



California Pollution Control Financing Authority

# Increasing Access to Private Capital: CalCAP and AB 1230: *Lender Webinar*

April 20, 2016



# Today's Speakers

- **Reneé Webster-Hawkins**, Executive Director, California Pollution Control Financing Authority
- **Rachelle Taylor Golden**, Attorney, Overstreet & Associates
- **Jason L. Bradley**, Program Manager, California Pollution Control Financing Authority
- **Dennis Corelis**, Deputy State Architect, California Division of the State Architect
- **Bianca Smith**, Program Manager, California Pollution Control Financing Authority
- **Janae Davis**, Program Manager, California Pollution Control Financing Authority



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# Today's Agenda

- ❖ Welcome
- ❖ What does AB 1230 (Gomez) authorize
- ❖ Compliance is smart business
- ❖ How the game is played
- ❖ CASp costs and benefits
- ❖ Access violations in California
- ❖ What businesses and purposes are eligible
- ❖ Role of Certified Access Specialist (CASp) inspection
- ❖ Contribution rates and recapture rules
- ❖ Next steps
- ❖ Questions and answers



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# What does AB 1230 Authorize?

- \$10 million one-time continuous appropriation to CPCFA to fund the California Americans with Disabilities Act Small Business Capital Access Loan Program (CalCAP ADA).
- CalCAP ADA will assist small businesses by facilitating private loans to support physical alterations or retrofits to comply with the ADA.
- CalCAP ADA will be structured like CPCFA's Small Business CalCAP Program.
  - Businesses meeting the requirements of "Qualified Business" and "Small Business Concern" in 4 CCR § 8070(r) & (v).
    - Start-Ups? Yes!
    - Non-profits? Yes!
  - CalCAP **prohibits** certain business types from enrolling:

Alcohol Sales

Gambling

Illegal Activity

Adult Entertainment

Gun Related Sales

Tobacco Sales or Manufacturing



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# Compliance is Smart Business

## ➤ Statistics

- ✓ 56.7M (18.7%) of US population
- ✓ 38.3M (12.6%) were severe
- ✓ 2.8M (5.2%) of school age population
- ✓ \$200 billion in annual discretionary income

## ➤ Lawsuits Filed

- ✓ 42% of all ADA suits are brought in California



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# How the Game is Played

- Federal Court
  - ✓ Readily achievable barrier removal
- State Court
  - ✓ CBC violation = ADA violation
  - ✓ Notice and opportunity to cure
  - ✓ Certified Access Specialist (CAsp) inspection



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# CASp Costs and Benefits

- Federal Court
  - ✓ Businesses need to understand what their violations are.
  - ✓ A violation of the Unruh Act = Violation of ADA
- State Court
  - ✓ Certified Access Specialist (CASp) inspection will inspect according to the “applicable standard.”
- Cost
  - ✓ You get what you pay for!
- Low-income minority Businesses are hit the hardest.



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# Access Violations in California

(Reported by California Commission on Disability Access

<http://www.cdda.ca.gov/>)

- Parking:
  - Van-accessibility, access aisles, and/or loading zones
  - Existing parking space striping
  - Parking signage
  - Number of parking spaces
- Service counter heights
- Paths of travel
- Curb and entrance ramps
- Entry way and signage
- Restrooms:
  - Entry doors or routes
  - Lavatories and mirrors



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## What Businesses or Purposes are Eligible for CalCAP ADA Loans?

- **Definition of eligible project:** Physical alterations or retrofits to an existing small business facility of less than 10,000 square feet necessary to ensure that the facility is in compliance with the ADA and the financing necessary to pay eligible costs of the project.
- AB 1230 adds the following additional statutory limits:
  - ✓ Small business of 15 or fewer FTE.
  - ✓ Loan proceeds limited to eligible project costs of existing facility less than 10,000 square feet. *No business expansion.*
  - ✓ Less than \$1,000,000 in total gross annual income.
  - ✓ No overnight accommodations.
  - ✓ Qualified loan is limited to \$50,000.
  - ✓ Term of loss coverage is limited to 5 years.



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# Verifying Eligible Costs for CalCAP ADA

- Small businesses must obtain a CASp Inspection Report in order for CalCAP ADA loan to be enrolled.
  - [https://www.apps2.dgs.ca.gov/DSA/casp/casp\\_certified\\_list.aspx](https://www.apps2.dgs.ca.gov/DSA/casp/casp_certified_list.aspx)
- Cost of CASp inspection is an eligible CalCAP ADA cost and can be financed in the CalCAP ADA loan.
- Total loan **can exceed** the cost of items identified in the CASp Inspection Report; however, the amount enrolled in CalCAP ADA **is limited** to costs related to the deficiencies identified in the CASp Inspection Report.
- CalCAP ADA loan need not cover the entire list of CASp identified deficiencies.



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Senate Bill 262 (Kuehl)  
Chapter 872 Statutes of 2003

<http://leginfo.legislature.ca.gov>

# Certified Access Specialist Program

*CA GOV 4459.5-4459.8*



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**Senate Bill 1608 (Corbett)**  
**Chapter 549 Statutes of 2008**

**Established the**  
**Construction-Related Accessibility Standards**  
**Compliance Act**  
*CA CIV 55.51-55.545*

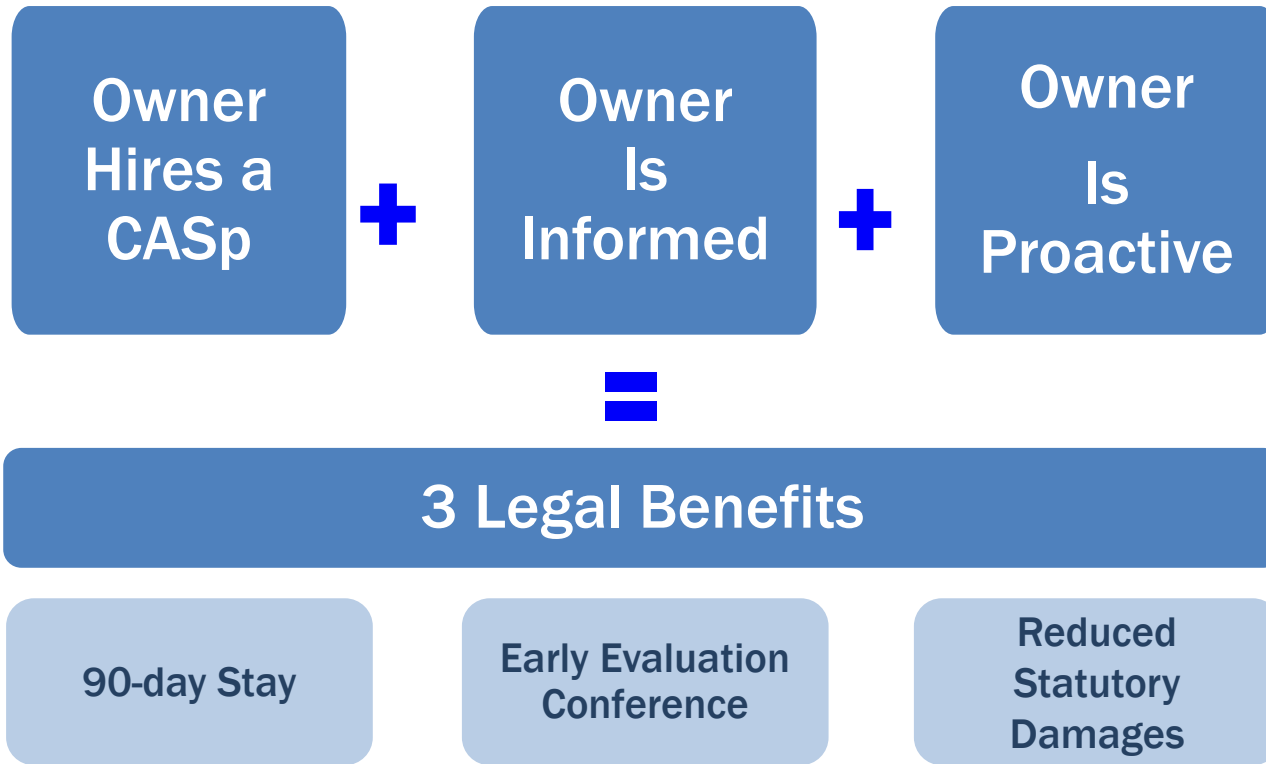
**CRASCA**



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# Owner Benefits through CRASCA



# CRASCA CASp Reports

## CRASCA Determinations



Meets Applicable Standards



Inspected by a CASp

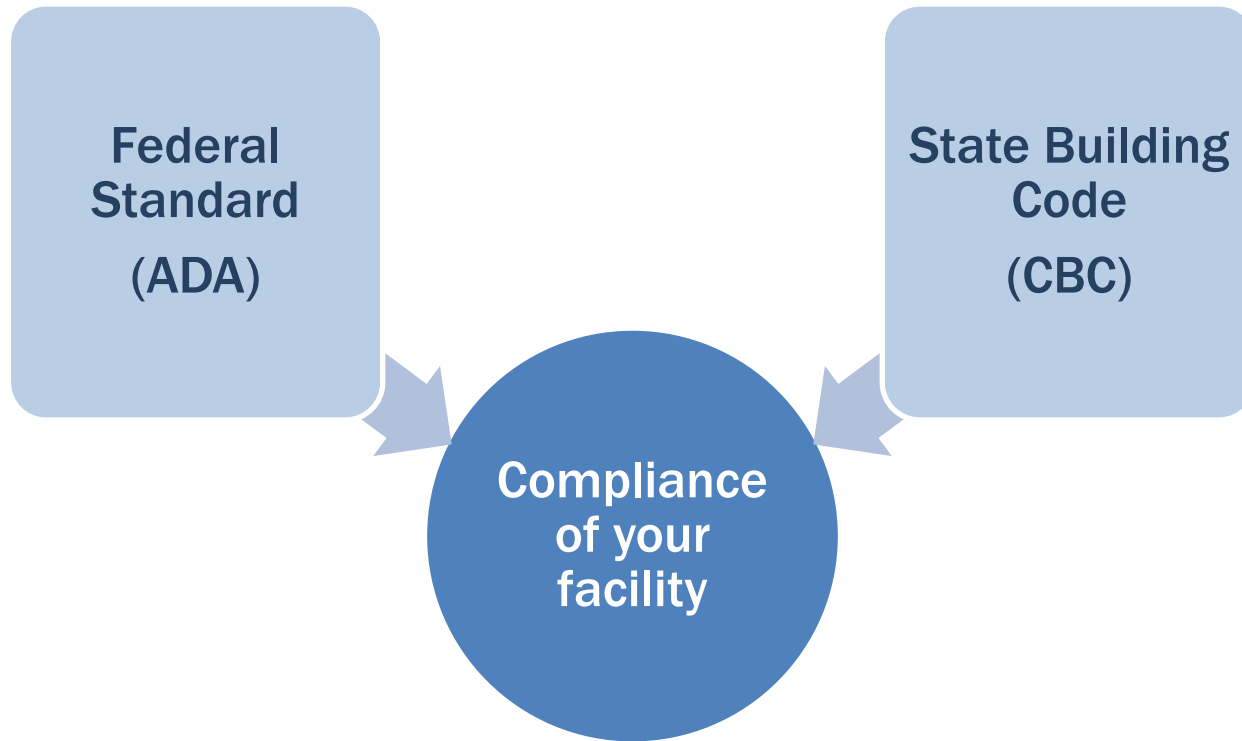


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CALIFORNIA  
CAPITAL  
ACCESS  
PROGRAM

# Applicable Standards



## Applicable Standards

While state and federal standards may be updated periodically, the **applicable standards** of your facility **do not change** unless you make physical improvements to your facility.

.....and a CASp report does not expire provided you do not make any improvements to the inspected area after compliance.

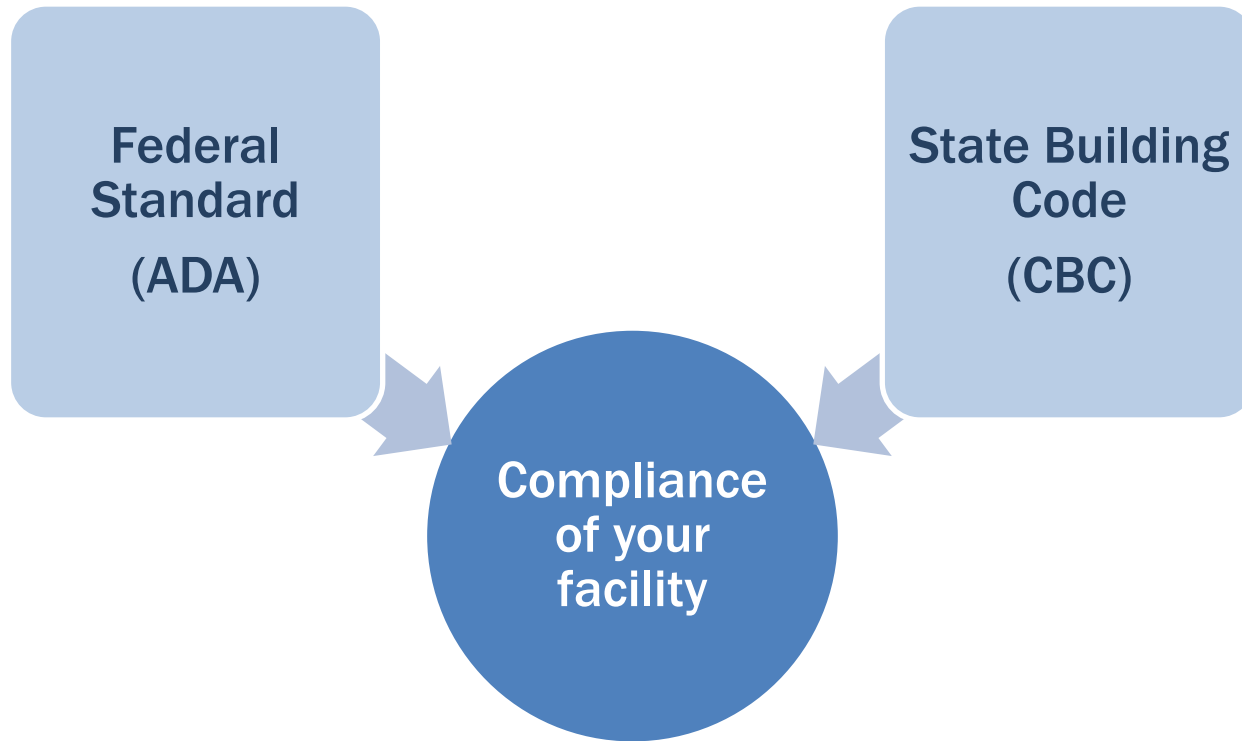


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# Applicable Standards



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# Disability Access Inspection Certificates

Certificates are a  
**record of inspection**  
and not a  
**certificate of compliance**

*“This certificate does not imply that this facility meets design and construction requirements for accessibility for individuals with disabilities.”*



All or part of this facility located at  
**SAMPLE**  
has been inspected by a Certified Access Specialist (CASp).

# ACCESS INSPECTED

THIS CERTIFICATE DOES NOT IMPLY THAT THIS FACILITY MEETS DESIGN AND CONSTRUCTION REQUIREMENTS FOR ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES.

Inspection Date: \_\_\_\_\_ CASp Signature: \_\_\_\_\_  
CASp Certificate #: \_\_\_\_\_ CASp Name: \_\_\_\_\_ (Please Print)  
Inspection Certificate #: \_\_\_\_\_

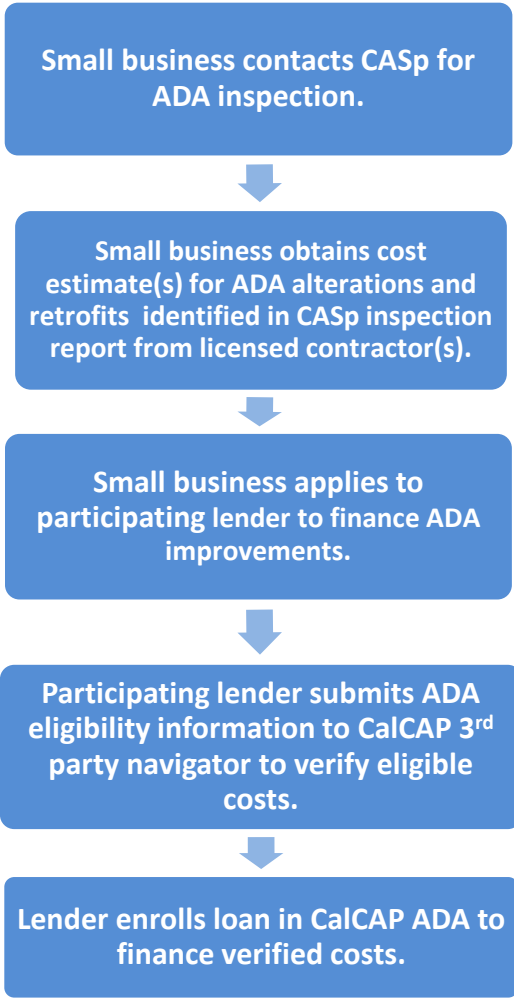
[www.dgs.ca.gov/dsa/Programs/progAccess.aspx](http://www.dgs.ca.gov/dsa/Programs/progAccess.aspx)



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# Enrolling a CalCAP ADA Loan



# CalCAP ADA Contribution Rates

- Lender Contribution Rate = 2%-3.5% of enrolled loan
- Borrower Contribution Rate **matches** Lender Contribution Rate = 2%-3.5% of enrolled loan
- CalCAP ADA Contribution Rate is **4 times** Lender Contribution Rate = 8%-14% of enrolled loan
- Severely Affected Community (SAC) Contribution Rate **matches** Lender Contribution Rate = 2%-3.5% of enrolled loan
- Maximum Total Contribution deposited into the lender's LLR account = 21% or 24.5 % if enrolled loan is located in a SAC

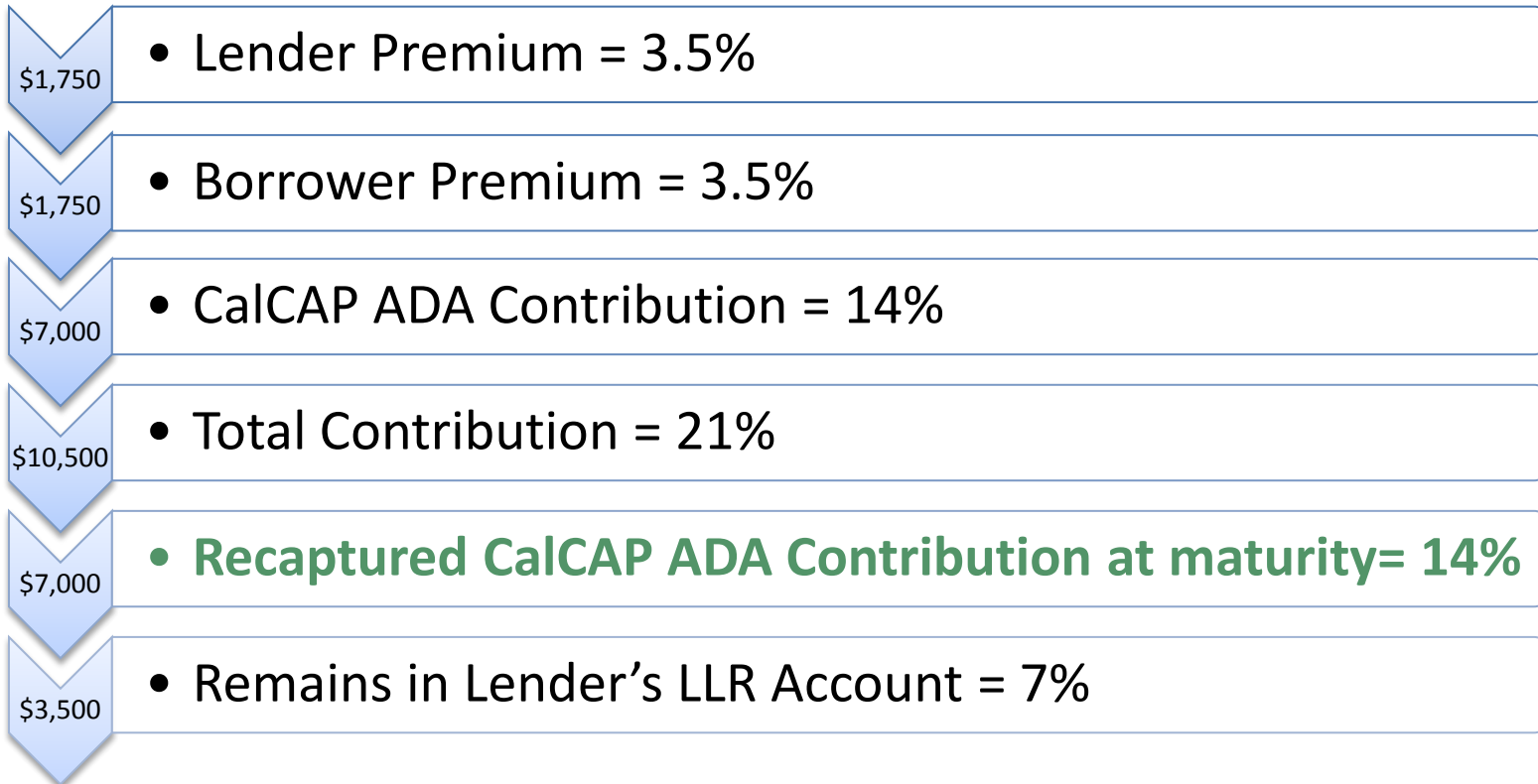


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# Contribution Based on 3.5% Lender and Borrower Premiums

*Lender makes an \$50,000 CalCAP ADA loan to borrower*

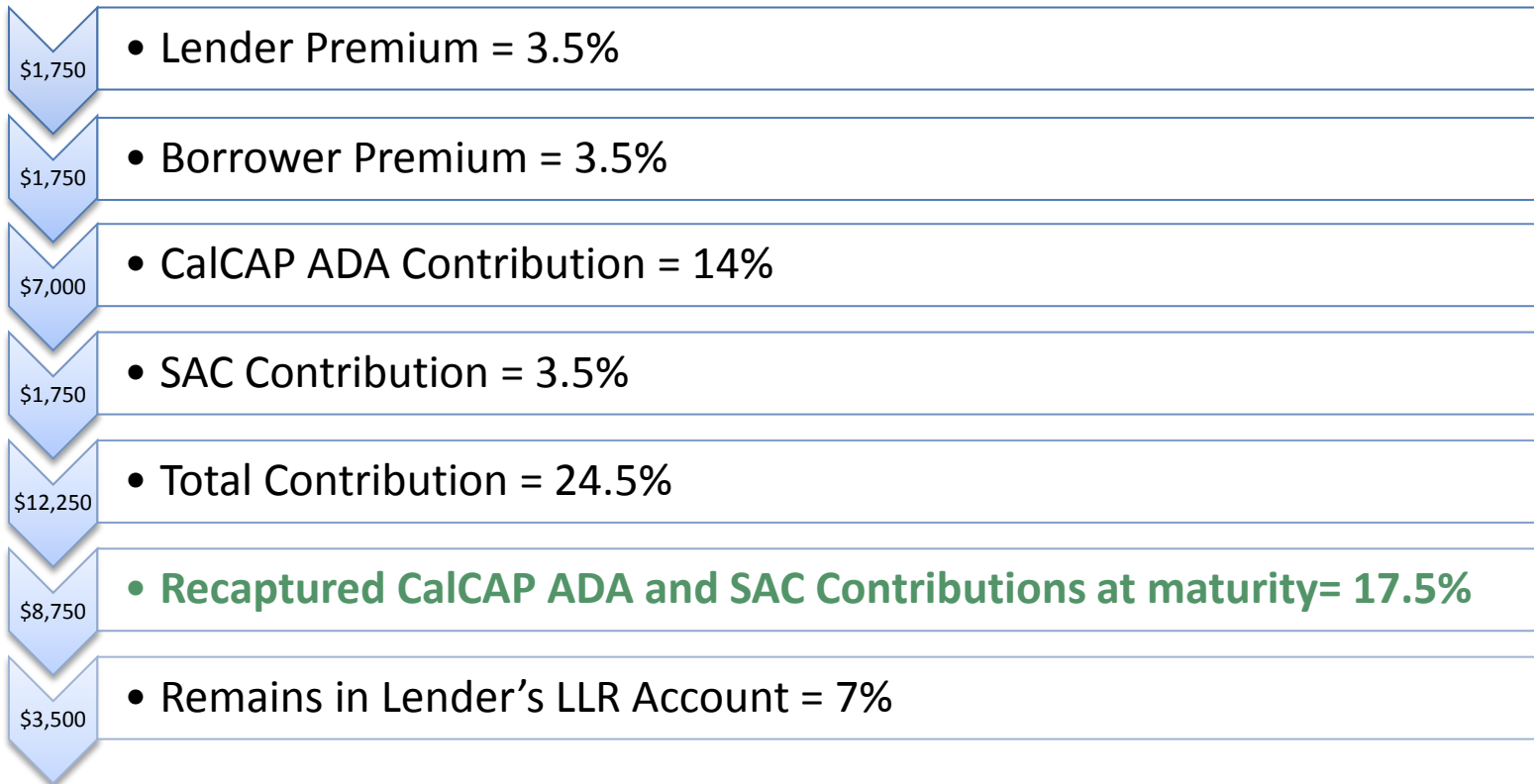


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# Contribution Based on 3.5% Lender and Borrower Premium in a Severely Affected Community (SAC)

*Lender makes an \$50,000 CalCAP ADA loan to borrower*



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## Next Steps

- Stakeholder outreach
- Regulations and Rulemaking
- Possible solicitation for technical navigator
- First loan to small business!



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# Questions and Answers



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# Contact Information

## ❖ CalCAP Website

- [www.treasurer.ca.gov/cpcfa/calcap/](http://www.treasurer.ca.gov/cpcfa/calcap/)

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**Thank you for your time!**

**CalCAP and the ADA Financing Program Team**



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