.gov/funding-programs/disaster-assistance>

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Disaster Loan Applications

Find out how to apply for SBA Disaster loans

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Economic Injury Disaster Loans and Loan Advance

To apply for a COVID-19 Economic Injury Disaster Loan, [click here](#).

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. To view the full list of disaster declarations, [click here](#).

To apply for a disaster loan unrelated to COVID-19, [click here](#).

Home Loans or Sole Proprietor Loans

Homeowners and Renters must register with the Federal Emergency Management Agency (FEMA) to obtain a FEMA Registration ID Number by calling 1-800-621-3362 prior to applying for an SBA loan.

To apply, [click here](#).

EIDL FORM



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



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

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.

EIDL FORM



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) *

EIDL FORM

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.

EIDL FORM

Step 1 of 3

Business Information

Business Legal Name *

SCOPED, INC.

Trade Name *

Schuyler County Partnership for Economic Development

EIN/SSN for Sole Proprietorship *

22-2860153

Organization Type*

Other

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)

EIDL FORM

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

\$0

List the Secular Social Services Provided by the Faith Based Entity

0

Compensation From Other Sources Received as a Result of the Disaster

\$0

Provide Brief Description of Other Compensation Sources

None

Primary Business Address (Cannot be P.O. Box) *

910 South Decatur Street

City *

Watkins Glen

State *

New York

County

New York

Zip *

14891

EIDL FORM

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

\$0

List the Secular Social Services Provided by the Faith Based Entity

0

Compensation From Other Sources Received as a Result of the Disaster

\$0

Provide Brief Description of Other Compensation Sources

None

Primary Business Address (Cannot be P.O. Box) *

910 South Decatur Street

City *

Watkins Glen

State *

New York

County

New York

Zip *

14891

EIDL FORM

Alternative Business Phone

Alternative Business Phone is not valid.

Business Fax

Business Email *

Date Business Established *

Current Ownership Since *

Business Activity *

Detailed Business Activity*

Number of Employees (As of January 31, 2020) *

Next >

EIDL FORM

Individual Owner/Agent(s)

Owner/Agent 1

First Name *

Judy

Last Name *

Cherry

Mobile Phone *

(302)-593-2409

Please enter a valid phone number. Format must be (XXX)-XXX-XXXX, all digits.

Title / Office *

CEO

Ownership Percent *

0

Email *

Judy@FLXGateway.com

EIDL FORM



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

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

EIDL FORM

MOST IMPORTANT **
Check the BOX



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.

Where to Send Funds

Bank Name *

Account Number *

Routing Number *

On behalf of the individual owners identified in this application and for the business applying for the loan:

I/We authorize my/our insurance company, bank, financial institution, or other creditors to release to SBA all records and information necessary to process this application and for the SBA to obtain credit information about the individuals completing this application.

If my/our loan is approved, additional information may be required prior to loan closing. I/We will be advised in writing what information will be required to obtain my/our loan funds. I/We hereby authorize the SBA to verify my/our past and present employment information and salary history as needed to process and service a disaster loan. I/We authorize SBA, as required by the Privacy Act, to release any information collected in connection with this application to Federal, state, local, tribal or nonprofit organizations (e.g. Red Cross Salvation Army, Mennonite Disaster Services, SBA Resource Partners) for the purpose of assisting me with my/our SBA application, evaluating eligibility for additional assistance, or notifying me of the availability of such assistance.

I/We will not exclude from participating in or deny the benefits of, or otherwise subject to discrimination under any program or activity for which I/we receive Federal financial assistance from SBA, any person on grounds of age, color, handicap, marital status, national origin, race, religion, or sex.

I/We will report to the SBA Office of the Inspector General, Washington, DC 20416, any Federal employee who offers, in return for compensation of any kind, to help get this loan approved. I/We have not paid anyone connected with the Federal government for help in getting this loan.

OTHER EIDL NOTES

- As with all SBA apps, incomplete info is the biggest reason for delay (so make sure all boxes/lines are filled in)
- If denied, business will have up to 6 months to complete app and provide info
- If disaster loan is taken, and more funds are needed, business may apply for an increase

EMERGENCY ECONOMIC INJURY GRANT

- Provides an ADVANCE of \$10,000 to small business and non-profits that apply for the EIDL
- EEIG does NOT need to be repaid, even if the applicant is denied an EIDL.
- May be used to pay sick leave for employees, payroll, meet increased cost in production due to disrupted supply chain or pay business obligations (debts, rent, mortgage, etc.)

Eligibility:

- Must have been in operation on January 31, 2020
- Small business, private non-profits, sole proprietors, independent contractors, tribal businesses, cooperatives and employee-owned businesses

PAYCHECK PROTECTION PROGRAM

- Made through a traditional SBA Lender
- Cash Flow Assistance with 100% federally guaranteed loan for employers who maintain or bring back employees
- If employers maintain their payroll, loans are forgiven (forgiveness of up to 8 weeks of payroll based on retention salary levels). Expect that 75% has to be used for Payroll expenses.
- Used for: Payroll, Health care benefits and related insurance premiums; Employee compensation (with some limitations for employees with salaries over \$100,000 and exclusions for employees based outside the U.S.)
- Mortgage interest obligations (but not principal)
- Rent and utilities
- Interest on debt incurred prior to the loan

PAYCHECK PROTECTION PROGRAM

- No SBA fees
- Maximum: Lesser of \$10mm or 2.5 X Total Avg monthly payroll costs
- 6 month-12 month deferral
- Time frame: February 15, 2020 – June 30, 2020.
- For amounts not forgiven, interest rate is 4% for max of 10 years, 0 loan fees, 0 prepayment fee (app fees determined by lender)
- PPP Loans are unsecured loans requiring no collateral, no personal guarantee, and no showing that credit is unavailable elsewhere

THANK YOU

Follow up questions:

Rordan Hart – Village of Trumansburg

mayor@trumansburg-ny.gov

Keith Hannon – Trumansburg Area Chamber of Commerce

hannon@trumansburg-ny.gov