

# California State Resources Small Business Webinar March 11<sup>th</sup>, 2021, 9:00-10:15am

Co-Hosted By:

California State Treasurer Fiona Ma, CPA

City of Glendale Treasurer Rafi Manoukian, CPA



# Welcome Remarks



Fiona Ma, CPA  
California State Treasurer

Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker.



Rafi Manoukian, CPA  
City of Glendale Treasurer

Rafi Manoukian was elected City Treasurer in 2013 and reelected in 2015 to a full term. Prior to serving the City as treasurer, Manoukian served on the Glendale City Council from 1999-2007 and 2011-2013. During his time on City Council, he served as mayor from 2002-2003 and 2005-2006. He also served as chair of the Glendale Housing Authority and Glendale Redevelopment Agency. Manoukian is a Certified Public Accountant (CPA), and holds an MBA from CSU Dominguez Hills, bachelor's degree in Economics from CSU Northridge, and an associate of arts degree from Miami-Dade Community College. Manoukian served his country in the U.S. Air Force from 1978-1982

## California State Resources for Small Businesses Webinar

March 11, 2021

9:00 am - 10:15 am

### HOSTED BY:

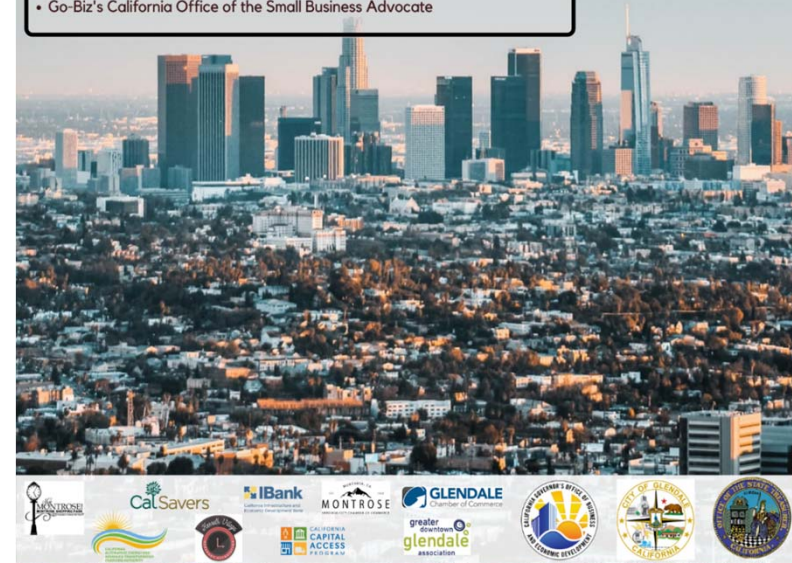
California State Treasurer Fiona Ma, CPA  
City of Glendale Treasurer Rafi Manoukian, CPA

### In Partnership With:

Glendale Chamber of Commerce  
Greater Downtown Glendale Association  
Kenneth Village Merchant  
Montrose-Verdugo City Chamber of Commerce  
Montrose Shopping Park Association

### Speakers Include:

- California Infrastructure & Economic Development Bank (IBank)
- California Pollution Control Financing Authority (CPCFA) California Capital Access Program (CalCAP)
- California Alternative Energy and Advanced Transportation Financing Authority's (CAEATFA) Small Business Financing and Sales & Use Tax Exclusion Programs
- CalSavers Retirement Savings Program
- Go-Biz's California Office of the Small Business Advocate



# Agenda

- 1. **Janae Davis** - Deputy Director, California Pollution Control Financing Authority  
Topic: California Capital Access Program (CalCAP)
- 2. **Chris Earl** - Southern California Regional Advisor, Office of the Small Business Advocate (CalOSBA)  
Topic: CalOSBA programs and services
- 3. **David Gibbs** – CHEEF Program Manager, California Alternative Energy & Transportation Financing Authority  
Topic: Small Business Energy Efficiency Financing Program
- 4. **Jonathan Herrera** – Outreach & Marketing Manager, CalSavers Retirement Savings Program  
Topic: SB 1234 (2012) compliance
- 5. **Megan Hodapp** – Loan Officer, California Infrastructure and Economic Development Bank (iBank)  
Topic: SB 1234 (2012) compliance



California Pollution Control Financing Authority

# California Capital Access Program (CalCAP)

## ***California State Resources for Small Businesses Webinar***

SPONSORED BY:

California State Treasurer Fiona Ma, CPA  
City of Glendale Treasurer Rafi Manoukian

Janae Davis, Deputy Executive Director  
March 11, 2021



## CPCFA Programs for Small Businesses



**Pollution Control Tax-Exempt Bond Financing Program:** Facilitates low-cost capital through private activity, tax-exempt bonds to pay for acquisition, construction or installation of qualified pollution control, water furnishing, waste disposal, waste recovery facilities and equipment. Through our Small Business Assistance Fund we can help offset the cost of issuance, further reducing the net cost of financing for qualified small businesses.



**CalCAP for Small Business:** Perfect for working capital, start-up costs, and other typical credit needs including construction or renovation of buildings.



**Collateral Support Program:** Provides a different kind of credit enhancement for borrowers with strong business plans who lack sufficient collateral.



**CalCAP Air Resources Board (CARB) Truck Loan Assistance Program:** For owners of small fleets to finance the purchase of heavy-duty diesel trucks driven primarily in California to comply with the State's engine emission standards.



**CalCAP Electric Vehicle Charging Station (EVCS) Program:** For businesses wanting to install EV chargers for their employees or customers. Borrowers may be eligible for a rebate after 48 months or when the loan is paid in full.

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

- Any business meeting the requirements of “Qualified Business” and “Small Business Concern” per our regulations.
  - Start-Ups? Yes!
  - Non-profits? Yes!
  - Fewer than 500 employees
- Some restrictions on eligible purpose of the loan proceeds:
  - Refinancing? Most likely...check source of original loan.
  - Commercial Real Estate? Yes! If property to be used for the operation of the business by the property owner.
  - Passive Real Estate? No, not for investment, trade, speculation or rental.
  - Sin and Vice: No activities considered bad if you do too much of it. For example: gambling, shooting ranges, adult entertainment, tobacco products, alcohol sales.



California Pollution Control Financing Authority



## CalCAP for Small Business

- CalCAP for Small Business supports loans made to small businesses by facilitating private loans for, but not limited to the follow:
  - Land acquisition
  - Start-up costs
  - Working capital
  - Construction or renovation of buildings
  - Bridge loans for SBA loan guarantees
  - Equipment or inventory purchases
  - Food trucks
- The maximum loan amount is \$5 million and the maximum enrolled amount is \$2.5 million.
- Extra loan loss support for loans to small businesses in Severely Affected Communities and those whose business has been impacted by the Covid-19 pandemic.
- Lenders set the terms and conditions of the loans pursuant to the their usual underwriting policies and loans can be short or long-term, have fixed or variable rates and bear any type of amortization schedule.
- Program page: <https://www.treasurer.ca.gov/cpcfa/calcap/sb/index.asp>
- Lender List: <https://www.treasurer.ca.gov/cpcfa/calcap/sb/institutions.pdf>



California Pollution Control Financing Authority





## Collateral Support Program

- CalCAP Collateral Support pledges cash to cover a collateral shortfall to enable financing that otherwise might not be available to a small business to finance, but not limited, to the following:
  - **Start-up costs**
  - **Franchise fees**
  - **Construction, renovation or improvements at your place of business**
  - **Bridge loans before permanent financing kicks in**
  - **Working capital**
  - **Equipment or inventory purchases**
- \$50,000 minimum and \$20 million maximum for under collateralized loans.
- Extra cash support is available to support “green” and manufacturing loans, loans between \$50,000 and \$250,000 and loans to small businesses in Severely Affected Communities and those that have been impacted by the Covid-19 pandemic.
- \$2.5 million maximum collateral support per loan and borrower.
- Program page: <https://www.treasurer.ca.gov/cpcfa/calcap/collateral/index.asp>
- Lender List: <https://www.treasurer.ca.gov/cpcfa/calcap/collateral/index.asp>



California Pollution Control Financing Authority





## How Do Lenders Enroll in CalCAP?

- Most lending institutions qualified to do business in California are eligible to participate in CalCAP.

*Includes: federal and state-chartered banks, credit unions, savings associations, and federally certified Community Development Financial Institutions (CDFIs).*

- Other institutions may qualify depending on source of CalCAP funds.

CalCAP  
welcomes  
new  
lenders!

**How do lenders apply? Submit our simple one-page application:**

<http://treasurer.ca.gov/cpcfa/calcap/forms/application.pdf>



California Pollution Control Financing Authority



## Additional Questions or Comments?

[Janae.Davis@treasurer.ca.gov](mailto:Janae.Davis@treasurer.ca.gov)

916-651-8663

**Visit Bond Program webpage at:**

[https://www.treasurer.ca.gov/cpcfa/tax\\_exempt.asp](https://www.treasurer.ca.gov/cpcfa/tax_exempt.asp)

**Visit CalCAP webpage at:**

<https://www.treasurer.ca.gov/cpcfa/calcap/index.asp>

**Send questions to the CalCAP inbox at:**

[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

**Call CPCFA at: 916-654-5610**



Please follow [@CalCPCFA](https://twitter.com/CalCPCFA) on Twitter!



California Pollution Control Financing Authority





Christopher Earl  
Southern California Regional Advisor  
CalOSBA

[@CaliforniaOSBA](#)  
[Email: business.ca.gov/zendesk](mailto:business.ca.gov/zendesk)

# CalOSBA Mission & Objectives

**Mission:** CalOSBA supports economic growth and innovation and ensures that ALL California small businesses and innovative startups have the information and direct support they need to better navigate resources, programs and regulations. CalOSBA serves as the voice of small business, representing their views and interests across the state and advocating for equitable access to capital, markets, and networks so that all California small businesses successfully start, manage, grow and become more resilient.



**Objectives:** Information and Resources | Advocacy | Resilience

# CalOSBA: Gateway to Resources and Assistance

- Direct Assistance:  
State Resources
- Content:  
Trainings/ Webinars
- Local Assistance: Network of  
Small Business Centers:  
[business.ca.gov/centers](https://business.ca.gov/centers)



## California Network of Small Business Technical Assistance Centers

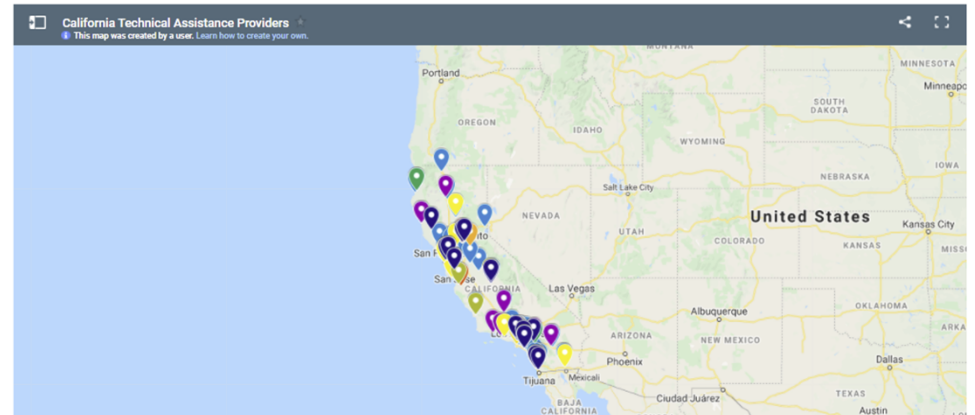
California supports a network of small business technical assistance centers that provide free one-on-one consulting and no-cost or low-cost trainings, in over 30 languages, to help businesses get funded, enter new markets, strengthen operations, build resiliency and more. Additionally, there are nonprofit lenders who work with California to help you access state loan programs.

**Get Tailored Assistance**  
Use this tool to locate a center  
tailored to your small business needs

[Get Started](#)



Click the sidebar icon  to open legend to search different small business technical assistance centers. Click the expand icon  to open the full map to search different service offerings, languages offered, and lenders.



# CalOSBA: Advocate / Voice of Small Business

## COVID-19 Relief

- CA Rebuilding Fund: Affordable loans and services for small businesses: [CALoanFund.org](http://CALoanFund.org)
- Tax Relief: Sales tax relief and Main Street Small Business Hiring Tax Credit: [cdtfa.ca.gov](http://cdtfa.ca.gov)
- Small Business Covid-19 Relief Grant Program: The Program provides competitive micro grants ranging from \$5,000 to \$25,000 to eligible small businesses and nonprofits impacted by COVID-19 and the related health and safety restrictions. [CAReliefGrant.com](http://CAReliefGrant.com)



# CA Small Business COVID-19 Relief Grant Program

**Grant Awards:** Grants up to \$25,000 for eligible small business and nonprofits impacted by COVID-19 and health and safety restrictions. For more information: [CAReliefGrant.com](https://CAReliefGrant.com)

**Grant Rounds:** Round 3, 3/5-3/11, is a closed round for eligible applicants waitlisted in rounds 1 and round 2. Round 4, 3/16-3/23, is only for nonprofit cultural institutions. Round 5, 3/25-3/31, is current waitlisted applicants and new applicants. Round 6 TBA soon but is current waitlisted applicants and new applicants.

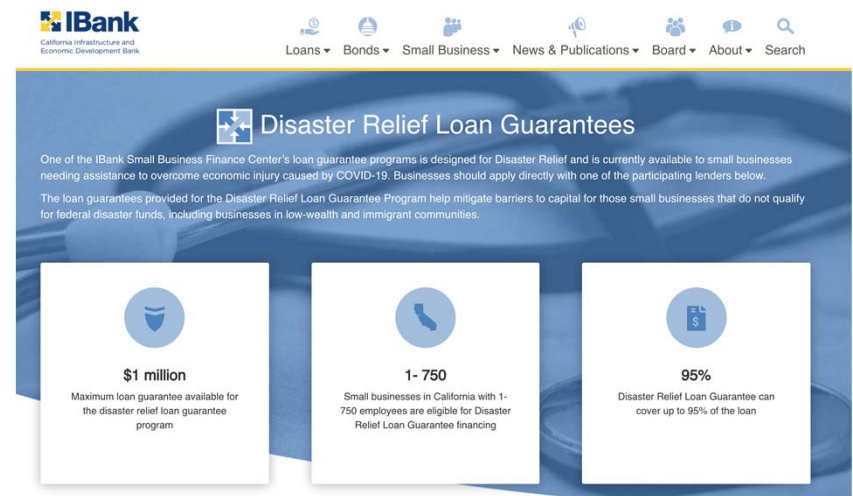
**Lendistry:** CalOSBA is partnering with Lendistry, the intermediary, a CDFI mission lender, and over 500 partners to help eligible small businesses





# CalOSBA: Advocate / Voice of Small Business

- Access/Connection to Capital
  - Federal relief
  - State programs:
    - [lbank.ca.gov](http://lbank.ca.gov)
    - [CALoanFund.org](http://CALoanFund.org)
    - [treasurer.ca.gov/cpcfa/calcap](http://treasurer.ca.gov/cpcfa/calcap)
- Access to Markets:
  - Supply Chains / Procurement
  - Ecommerce / Global Trade



# Get Digital CA!: California's E-Commerce Initiative

[business.ca.gov/GetDigitalCA](https://business.ca.gov/GetDigitalCA)



**93%**  
small businesses  
disrupted by  
COVID-19

**85%**  
small businesses  
rethinking  
approach to  
digital tools

CalOSBA's **Get Digital CA!** initiative is offering a **Technology Learning Center**, **Digital Bootcamps**, **Online Tools** and **Digital Pop-Up Festivals** to promote e-commerce adoption and build skills to compete online.

# CalOSBA: Preparedness & Resilience

- Prepare: [OutsmartDisaster.com](https://OutsmartDisaster.com)
- Relief & Resource Guides:
  - COVID-19: [business.ca.gov/coronavirus-2019](https://business.ca.gov/coronavirus-2019)
  - Wildfires: [business.ca.gov/disaster-relief-resource-guide](https://business.ca.gov/disaster-relief-resource-guide)



The screenshot shows the CalOSBA website with a blue header containing the CalBiz logo, social media icons, and links for Contact Us, Select Language, and Settings. A navigation bar below the header lists Advantages, Industries, Newsroom, About, Apps, and Search. The main content area is titled "Resilience and Disaster Preparedness" and includes a paragraph about business resilience and a link to the Outsmart Disaster website. Below this is a section titled "Disaster Relief Resource Guide" with a paragraph about wildfire relief and a link to the Disaster Assistance website. The final section is titled "Business Assistance" and includes a paragraph about business recovery resources.

**Resilience and Disaster Preparedness**

In today's climate, businesses are faced with a variety of potential disruptions to their business operations from natural disasters, pandemics, cyber-attacks and more. All businesses should take the necessary steps to prepare for disasters and business interruption and become more resilient. Please take California's Resilient Business Challenge and get important resources to plan and prepare for disasters at the [Outsmart Disaster website](https://OutsmartDisaster.com). Also see cyber resources below.

**Disaster Relief Resource Guide**

If you have been affected by the recent wildfires, California has resources available to help you. Governor Newsom declared a statewide emergency due to the fires and extreme weather conditions, and he has also secured a [Presidential Major Disaster Declaration](#) to bolster the state's emergency response to wildfires burning in Northern California and support impacted residents in Butte, Lake, Monterey, Napa, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma and Yolo counties. Please see below resources or contact us if you would like direct assistance at 1-877-345-4633 or email us [here](#).

**FEDERAL ASSISTANCE:** As a result of the federal disaster declaration, residents and business owners who sustained losses in the designated counties can begin applying for federal assistance including FEMA by registering online at the [DisasterAssistance website](#) or by calling 1-800-621-FEMA(3362) or 1-800-462-7585 (TTY) for the hearing and speech impaired. The toll-free telephone numbers will operate from 7 a.m. to 10 p.m. (local time) seven days a week until further notice. SBA Disaster Loans are also available at [sba.gov/disasters](https://sba.gov/disasters) and see below under Capital for full details and fact sheets.

**Business Assistance**

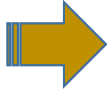
CO-Biz offers a range of services to business owners and has dedicated representatives to field general business questions and to assist business owners as they seek to access business recovery resources.

The following programs may provide additional support and act as the liaison to other California regulatory agencies and local governments throughout the state:

# California Office of the Small Business Advocate (CalOSBA)

**GO-Biz Main**  
[Business.ca.gov](https://business.ca.gov)

**CA Covid-19 Website**  
<https://covid19.ca.gov/>



**Small Business COVID-19 Relief Grant Program**  
[CAReliefGrant.com](https://CAReliefGrant.com)

**Get Digital CA!**  
[business.ca.gov/getdigitalca](https://business.ca.gov/getdigitalca)

**Local Small Business Centers:**  
[business.ca.gov/centers](https://business.ca.gov/centers)

**Disaster Assistance:**  
[Business.ca.gov/disaster-resource-guide](https://Business.ca.gov/disaster-resource-guide)



Find Us Online & Subscribe to updates at [business.ca.gov/calosbasubscribe](https://business.ca.gov/calosbasubscribe)



CalOSBA: [@CaliforniaOSBA](https://twitter.com/CaliforniaOSBA)



[www.facebook.com/CaliforniaOSBA](https://www.facebook.com/CaliforniaOSBA)



[business.ca.gov/zendesk](https://business.ca.gov/zendesk)



## Expanding Access to Financing and Supporting the Clean Economy



### Opportunities for Small Businesses

**Small Business Energy  
Efficiency Financing  
Program**

**For Manufacturers:  
Tax Benefit to Exclude Sales  
Tax on New Equipment**

David Gibbs, Program Manager  
dgibbs@treasurer.ca.gov

[treasurer.ca.gov/CAEATFA](http://treasurer.ca.gov/CAEATFA)  
[gogreenfinancing.com](http://gogreenfinancing.com)



## The Small Business Energy Efficiency Financing (SBF) Program

Leveraging private capital to help businesses to shrink energy bills and carbon footprints

What is it?

- Attractive financing for **energy efficient equipment & building improvements**
  - \$10,000 to \$5 million
  - Terms up to 10 years, lowering monthly payments
  - Increased approval rate from as low as 50% up to 95%
  - Traditional loans and leases as well as energy service agreements
  - Contractor and Project Developer network

Who is it for?

- Utility Customers of PG&E, SoCalGas, SoCal Edison, SDG&E
- Small Businesses with 1) 100 or fewer employees *or* 2) Annual revenues less than \$15 million *or* 3) Meet SBA size requirements
- Tenants and building owners eligible
- Open to most industries: cannabis growers and processors, nonprofits and faith-based organizations welcome
- Young businesses and those without established credit history may qualify







CALIFORNIA HUB FOR  
ENERGY EFFICIENCY  
FINANCING

gogreen  
FINANCING™

## From simple, self-install equipment to whole building retrofits

What  
projects  
qualify?

- Lighting, refrigeration, fans, HVAC, insulation, water heating, restaurant equipment, and much more
- Flexible project eligibility – portion of financing can be used for non-energy improvements, depending on finance company
- May be combined with utility rebate and incentive programs or on bill financing



Two Early  
Projects:



### Dairy in Hanford

- \$395,000 financed
- Equipment finance agreement and a lease
- LED High Bays & Wraps, VFD Pumps
- Combined financing with PG&E rebates

### Southern California Bakery

- \$145,000 financed
- Equipment finance agreement
- Duct sealing and hood vents for baking equipment
- Extensive remodeling included in financing





## Four Participating Finance Companies



Finance 100% of project costs and experience bill savings with no cash outlay

Credit-enhancement means:

- **Lower interest rates**, from 5.35% to 10.41%
- Payback periods of up to 120 months, which means **lower monthly payments**
- **Cash Flow Positive** options available
- Financing for customers who might not otherwise get approved
- No lien on the property



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ENERGY EFFICIENCY  
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FINANCING™

## How Do I Get Started?

Visit

**[GoGreenFinancing.com](http://GoGreenFinancing.com)**

- Find a **participating contractor** or ask your preferred contractor to apply
- Get in touch with one of our **participating finance companies** to see what financing will be available to you
- Get approved for financing in as little as **forty-eight hours**

# Sales and Use Tax Exclusion (STE) Program for California Manufacturers: \$100 MM Awards Annually

<b>What</b>	<ul style="list-style-type: none"> <li>Exclude Sales and Use Tax on eligible manufacturing equipment and machinery</li> <li>Average tax benefits of 8.5% (state and local) at point of purchase.</li> </ul> <p><b>Example: \$15 Million investment on facility, equipment and machinery upgrades</b>  ✓ <b>\$1,275,000 of Estimated Sales &amp; Use Tax Excluded</b></p>
<b>How</b>	<ul style="list-style-type: none"> <li>Applicants must be a qualifying manufacturer (as defined), submit an application, and receive approval from the CAEATFA Board.</li> <li>Each Project is evaluated to ensure a net benefit to the State (fiscal and environmental).</li> <li>Companies generally have three years to use award. Companies must expend 15% of award within 18 months of approval and complete compliance reports semi-annually and annually.</li> <li>Fees: Application fee due upon submittal of application and administrative fee(s) due post-approval.</li> <li>Current per applicant/project maximum award limit of \$10 million in STE.</li> </ul>
<b>How do I start?</b>	<ul style="list-style-type: none"> <li>Program has seen increased competitiveness; 2021 allocation is currently oversubscribed and set to be fully awarded by mid-2021.</li> <li>Currently accepting applications to be waitlisted in the event additional funding becomes available. Waitlist expires at the end of the calendar year. <ul style="list-style-type: none"> <li>Governor has proposed a one-time additional funding of \$100 million in STE in 2021 budget for equitable recovery for CA businesses and jobs.</li> </ul> </li> <li>Planning for the future? Contact us to discuss eligibility and process, at <a href="mailto:caeatfa@sto.ca.gov">caeatfa@sto.ca.gov</a></li> </ul>

## Recycling:

Materials recovery facilities, plastics, green waste and bio-waste

## Alternative Source:

(green energy): Solar PV manufacturers, dairy digesters, biofuels

## Advanced Manufacturing:

Aerospace, medical devices, biopharmaceutical, food production

## Advanced Transportation:

Electric vehicle manufacturers



City of Glendale: State Resources For Small Biz

## CalSavers Retirement Savings Program

March 11, 2021

Jonathan Herrera, Outreach Manager

CalSavers Retirement Savings Board

[jherrera@treasurer.ca.gov](mailto:jherrera@treasurer.ca.gov)



# Eligibility In Glendale



- ❖ In the City of Glendale there are more than 1,400 eligible employers with more than 38,000 employees

	Wave 1 >100 employees	Wave 2 >50 employees	Wave 3 ≥5 employees	Total
■ Employers	53	53	1,321	1,427
■ Employees	19,272	3,603	15,304	38,179

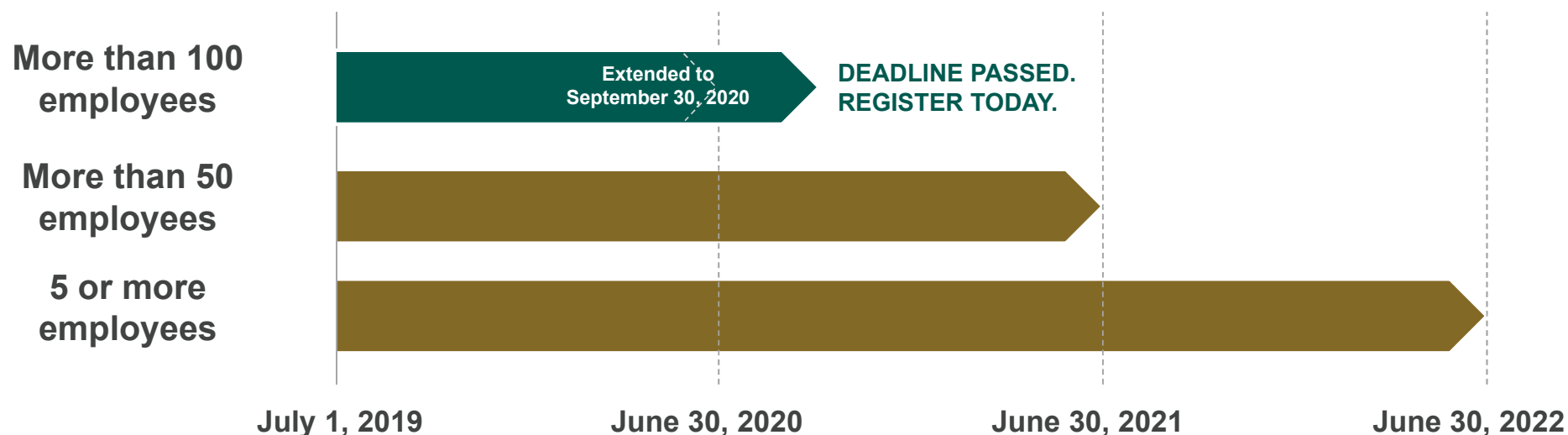


Source: California Employment Development Department data extraction as of January 2020; CalSavers staff eliminated firms reporting qualified plans per the U.S. Department of Labor Employee Benefits Security Administration, Form 5500 database.

# Employer required registration deadlines



Employers can register **AT ANY TIME** but need to register by their enrollment deadline if they do not offer an employer-sponsored retirement plan.



## Employers with <5 employees

Employers with less than five employees are not subject to the mandate, may not participate in automatic enrollment of their employees, and are not required to register for CalSavers. Non-mandated employers may choose, but are not required, to facilitate payroll deductions for employees who opt-in on their own as individual participants and subsequently request that their employer facilitate deductions.

## Employer features



CalSavers addresses three key hurdles reported by employers that do not offer a plan:

**Very easy to  
facilitate**

**No fees for  
Employers**

**Employers are  
not fiduciaries**

## Four Easy Steps



**Register by state-required  
deadline**



**Submit and maintain  
employee roster**



**Set up account**



**Submit employee contributions  
each pay period**





## Resources/Client Services Assistance



### Website

[www.calsavers.com](http://www.calsavers.com)



### Phone/Email

1-855-650-6918 (Savers)

1-855-650-6916 (Employers)

[clientservices@calsavers.com](mailto:clientservices@calsavers.com)

#### Hours:

8:00 am to 8:00 pm PT M-F



### 1 On 1 Support

- Onboarding & field teams
- [fieldsupport@calsavers.com](mailto:fieldsupport@calsavers.com)

Join our webinars for employers visit [calsavers.com/events](http://calsavers.com/events)



# CALIFORNIA INFRASTRUCTURE & ECONOMIC DEVELOPMENT BANK - IBANK

CA State Resources for Small Businesses

March 11, 2021



## ABOUT US

IBank is the State of California's only general-purpose financing authority. IBank provides financial assistance to support infrastructure and economic development in California.

Created by the Legislature in 1994

LOANS, BONDS, SMALL BUSINESS SUPPORT

Finance public infrastructure/private development

Create jobs and a strong economy

Improve quality of life for the people of California

Broad authority to issue tax-exempt and taxable revenue bonds

Climate Catalyst Fund

Leverage state and federal funds

CA Rebuilding Fund



# Small Business Finance Center

The Small Business Finance Center supports businesses throughout the state with various credit enhancements and programs, including:

- A loan guarantee program designed to assist small businesses that experience capital access barriers. The Small Business Loan Guarantee program encourages lenders to provide funds to small businesses to help them grow and prosper.
- Direct lending program, Jump Start, for new businesses in amounts up to \$10,000.
- Disaster Relief Loan Guarantee program.




**Small Business  
Finance Center**

CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK





# IBank's Small Business Financial Center Programs

- ❖ Small Business Loan Guarantee Program
  - ❖ Traditional Disaster Relief Loan Guarantee Program
  - ❖ COVID-19 Disaster Relief Loan Guarantee Program
  - ❖ Jumps Start and Farm Loan Direct Lending
- 

# SMALL BUSINESS LOAN GUARANTEE PROGRAM USES



## +470

In the fiscal year 2019-2020, the Small Business Loan Guarantee Program worked with our partner FDCs to guarantee 470 loans

Loan Guarantees were used for:

- Business Expansion
- Inventory
- Working Capital
- Line of Credit
- Agriculture
- Disaster Relief



**Small Business  
Finance Center**

CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK



## \$165 million

The loans made resulted in more than \$165 million of loan guarantees supporting more than \$240 million in small business loans, which contributed to the overall injection of \$303 million into the small business community

Small business owners reported more than 15,400 jobs were created or retained as a result of these loan guarantees

# Small Business Loan Guarantee Program Terms





# SBFC CASE STUDY — HOW IT WORKS

The Stasher, IBank's 1,000<sup>th</sup> Small Business Loan Guarantee Program client

**THE PRODUCT:** A certified B Corp and member of 1% For The Planet, Stasher bags are silicon, plastic-free and can be used up to 3,000 times each. They can be boiled, put in the freezer, microwave or dishwasher.



**THE PROBLEM:** In order to expand, Stasher needed an infusion of capital. Denied by banks, she went to an IBank partner FDC and was finally approved for a loan, guaranteed by IBank. Stasher expanded enough to be on Shark Tank and has since experienced further growth.



**THE RECAP:** Stasher goes from small online-only to Target/Amazon and other national retail chains

Small business

Online only sales

Denied by banks

Small Business loan guaranteed by IBank through one of 7 partner Financial Development Corporations

Infusion of capital aided growth

Guest on Shark Tank – caused further growth

Now available in retail stores and Amazon

# Small Business Finance Center Partners -- FDCs

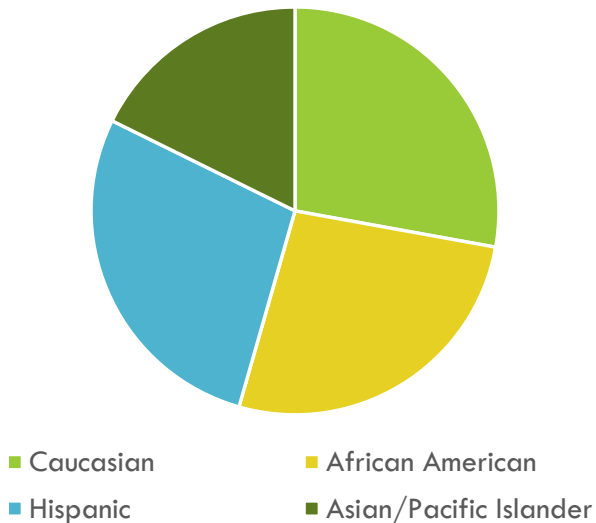
IBank's SBFC has seven partner Financial Development Corporations throughout the state of California



**Small Business  
Finance Center**

CALIFORNIA INFRASTRUCTURE AND  
ECONOMIC DEVELOPMENT BANK

FDC Staff



- ❖ FY 19-20, 470 loans were made resulting in more than \$165,000,000 of loan guarantees
- ❖ FDCs can help process loan guarantees, disaster loan guarantees, Jump Start loans and more



## COVID-19 Disaster Relief Loan Guarantee Program

- ❖ In FY 19/20, with a \$50 million allocation from the Governor of California, 141 disaster guarantees were conditionally approved, resulting in more than \$5.2 million in disaster loan guarantees that supported more than \$5.6 million in small business loans. Small business owners reported 842 jobs retained because of these loan guarantees.
- ❖ 85% of the COVID-19 Disaster Relief Loan Guarantees have gone to Target Borrowers: Woman or Minority Owned Businesses or Located in Low/Moderate Income Census Tract.

As of 12/30/2020:

	Conditionally Approved	Loan Amount	Guarantee Amount	Amount Encumbered	Employees
Total	939	\$ 35,653,203	\$ 33,710,725	\$ 16,855,362	4689

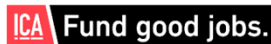
# California Rebuilding Fund

A public-private partnership to increase access to capital and support for the smallest businesses in under-banked communities across California

# PARTICIPATING LENDERS AND SUPPORTING PARTNERS HAVE DECADES OF EXPERIENCE SERVING SMALL BUSINESSES IN LOW-INCOME COMMUNITIES ACROSS THE STATE



## Participating lenders



## Supporting partners



# FEDERAL PROGRAMS HAVE PROVIDED WIDESPREAD DIRECT SUPPORT, BUT HAVE NOT BEEN SUFFICIENT



## Paycheck Protection Program



## Rebuilding Loans

### Loan size

Tied to certain expenses; very limited for the smallest businesses

Tied to three months revenue from any three-month period in 2019

### Use of proceeds

Tied to spending on certain expenses

Flexible working capital

### Reach + eligibility

Unavailable to many businesses that exist outside of the banking system; immigration status, criminal history can affect eligibility

Outreach through local, community-based networks; broad eligibility standards based on FTE and revenue size

### Lenders

Mostly large and regional banks; CDFIs have participated but with limited liquidity available

Non-profit community development loan funds

# THE LOAN PRODUCT IS TAILORED TO MEET THE CREDIT NEEDS OF SMALL BUSINESSES DURING POST-COVID RECOVERY

## Rebuilding Loans

### Loan Terms

#### Interest rate

4.25% fixed interest

#### Repayment term

60-month term

- 0-12 months: interest only payments, paid monthly
- 13 to 60 months: interest and principal payments with flat payments on a 48-month schedule, paid monthly

#### Use of proceeds

Working capital including payroll, operating and emergency maintenance, utilities, rent, supplies, etc.

#### Recourse

No collateral required

#### Fees

No upfront fees

#### Loan amount

Lesser of (a) \$100,000 or (b) 3x average monthly revenue prior to the COVID-19 outbreak




SMALL  
BUSINESS  
OWNERS  
ACCESS THE  
PROGRAM  
THROUGH A  
SIMPLE, EASY  
PORTAL THAT  
MATCHES THEM  
WITH A LOCAL  
COMMUNITY  
LENDER

California Rebuilding Fund

Overview Loan Terms Business Requirements Frequently Asked Questions Pre-Application

● ● ● ● ● ● ● ● ● ●

 Hi, I'm Lisa and I'll help you find funding.

**How much do you want to borrow?**

The maximum loan amount for the New York Forward Loan Fund is \$100,000. It is ok to give an estimated loan amount. If you have questions about the amount you will qualify for, please see the Loan Terms on the NYFLF landing page.  
**Please read all of these subheads - they contain important information.**

\$

CONTINUE

# THANK YOU



👤 **Megan Hodapp**

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🌐 [www.IBank.CA.GOV](http://www.IBank.CA.GOV)

A circular, weathered wooden sign with the word "OPEN" written in a large, ornate, purple-colored font. The sign is mounted on a wooden post. The background is a blurred image of a storefront at night with warm lights.

OPEN

## California State Resources for Small Businesses Webinar

March 11, 2021

9:00 am - 10:15 am

### HOSTED BY:

California State Treasurer Fiona Ma, CPA

City of Glendale Treasurer Rafi Manoukian, CPA

### In Partnership With:

Glendale Chamber of Commerce

Greater Downtown Glendale Association

Kenneth Village Merchant

Montrose-Verdugo City Chamber of Commerce

Montrose Shopping Park Association

### Speakers Include:

- California Infrastructure & Economic Development Bank (IBank)
- California Pollution Control Financing Authority (CPCFA) California Capital Access Program (CalCAP)
- California Alternative Energy and Advanced Transportation Financing Authority's (CAEATFA) Small Business Financing and Sales & Use Tax Exclusion Programs
- CalSavers Retirement Savings Program
- Go-Biz's California Office of the Small Business Advocate

# Thank you for participating!

- Additional questions? Please email: [AskFiona@treasurer.ca.gov](mailto:AskFiona@treasurer.ca.gov).
- Zoom recording will be posted to Treasurer Ma's social media channels

