



We at the SBDC are dedicated to helping all small businesses access the tools and assistance they need to whether the health crisis of COVID 19. It is our hope that this can serve as a comprehensive resource guide to direct you to the resources at your disposal. Attached you will find links and various resources to aid in disaster preparedness and recovery.

Colorado small businesses impacted by COVID-19 can seek individual small business loans up to \$2M as part of the Small Business Administration's Economic Injury Disaster Loan program. Small businesses throughout all 64 counties may seek SBA Economic Injury Disaster Loans. Governor Jared Polis announced that Colorado's application for federal disaster area designation has been approved.

ELIGIBLE ENTITIES:

- Applicants must meet the SBA requirements of a small business (500 employees or fewer)

- Businesses directly affected by COVID-19
- Businesses that offer services directly related to the businesses in the declaration
- Other businesses indirectly related the industry that are likely to be harmed by losses in their community (Example: Manufacturer of widgets may be eligible as well as the wholesaler and retailer of the product)

INELIGIBLE ENTITIES:

- Agricultural Enterprises: If the primary activity of the business (including its affiliates) is as defined in Section 18(b)(1) of the Small Business Act, neither the business nor its affiliates are eligible for EIDL assistance.
- Religious Organizations
- Charitable Organizations
- Gambling Concerns (Ex: Concerns that derive more that 1/3 of their annual gross revenue from legal gambling activities)
- Casinos & Racetracks (Ex: Businesses whose purpose for being is gambling (e.g., casinos, racetracks, poker parlors, etc.) are not eligible for EIDL assistance regardless of 1/3 criteria above.
- Cannabis Industry

LOAN APPROVAL CRITERIA:

- Credit History: Applicants must have a credit history acceptable to SBA.
- Repayment: SBA must determine that the applicant business has the ability to repay the SBA loan.
- Eligibility: The applicant business must be physically located in a declared county and suffered working capital losses due to the declared disaster, not due to a downturn in the economy or other reasons.

HOW MUCH YOU CAN BORROW:

- Eligible entities may qualify for loans up to \$2 million.
- The interest rates for this disaster are 3.75 percent for small businesses and 2.75 percent for nonprofit organizations with terms up to 30 years.
- Eligibility for these working capital loans are based on the size (must be a small business) and type of business and its financial resources.

HOW THE FUNDS CAN BE USED:

These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans are not intended to replace lost sales or profits or for expansion. Funds cannot be used to pay down long-term debt.

WHAT IS NEEDED TO APPLY:

- Completed SBA loan application (SBA Form 5).
- Tax Information Authorization (IRS Form 4506T) for the applicant, principals and affiliates.
- Complete copies of the most recent Federal Income Tax Return.
- Schedule of Liabilities (SBA Form 2202).
- Personal Financial Statement (SBA Form 413).
- Income, balance sheet, and cash flow documents.
- Other Information may also be requested.

OTHER INFORMATION THAT MAY BE REQUESTED:

- Complete copy, including all schedules, of the most recent Federal income tax return for principals, general partners or managing members, and affiliates (see filing requirements for more information)
- If the most recent Federal income tax return has not been filed, a year-end profit-and-loss statement and balance sheet for that tax year
- A current year-to-date profit-and-loss statement
- Additional Filing Requirements (SBA Form 1368) providing monthly sales figures (This is especially important for Economic Injury Disaster Loans)

HOW SOON WILL BUSINESSES RECEIVE MONEY:

- Small businesses that submit complete loan packages could receive the money within three (3) weeks
- Incomplete information and verification of collateral will delay the approval process

RECCOMENDATIONS:

- Include the specific disaster in your application – specifically reference “COVID-19” or Coronavirus
- Apply online vs by mail
- Write your password down; neither the system nor any personnel are able to retrieve it
- Save your work at every prompt
- Do not rush through the application. Check and recheck the filing requirements to ensure that all the needed information is submitted. The biggest reason for delays in processing is due to missing information.
- Make sure to complete all filing requirements before submitting the application and forms
- Be sure to use the same contact information (business name and the name of all owners) that you use on your federal tax returns. Double-check that they match
- If your tax returns reference other businesses that you own, you must also submit those tax returns in order to avoid processing delays
- If more funds are needed, applicants can submit supporting documents and a request for an increase. If fewer funds are needed, applicants can request a

reduction in the loan amount.

- If the loan request is denied, the applicant will be given up to six months in which to provide new information and submit a written request for reconsideration

As you consider applying for the different funding sources the Federal Government is offering to businesses, please keep the following information in mind as you make the best choices for your situation:

1) Federal funds often come with restrictions. If you accept funding or receive approval from one program, this may cause you to be fully or partially ineligible for other Federal funding.

2) Federal funding often rolls out in phases and can take many forms: Loans, Grants, etc.

3) We are not currently aware of specific federal grants that are being offered at this time for business disaster recovery, but grants may become available later with specific requirements that will be determined at that time.

Our intent is to make you aware of any new offerings as soon they become available and to act as your partner to help guide you through this.

SBDC Resources

The Colorado SBDC Network is committed to providing the most up-to-date relevant information to help you and your business navigate the current potential hardships. To that end, we have compiled the appropriate resources for your business on our Disaster Preparedness and Continuity Page found [here](#).

If you have questions or concerns, please contact us 719-384-6959 or mickie.lewis-gemici@ojc.edu.

Be Safe and Careful...Best, Mickie Lewis-Gemici, Regional Director/ SECO SBDC

Just a reminder about COVID-19 Precautions:

The Colorado Department of Public Health and Environment (CDPHE) is leading the State's multi-agency crisis response. We encourage you and all of your partners to stay informed with reliable, up-to-date information through CDPHE's website: colorado.gov/cdphe/2019-novel-coronavirus and the [Center for Disease Control](#).

- Coloradans should stay informed and take simple preventive actions.
- Frequently and thoroughly wash your hands with soap and water for at least 20 seconds. If soap and water are not available, use hand sanitizer with at least 60% alcohol.
- Cover coughs and sneezes with a tissue, then throw the tissue in the trash, or use your inner elbow or sleeve.
- Avoid touching your eyes, nose, and mouth with unwashed hands.
- Stay home if you're sick, and keep your children home if they are sick.
- Clean surfaces in your home and personal items such as cell phones, using regular household products.
- Be calm and prepared.
- [FEMA: Guidance for COVID-19 preparedness](#)
- [CDC: Getting your household ready for COVID-19](#)

Additional sources of information:

- COVID-19 Hotline: Call 303-389-1687 or 1-877-462-2911
- Email COHELP@RMPDC.org.
- State public health web page: colorado.gov/cdphe/2019-novel-coronavirus
- Facebook (facebook.com/CDPHE) and Twitter ([@CDPHE](https://twitter.com/CDPHE))
- CDC web page cdc.gov/coronavirus/2019-ncov

Gatherings:

To limit virus transmission, meetings should be conducted via telephone or video conferences whenever possible.

Telecommuting:

Where viable, the role of telecommuting should be discussed as a tool to maintain business continuity.

Earlier today, Governor Polis issued an executive order under the emergency declaration limiting gatherings of people over 250 people. Colorado has taken aggressive actions to identify and isolate cases of transmission and limiting group gatherings flattens the curve of community spread to ensure the resources and facilities to treat new cases.

SBDC Center Operation:

As there continues to be new restrictions and recommendations on travel, conferences, work from home policies, and social distancing in order to minimize the spread of the virus, we at the SBDC will continue to embrace these recommendations as necessary to help keep our clients, staff, and community healthy. As such, some face to face client meetings may be moved to a phone call or video chat and some trainings might move to online webinar formats.

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