



Small Business Ask for Help Toolkit Sustainable Business Network of Massachusetts

The CARES Act

The second round of the Paycheck Protection Program is live as of Monday 04/27/20. The Federal Reserve Bank of Boston has put together a [resource page](#) for New England smaller businesses including nonprofits to aid them in applying to this program on how to take advantage before funds run out in this next round. The program is currently open until June 30, 2020, but eligible businesses are encouraged to prepare their applications now to be in the queue for these additional relief funds, which are again expected to run out rapidly.

The Resource Page Includes:

- An info sheet describing the program
- Links to other resources including program information and loan applications in 19 languages
- A list of technical assistance providers indicating they are able to help small businesses/nonprofits apply for the PPP
- A list of financial institutions that are able to process PPP loans for non-customers
- You can visit the page here:
<https://www.bostonfed.org/in-the-region/covid-19-resources/paycheck-protection-program.aspx>

The CARES Act frees up loans as high as \$10 million dollars for small businesses designated for payroll and operating expenses.

This \$350 Billion Paycheck Protection Program (PPP) is available to businesses with under 500 staff members and has following positive qualities:

- The intention of the PPP funding is to give it away as soon as possible--3-4 weeks.
- The objective is to have the loan approved within two weeks of the application and the funding to happen through your bank within 24 hours--although because of the volume it may take more time to receive the funds



- With the PPP, a business will receive a total loan equivalent to 2.5 X the applicant's average monthly payroll over the previous 12 months.
- No collateral required.
- No personal guarantees needed.
- Low interest rates.
- Total debt is forgivable based on retention of staff.
- Applications will be run through banks and the federal government funds the loans through the banks.
- The Small Business Administration (SBA) is leading the funding and they have systems in place to handle this process.
- There are several SBA programs available and entrepreneurs can apply for all of them.

The first loan you should apply to is the Paycheck Protection Program (PPP). This is a forgivable loan.

- Study this thorough document that will answer **most** of your questions: **Small Business Owner's Guide to the CARES Act Download the guide here. [final].pdf**.
 - Contact the **Dorchester Bay Economic Development Corporation** at (617) 825-4200 for more information.
- Contact your banker immediately and ask them to help you apply for funds from the PPP. Most of the funding will come to you through a bank.
- The applications for the PPP should be available by April 4, 2020. The bank should assist you in making this application as they are key to getting funded
- The Senate Small Business Committee released a Guide to the CARES Act Read this carefully to learn about the PPP and the CARES Act.

SBA Disaster Relief Fund

We strongly encourage you to apply for the SBA's Disaster Relief Fund that is available in Massachusetts and can fund up to \$2 million dollars with low interest. This is not a forgivable loan.

- Under the CARES Act, when a business applies for this emergency funding, the business will receive \$10,000 immediately before the application is approved. This \$10,000 could be wrapped up with the PPP or other SBA programs or be a part of the accepted loan from this EIDL program.
- Below are important aspects of this EIDL loan program from the SBA.
 - **7(a) loan**
- 7(a) loans are an affordable loan product of up to \$5 million for borrowers who lack credit elsewhere and need access to versatile financing.
- You can visit **this site** to learn about the different types of 7(a) loans and find the one that's best for you.



- Apply for a 7(a) loan with a bank or a mission-based lender. SBA has a free referral service tool called Lender Match to help find a lender near you.
 - Small business concerns and small agricultural cooperatives are eligible if they meet the applicable size standard for SBA, as well as most private non-profits of any size.
 - Read more about the process for [accessing SBA's coronavirus \(COVID-19\) loans](#).

Process for Accessing SBA's Coronavirus (COVID-19)

Disaster Relief Lending

The MA Emergency Management Agency (MEMA) and Baker-Polito Administration are working closely with the U.S. SBA to activate the Economic Injury Disaster Loan (EIDL) program which provides assistance to eligible businesses and nonprofits impacted by COVID-19.

- Download, complete, and submit the [SBA EIDL Worksheet and instructions to expedite activation of the EIDL program](#).
- Submit form by **email to Disaster.Recovery@mass.gov** or by **fax to (508) 820-1401**. If you do fax the form, please include your email. *Please note, this initial survey form is not a SBA loan application.
- Apply directly to the SBA. For questions, contact Disaster.Recovery@mass.gov

Economic Injury Disaster Loans (EIDLs)

- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance per small business and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- Interest rates:
 - For small businesses without credit available elsewhere: 3.75%.
 - For non-profits: 2.75%.
 - For businesses with credit available elsewhere: Not eligible
- SBA offers loans with long-term repayments up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

SBA's Express Bridge Loan Program to bridge Long-term financing

Allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork.



MA Equitable PPP Access Initiative

As part of this initiative, a coalition of banks are committing to making PPP loans directly, and a network of CDFIs are providing technical assistance with loan applications. If you are a **minority-owned business** and meet the criteria, please apply through this initiative.

Cambridge Relief Programs for Small Businesses

- The City of Cambridge's **Mayor's Disaster Relief Fund (MDRF)** for small businesses will result in the award of grants of up to \$10,000, which will not have to be repaid. In addition, the Cambridge Redevelopment Authority ("CRA") has developed a zero (0%) interest loan program (the "CRA Loan Program") which is being administered in cooperation with Cambridge Savings Bank and will provide loans of up to \$15,000 to small businesses that have qualified to participate in the Mayor's Disaster Relief Fund.
- The **Storefront Improvement Program** provides financial assistance to property owners or tenants seeking to renovate or restore commercial building exterior facades. Financial assistance includes partially matching grants for ADA improvements to entrances, façade improvements, and signage, lighting and awning improvements.
- The **Small Business Enhancement Program** is a reimbursement grant program that helps eligible small for-profit businesses purchase equipment, marketing, and materials associated with growing their business in Cambridge.
- The **Cambridge Redevelopment Authority** has launched a Small Business COVID-19 Relief Grant Program, targeting establishments in East Cambridge and Kendall Square. The CRA Program will provide eligible retail, food, personal services, and creative for-profit businesses with a grant **up to \$6,000** per brick and mortar business.

Other Funding & Loan Resources for Small Businesses

- The **USDA Coronavirus Food Assistance Program (CFAP)** is meant to help farmers and ranchers affected by the COVID-19 pandemic. A total of \$16 billion will be available in direct payments to agricultural producers and \$3 billion in food purchases. In its first tranche, direct payments will compensate producers for 85 percent of price losses that occurred between January 1 – April 15, 2020. Its second tranche will cover 30 percent of anticipated losses through the next two quarters. For the food purchase program component, USDA will partner with regional and local food distributors whose sales have been impacted by restaurant and other food service business closures, with distributors



providing pre-approved boxes of fresh food to food banks, community and faith-based organizations, and other nonprofits helping needy Americans.

- **Cambridge Redevelopment Authority's COVID-19 Relief Grant Program** will provide eligible retail, food, personal services, and creative for-profit businesses with a grant up to \$6,000 per brick and mortar business.
- **LISC Small Business Recovery Grant Program for Massachusetts** will offer grants of up to \$10,000 to small businesses to address immediate financial peril.
- **City of Boston Small Business Relief Fund** will distribute grants up to \$10,000 to small businesses with under 35 employees. *Update: The City of Boston is no longer accepting new applications to the Small Business Relief Fund. If additional funding becomes available, the application portal will reopen.*
- **Boston Main Streets Foundation COVID-19 Emergency Response Fund** will distribute \$1,000 grants to individual small businesses located within the Boston Main Streets district.
- **Eastern Bank Small Business Impact Loan Fund** will provide \$5 million in lending to small businesses
- \$100 Million **Facebook Small Business Grants Program**
- **Hello Alice** offering small businesses \$10,000 grants
- **Kiva** is offering 0% interest loans, up to \$15,000, to entrepreneurs
- **Emergency Micro-Loan Program for Central Mass Businesses** is offering up to \$20,000 to assist central Massachusetts small businesses that need access to funding due to hardship stemming from the outbreak.
- **MainVest in Salem** has launched "the Main Street Initiative" — \$2,000, zero-interest cash loans to small brick and mortar businesses
- **Verizon Small Business Recover Fund** announces grants up to \$10,000
 - This fund seeks to support entrepreneurs of color, women-owned businesses and other enterprises in historically under-served places
- **LISC and Citizens Bank Launch Small Business Recovery Grants for Massachusetts** will offer grants of up to \$10,000 to small businesses to address



immediate financial peril, limit layoffs, avoid gaps in employee benefits or insurance, mitigate economic instability and increase the likelihood of business survival.

- **Small Business Technical Assistance Grant Program** through the Massachusetts Growth Capital Corporation provides technical assistance and training programs for underserved and/or disadvantaged businesses with 20 employees or less.

Forms of Employee Assistance

As a result of the passing of the CARES Act, the unemployment insurance program has been completely transformed. These changes are immense and will be a huge help for people who have been laid off because of the Coronavirus Crisis. Here the major positive changes:

- The one week waiting period has been waived
- Furloughed or laid off employees will now receive 100% of their normal weekly payroll up to \$1,400 because the maximum allowable amount of weekly payments has been increased by \$600.
- The weeks available for unemployment benefits have been extended to 39 weeks.
- Gig workers and self-employed people are now eligible for full unemployment benefits if they lost their jobs because of the Coronavirus Crisis.

1. **United Way Covid-19 Family Support Fund**

The fund will support the work of 20 organizations throughout Eastern Massachusetts and Southern New Hampshire in administering emergency assistance to families of hourly and low-wage workers, providing one-time grants of up to \$2,000 to cover food, housing, and child care.

2. **Boston Resiliency Fund**

The City of Boston is directing 100% of all donations to organizations providing critical, essential services, providing \$20 million in targeted funding to residents that require the most assistance during the pandemic. Learn more [here](#).

3. **Restaurant Opportunities Centers United**

Provides a number of state and national resources available to restaurant workers during the COVID-19 pandemic.



4. **Samuel Adams & Greg Hill Foundation Restaurant Strong Fund**
Provides \$1,000 grants to those from the Massachusetts restaurant industry who have been impacted by the Covid-19 closures.
5. **Cambridge Virtual Tip Jar**
This virtual tip jar is for local service industry staff - employees at bars, restaurants, salons, etc - to post their Venmo or Paypal information so that customers, neighbors, and Cambridge community members can continue to support them.

Other Resources:

- **Minority Business Development Agency (MBDA) counseling and training:** The CARES Act dedicated \$10 million in funding towards the creation of Minority Business Development Agency (MBDA) grants for counseling and training services that are specifically geared toward minority-owned small businesses impacted by COVID-19. For more information about MBDA business centers, [click here](#). To find your local MBDA business center, [click here](#).
- **Small Business Counseling and Training:** The CARES Act allocated \$265 million in funding for SBA resource partners like Small Business Development Centers ([SBDC](#)) and Women's Business Centers ([WBC](#)) to provide free counseling and training to small businesses impacted by COVID-19.

Informational articles incorporating the recent CaresAct, provided by Capital Management Partners, LLC ([visit their COVID-19 Resources page](#)):

- [**What You Need to Know About "Recovery Rebates" Under the CARES Act**](#)
- [**Health Insurance Resources for Laid-Off Workers**](#)
- [**The Importance of Estate Planning in a Health Crisis**](#)
- [**Q&A: Understanding the New CARES Act**](#)
- [**The CARES Act Student Loan Relief Options: Who Benefits and How?**](#)
- [**Scam Alert! Protecting Yourself and Your Finances**](#)
- [**The CARES Act 2020 RMD Waiver: What You Need to Know**](#)
- [**Mortgage Relief and Refinancing Opportunities in the Wake of COVID-19**](#)



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Building Local, Green & Fair Economies