

# Oceanside Small Business “Gap Funding” Micro Loan Program

## **Recommendations:**

**Fund size:** 3 Million

**Funding Sources:** Recalled Bonds, Measure X, Grants, FEMA or other Federal Aid, Private Sector Contributions

**Loan size:** \$10,000 or \$20,000 (Can help 150 to 300 Oceanside businesses)

**Loan Terms:** 24 months

**Interest:** 1<sup>st</sup> 90 days 0% interest and months 4 – 24 = 3 to 5% (Incentivizes repayment when SBA loan is received)

## **Approval Requirements:**

- Proof Business applied for SBA/DLAP
- 2018 Tax Return showing business revenue or 2019 P & L
- Licensed to do business in The City of Oceanside for minimum: 6 months
- Internal Revenue Service (IRS) Form W-9
- Provide proof of economic hardship due to COVID-19
- Applications processed in order received: Priority given to length of time in business, Veteran Owned Businesses and businesses with more employees

## **Businesses that are NOT eligible to request or receive financial assistance include:**

- Lending and investment institutions and insurance companies
- Golf courses or gambling facilities
- Nonprofit entities
- Businesses engaged in any illegal activity per local, state or federal regulations with federal regulations taking precedence over local or state regulations.
- Home-based businesses
- Chain stores
- Businesses with more than 50 Full-Time Equivalent (FTE) employees as of Feb. 28, 2020.

## **Community Partner Assistance:**

- Oceanside Chamber of Commerce – Help with pre screening
- Main Street Oceanside - Help with prescreening
- Oceanside Small Business Development Center – Help with SBA applications