



City of Marina Business Loan Program Summary, Round #2

Program

Total Funding: \$150,000
 Source: General Fund
 Decision Authority: City Determination is final. Additional applications based upon on changed circumstances are allowed.

Loan Terms

Maximum Loan: \$10,000 per business.

Limitation: May not receive residential loan also.

Basis of Loan Amount: Documented delinquent bills for rent, employee wages and health benefits, utilities, or mortgage on business located in Marina if not closed during COVID event. If closed, any unpaid business expense during the COVID event.

Interest Rate: 0% in repaid by August 31, 2021; or,
 3% from loan's funding date to be repaid by August 31, 2022.

Qualifications

1. Must have a business license of the City Marina as of January 1, 2019
 2. Business must have had 10 or fewer employees before March 1, 2020. The requirement for restaurants is 20 or fewer employees.
- Income Requirement:
 - 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.

adjusted for household size as evidenced from Federal Tax returns from 2018 or 2019 or sufficient alternate data.

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

Calculation	Example
2019 or 2018 Federal Business Tax income from tax forms	20,000
Business Depreciation	10,000
Household income including any business salary taken as a business expense	30,000
Adjusted business income	\$ 60,000

Note: If the household size is three people, the business qualifies for business loan.

3. Must have had applied for SBA Economic Injury Disaster Loan (EIDL) or Payroll Protection Program Loan (PPP) due to the COVID 19 event or explain why unable to apply.
4. **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.

Applications are available at the City’s website: CityofMarina.org under “Help for Businesses” button

For More Information, call Eric Frost, Finance Director, 831-884-1221