Monterey Peninsula Chamber of Commerce Business Roundtable
Financial, SBA Loans & Grants Update - 7/27/21

Cindy Merzon, Director, Cal Coastal SBDC

California Relief Grant: https://careliefgrant.com/ states the application portal is closed, and that they are still in the process of selecting applicants from the waitlist to move forward in the process. They encourage people to continue to check their email for updates, and to watch the website for any new information.

Shuttered Venue Operators Grant (SVOG): The SVOG program has appropriated more than $16.2 billion for grants via the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act and the American Rescue Plan Act.

- Today, the U.S. Small Business Administration reached a new milestone of successfully awarding over $7.5 billion in Shuttered Venue Operators Grants (SVOGs) to more than 10,000 hard-hit live entertainment small businesses, nonprofits, and venues. The SVOG program is designed to assist in getting the nation's cultural institutions, which are critical to the economy and were among the first to shutter, back on track.
- The SBA has gone from awarding just over 100 SVOGs on June 10, to more than 10,000 to date, awarding over $7.5 billion in grants.
- More than two thirds of the awards have gone to venues with fewer than 10 employees.
- The SVOG portal remains open, and funding is still available for all eligible applicants. https://www.sba.gov/funding-programs/loans/covid-19-relief-options/shuttered-venue-operators-grant#section-header-1.
- **Paycheck Protection Program Forgiveness:** Approximately 7 million loans remain to be forgiven, and many borrowers will have to begin making payments on these loans in the very near future. 93% of outstanding PPP loans are for $150,000 or less, so SBA has developed solutions to help simplify the forgiveness process <u>for PPP lenders that opt in</u>.
    - Revenue Reduction Score – 2nd draw PPP loans must document their revenue reduction. SBA has created a score using current data on economic recovery and return of businesses to operational status which lenders can use on 2nd draw PPP loans of $150,000 or less to validate the borrower's revenue reduction. If the score validates the revenue reduction, use of the score satisfies the borrowers documentation requirements. If not, then the lender must collect and submit the documentation to the SBA.
    - Direct Forgiveness Process - To enable lenders to efficiently provide forgiveness decisions, SBA is allowing borrowers to submit forgiveness applications for First Draw and Second Draw loans using SBA Platform. The platform will notify lenders when their borrower has applied for forgiveness in the platform, so they can log into the platform, review the application, and issue their forgiveness decision to the SBA.
- Best advice – contact your lender ASAP of you have not yet applied for forgiveness to determine the best way to apply. **If you need assistance, contact Cal Coastal SBDC at (831) 676-2017.**