

COVID-19 Loan Programs Quick Guide

The information provided is not comprehensive of each program or of all programs. At the time of publication it is the most accurate and up-to-date information available. Information and programs are subject to change.

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COVID-19 Working Capital Access Program (CWCA)

Administered by the Pennsylvania Industrial Development Authority (PIDA), the CWCA Program provides critical working capital financing to small businesses located within the Commonwealth that are adversely impacted by the COVID-19 outbreak.

NOTE All CWCA loan applications must be submitted through a Certified Economic Development Organization (CEDO). For the list of CEDOs operating within PA, visit <https://dced.pa.gov/CEDO/>

ELIGIBILITY For-profit corporation, limited liability company, partnership, proprietorship or other legal business entity; located in the Commonwealth of Pennsylvania; 100 or fewer full-time employees worldwide at the time of submission of the application.

FUNDING The maximum loan amount is \$100,000.

TERMS 3 years w/ a 12-year amortization.

1. No payments due and payable during the first year.
2. Principal and if applicable, interest payments will be due monthly for years two and three.
3. Balloon payment due and payable at end of year 3.

INTEREST 0% (agricultural producers 2%) fixed.

TO APPLY Loan applications are packaged by a CEDO that services the county in which your business is located.

For more information, visit:

<https://dced.pa.gov/programs/covid-19-working-capital-access-program-cwca/>

Bridgeway Capital Loans

During the COVID-19 pandemic, Bridgeway's patient, flexible capital and free technical assistance is available to help small businesses stay resilient when facing business disruptions and changing cashflows. Financing solutions and loan modifications are tailored to the needs of your small business. Bridgeway's financing is designed to work with credit challenges, collateral gaps, and complex transactions in need of creative funding solutions.

ELIGIBILITY Minority-, woman-, immigrant- or veteran-owned businesses, businesses in economically distressed urban and rural areas, and businesses unable to access traditional bank financing, real estate developers with affordable residential or commercial projects in low-income communities, or nonprofits in need of capital for real estate projects or refinancing.

FUNDING \$5,000–\$3,000,000. Average loan is \$250,000.

TERMS Flexible terms on short- and long-term loans. Loans can be used for: Working capital to start-up or expand your business, purchase equipment, or real estate acquisition or renovation.

INTEREST Competitive fixed rates.

TO APPLY bridgewaycapital.org/apply/apply-now/

For more information, visit:

<https://www.bridgewaycapital.org/financing/small-business/>

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Paycheck Protection Program (CARES Bill)

This program incentivizes small businesses to keep employees on payroll by offering extensive debt relief for small employers, self-employed individuals, and “gig economy” workers. With \$350 billion to help prevent workers from losing their jobs and small businesses from going under due to economic losses caused by the COVID-19 pandemic, the “Paycheck Protection Program” would provide 8 weeks of cash-flow assistance through 100% federally guaranteed loans to small employers who maintain their payroll during this emergency.

NOTE Borrower cannot apply/carry both PPP and Economic Injury Disaster Loan (EIDL) for COVID-19, but can participate with previous, non-COVID-19 EIDL.

ELIGIBILITY Small businesses, 501(c)(3)'s, 501(c)(19)'s, and 31(b)(2)(c), under 500 employees, including independent contractors, sole proprietors, and the self-employed. Entities must have been operational by 2/15/20, had payroll and paid taxes.

FUNDING Maximum amount via 7(a) set to \$10,000,000.

TERMS Covered loan period is 2/25/20–6/30/20. Portion not forgiven or repaid by 12/31/20 will convert to a max 10 year loan at up to max interest rate; loan will remain 100% guaranteed.

1. Eligible expenses include payroll, insurance, rent, mortgage and utilities.
2. Defers payments on PPP loan for 6-12 months. No prepayment fees.
3. Waives borrower and lender fees, credit elsewhere requirements, and collateral and personal guarantee.

INTEREST Maximum interest rate is 4%.

Contact your bank to learn more about the program.

Emergency Injury Disaster Loan (EIDL)

The U.S. Small Business Administration is offering states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).

NOTE Entities eligible to apply for EIDL may request an advance in the form of an emergency grant of up to \$10,000 which SBA must distribute within 3 days. Applicants are not required to repay emergency grant if they are ultimately denied EIDL.

ELIGIBILITY Expanded to include sole proprietors, tribal businesses, cooperatives, ESOP's, individual contractors, and private non-profits with fewer than 500 employees.

FUNDING The maximum loan amount is 2,000,000.

TERMS Max 30 year (determined on case-by-case basis)

1. May be used to pay fixed debts, payroll, accounts payable and other bills impacted by disaster.
2. Defers payments on PPP loan for 6-12 months. No prepayment fees.
3. For loans/advances under \$200,000, waives credit elsewhere, personal guarantee, and 1-year-in-business requirements.

INTEREST Small businesses: 3.75%; non-profits: 2.75%.

TO APPLY <https://disasterloan.sba.gov/ela/>

For more information, visit:

<https://www.sba.gov/disaster-assistance/coronavirus-covid-19>

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Urban Redevelopment Authority (URA)

For Current URA Borrowers

The URA recognizes the potential hardships and needs small businesses are facing and may face due to COVID-19. We want to reassure our small business borrowers that we are here to work with you.

NOTE The URA is taking steps to help mitigate the unprecedented potential ramifications of COVID-19. The URA is halting *ALL* loan payments for URA small business borrowers, including automatic loan payment withdraws from borrower's accounts, for the month of April 2020.

The URA is offering to its existing small business borrowers **Emergency Extended Credit** to help ease potential cash flow issues over the next several weeks.

ELIGIBILITY Available to existing URA small business borrowers **ONLY**.

FUNDING Up to an additional \$15,000.

TERMS 3-year term, 6 months no payments, 2 ½-year full amortization.

INTEREST 0% interest rate, no fees.

TO APPLY <https://tinyurl.com/uracovidloan>

- Provide a Statement of Need for additional credit.
- Provide previous 1-month cash flow statement.

For Non-URA Borrowers

The URA is temporarily easing and streamlining its Micro-Enterprise Loan Program to support up to thirty 0% loans for small businesses that are not currently URA borrowers.

NOTE Given potential high demand for this program, the URA will make every effort to underwrite and approve applications as quickly as possible.

COVID-19 Small Business Assistance Loan Program

ELIGIBILITY For existing small businesses (not startups) located in the City of Pittsburgh.

FUNDING Up to an additional \$15,000.

TERMS 3-year term, 6 months no payments, 2 ½-year full amortization.

- Loan proceeds may be used for rent, payroll, and other approved fixed monthly business expenses

INTEREST 0% interest rate, no fees

TO APPLY <https://tinyurl.com/uracovidloan>

- Provide a Statement of Need for additional credit.
- Provide previous 1-month cash flow statement.

For more information, visit:

<https://www.ura.org/pages/covid-19>



Small Business Development Center
University of Pittsburgh

Helping businesses start, grow, and prosper.

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