



## COVID-19 MARINA SMALL BUSINESS LOAN REQUIREMENTS, Round #2

1. Applicant's business must be physically located in the City of Marina since at least January 1, 2019 and must be in possession of a valid Marina Business License for fiscal year 2019-2020.
2. Applications to be submitted to the City with supporting documentation on or before August 31, 2020, or award of loans totaling \$150,000.00, whichever occurs first. The second round of funding will consider all applications received by July 6, 2020. Thereafter, completed applications will be processed on a first come, first served basis.
3. Small business is defined as 10 or fewer employees as of March 1, 2020 except for restaurants which may have up to 20 employees to qualify.
4. Applicant must have submitted documents for Small Business Loans, such as Economic Injury Disaster Loan (EIDL) or the Payroll Protection Program (PPP), and provide documented proof of attempted SBA loan submission. If unable to apply, explain why.
5. Income Requirement:
  - i. For businesses open during March and April 2020, household income must be less than 112.5% of Monterey County Median to be eligible for the business loans.
  - ii. For closed businesses for March and April 2020, household income must be less than 135% of Monterey County Median to be eligible for the business loans.

adjusted for household size as evidenced from Federal Tax returns from 2018 or 2019 or sufficient alternate data. (See example below.)

6. Loans repaid in full to the City before August 31, 2021 shall accrue no interest. Loans repaid in full after August 31, 2021 shall carry an interest rate of 3% from original funding date and must be repaid no later than August 31, 2022.
7. Federal tax returns for calendar year 2019 or 2018 or sufficient financial records of business, (i.e. profit & loss, records), for 12 months prior to applying for the loan must be provided by Applicant to the city. Documentation is to be submitted with the Application.
8. Need for loan must be the result of the Coronavirus COVID-19 pandemic supported by delinquent mortgage, rent, past due bills or other such .
9. If the business was not required to close as a result of the State and County mandates, loan funds must be applied to outstanding (unpaid) business premises rent, employee wages, business premises utilities (not gasoline for vehicles) and/or business provided health benefits.
10. If the business has been forced to close due to not being considered an essential business, the proceeds are to be applied to the outstanding indebtedness as of the date of the application.
11. All information provided will be maintained confidential.
12. Applications are to be in writing and submitted to the City of Marina by email to [businessloanapp@cityofmarina.org](mailto:businessloanapp@cityofmarina.org) or by US Mail or personal delivery to Marina City Hall, Attn: Finance Director, 211 Hillcrest Avenue, Marina CA 93933.



CITY OF MARINA  
211 Hillcrest Avenue  
Marina, California 93933  
businessloanapp@cityofmarina.org

13. A decision as to the loan amount, the loan terms, or denial of the loan is final and there is no right for reconsideration or appeal. If an application is denied in its entirety and there is a change in the Applicant's circumstances, nothing herein prevents an Applicant from submitting a new application with supporting documentation.
14. If any member of the applicant's family or living unit received a resident loan from the City of Marina's Resident Loan Program, the application for a loan from the City of Marina's Small Business Loan Program will be denied.



## COVID-19 MARINA SMALL BUSINESS LOAN CHECKLIST, Round #2

- Provide proof of physical business address within the City of Marina as of January 1, 2019. Acceptable proof includes:
  - Copy of business license; or,
  - Copy of lease
- Provide proof of valid City of Marina 2019-2020 business license. Acceptable proof includes:
  - Copy of 2019-2020 City of Marina business license
- Provide proof that applicant has submitted application(s) for the Economic Injury Disaster Loan (EIDL) or the Payroll Protection Program (PPP)
- Provide Federal tax returns for calendar year 2019 or 2018; or sufficient financial records of business for the 12 months prior to applying for the loan. Acceptable proof includes:
  - Copy of tax returns or
  - Copy of profit and loss records
  - Adjusted household income derived from the business for the calendar year ending 12/31/2019 must meet the followings:
    - For businesses open during March and April 2020, household income must be less than 112.5% of Monterey County Median to be eligible for the business loans.
    - For closed businesses for March and April 2020, household income must be less than 135% of Monterey County Median to be eligible for the business loans.

Use the below chart: <https://monterey.org/Services/Community-Development/Housing/Annual-Income-Limits>

| For businesses open during March and April |                               | For businesses open during March and April |                             |
|--|-------------------------------|--|-----------------------------|
| Median Income for                          | As of 4/22/2020               | Median Income for                          | As of 4/22/2020             |
| Monterey County                            | (112.5% of HCD Published AMI) | Monterey County                            | (135% of HCD Published AMI) |
| Household Size                             | Income                        | Household Size                             | Income                      |
| 1  | \$ 58,331                     | 1  | \$ 69,998                   |
| 2  | \$ 66,713                     | 2  | \$ 80,055                   |
| 3  | \$ 75,038                     | 3  | \$ 90,045                   |
| 4  | \$ 83,363                     | 4  | \$ 100,035                  |
| 5  | \$ 90,056                     | 5  | \$ 108,068                  |



Use the calculation provided in this example, in order to calculate your adjusted household income:

| <b>Calculation</b>   | <b>Example</b>   |
|--|------------------|
| 2019 or 2018 Federal Business Tax income<br>from tax forms                             | 20,000           |
| Business Depreciation  | 10,000           |
| Household income including any business<br>salary taken as a business expense          | 30,000           |
| <b>Adjusted business income</b>  | <b>\$ 60,000</b> |
| Note: If the household size is three people, the business qualifies for business loan. |                  |

15. Submit application on or before August 31, 2020 with supporting documentation. The second funding round will consider all loans submitted by July 6, 2020 and thereafter, completed applications will be processed on a first come, first served basis.





- ii. For closed businesses for March and April 2020, household income must be less than 135% of Monterey County Median to be eligible for the business loans.  Yes

13. Have you applied for  EIDL loan or  PPP loan? If not, please explain why:

\_\_\_\_\_

14. If you have applied for a City of Marina Residential Loan Program loan, you are not eligible for a Marina Business Loan.

15. Calculation of Household Income including Business Income

Business Income: \_\_\_\_\_

Add: If business expense on tax form includes  
A depreciation, add back depreciation income: \_\_\_\_\_

All other household income, if any\*: \_\_\_\_\_

Total: \_\_\_\_\_

Total Members of household (list by name) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\*If business pays owner a salary as part of their business expenses, this amount should be included with all other household income.

16. Additional comments:

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

17. Signature: \_\_\_\_\_ and Date: \_\_\_\_\_

Place of Signature: \_\_\_\_\_

NOTE: PLEASE ATTACH DOCUMENTATION FOR THE FOLLOWING TO THE LOAN APPLICATION:

\_\_\_\_\_



**CITY OF MARINA**  
211 Hillcrest Avenue  
Marina, California 93933  
businessloanapp@cityofmarina.org

- Delinquent bills justifying loan
- Proof of business license
- Proof of business income loss
- 2019 or 2018 Federal Tax Return or acceptable alternative
- Proof of submission for SBA EIDL or PPP loan or explanation why not applied