

Economic Development Division - Business Finance Programs for San Diego Businesses

PROGRAM	TARGETED BUSINESSES	USE OF FUNDS/ CONDITIONS	APPLICATION INTAKE/ CONTACT	AMOUNTS	TERMS
<p>The Small Business Micro Revolving Loan Fund (SBMRLF) offers financial assistance to underserved small business owners that require capital, but are unable to meet the terms of traditional banks.</p>	<p>Existing small-to-mid size businesses in the City of San Diego.</p>	<p>Uses include:</p> <ul style="list-style-type: none"> • Purchase of Land/ Building/ Machinery/ Equipment, • Working Capital, • Soft Costs 	<p>For inquiries contact: City of San Diego Business Finance Program at (619) 236-6323</p>	<p>\$25,000 to \$150,000</p>	<ul style="list-style-type: none"> • Real Estate & Related 5 years • Machinery & Equipment 5 years • Permanent Working Capital 3-5 years <p>Interest rate: Prime-plus fixed rate, based on risk</p>
<p>The San Diego Regional Revolving Loan Fund (SDRRLF) offers financial assistance to underserved small business owners that require capital, but are unable to meet the terms of traditional banks.</p>	<p>Existing small-to-mid size businesses in the cities of San Diego and Chula Vista.</p>	<p>Uses include:</p> <ul style="list-style-type: none"> • Purchase of Land/ Building/ Machinery/ Equipment, • Working Capital, • Soft Costs 		<p>\$150,000 to \$500,000</p>	<ul style="list-style-type: none"> • Real Estate & Related 15 years • Machinery & Equipment 10years • Permanent Working Capital 7 years <p>Interest rate: Prime-plus fixed rate, based on risk</p>
<p>Redevelopment Tax Increment Loan</p>	<p>Loans for projects located in City Redevelopment Project Areas.</p>	<p>Funds for off-site improvements and land assembly. Dependent on availability of tax increment.</p>	<p>For inquiries contact: City of San Diego Redevelopment Agency (619) 533-5433.</p>	<p>Minimum \$3 MM</p>	<p>Typically 20-25 year amortization period.</p>

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Banker's Small Business Community Development Corporation	Focused on minority and women owned small businesses or businesses in low-mod census tracts in San Diego County who are unable to obtain bank financing.	Financing for working capital, fixed assets, and equipment.	For inquiries contact: Susan Lamping (619) 291-3594	Micro loans from \$5K to \$50K.	One or more years in business with positive cash flow. Equity and collateral required on case by case basis. Market interest rates with 5 year amortization.
ACCIÓN	Micro-businesses which have been in business at least 6 months, located anywhere in San Diego County.	Two types of working capital loans are available: 1) Group Solidarity Loans; and 2) Individual Loans. Loans are made on a stepped lending basis.	For inquiries contact: Patti Mason (619) 685-1380	Micro loans from \$300 to \$25K.	Market interest rates. Non-traditional underwriting & stepped lending process. Maximum amount for first solidarity group loan with no collateral or co-signer is \$750. Maximum amount on first individual loan with collateral & co-sign is \$5K
California State Loan Guarantee Program (Cal Southern SBDC)	Small businesses unable to obtain conventional bank financing without a guarantee. Targets underserved businesses.	Guarantees of private loans for working capital, equipment, and fixed assets. Participating lenders required.	For inquiries contact: California Southern Small Business Development Corporation. (619) 232-7771.	The California State Loan Guarantee Program guarantees up to 90% of participating lenders' loans to a maximum amount of \$350K.	Maximum maturity 7 years. Demonstrated ability to repay. Personal guarantee and collateral. Market interest rate. 2% loan fee based on guarantee amount and \$250 documentation fee.
The California Capital Access Program (CalCAP)	The borrower's business must be in one of the industries listed in the qualified Standard Industry Classification codes list.	Encourages banks and other financial institutions to make loans to small businesses that fall just outside of most banks' conventional underwriting standards.	For inquiries contact: California Pollution Control Financing Authority, attention CalCAP Program Manager (916) 654-5610	The maximum loan amount is \$2.5 million. The maximum premium CPCFA will pay is \$100,000 (per loan).	Lenders set all the terms and conditions of the loans and decide which loans to enroll into CalCAP. Lenders determine the premium levels to be paid by the borrower and lender.

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Small Business Administration (SBA) Loans	Small businesses unable to obtain financing from banks without guarantee assistance. Business must be for profit and fit size and standards set by the SBA.		For information on any SBA loans listed contact: CDC Small Business Finance Corp. (619) 291-3594 And participating lenders		
SBA: 7(a) Loan Guarantee Program	Eligible small businesses include: Manufacturing – 500 to 1,500 employees; Wholesaler – up to 100 employees; Service industries – from \$2.5 MM to \$21 MM in sales; General Construction – from \$13.5 MM to \$17 MM in average sales not to exceed \$7 MM; Special trade construction – annual sales not to exceed \$7MM; Agriculture – from \$500K to \$9 MM in sales.	Guarantees may be applied to loans used for: expansion or renovation of facilities; purchase of machinery, equipment, fixtures & leasehold improvements; financing receivables; augmenting working capital; refinancing of debt; seasonal lines of credit; acquisition / construction of commercial owner-occupied buildings; and/or purchasing of land and equipment.		SBA guarantees up to 75% of loans with participating lenders. The maximum loan amount per borrower is \$1 million. If the borrower's gross loan amount is under \$100K, then SBA guarantees up to 85%.	Financing terms for 7(a) loans are dependent on use of proceeds: Typically, 5-to-10 years for working capital and up to 25 years for fixed asset or real estate purchase. Sufficient collateral is required to secure 7(a) loans. Personal guarantees from principals are required. Fixed and variable rates are available. Typically, loans with a maturity over 7 years will be charged interest rates not more than 2.75% over prime. Loans under \$150K may have higher interest rates.
SBA: Micro-Loan Program	All businesses in San Diego County who are unable to obtain bank financing.	Financing for working capital, fixed assets, and equipment.		Micro loans from \$1K to \$35K.	Sufficient business experience, collateral, & earnings. Competitive interest rates with 3, 4, & 5 year's amortization.

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SBA, CAPLines Lines of Credit Revolving & Non-Revolving	<p>Designed to meet specialized short-term credit and cyclical working capital needs of small businesses.</p> <p>Credit Lines Available:</p> <ul style="list-style-type: none"> • Seasonal Line • Contract Line • Builders Line • Standard Asset-Based Line • Small asset-based 	<p>CAPLines may be used to finance:</p> <p>Seasonal and working capital needs</p> <p>Direct costs associated with commercial or residential construction</p> <p>Operating capital advances against existing inventory or accounts receivable</p> <p>Consolidation of short term debt is possible</p>	<p>For information on any SBA loans listed contact:</p> <p>CDC Small Business Finance Corp. (619) 291-3594</p> <p>And participating lenders</p>	<p>CAPLines guarantees up to 75% of participating lender's loan. The maximum gross loan amount to be guaranteed under CAPLines is \$750K except for "Small Asset-Based Lines." This credit line is revolving and gross maximum loan amount is \$200K.</p>	<p>Maturity up to 5 years. Typically, collateral requirements are met by short-term assets being financed. Interest rates are negotiable with participating lenders not to exceed 2.25% over prime.</p>
SBA, International Trade Loan Program	<p>Small businesses engaged in or entering international trade, as well as those affected adversely by foreign imports.</p>	<p>Funds may be used for working capital, purchasing land, building or capital equipment and/or to produce goods or services for export.</p> <p>Funds may be used to repay existing debt.</p>		<p>Up to \$1.25 MM in working capital and fixed asset loans can be guaranteed under the International Trade Loan Program.</p>	<p>Working capital loans have a maximum maturity of three-year loans for capital facilities or equipment can be up to 25 years. Domestic collateral is required. Participating lenders require first-lien position and a personal guarantee. Rates and fees are the same as those listed for regular 7(a) loans.</p>

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SBA, 504 Certified Development Company Program	<p>Expanding small businesses. A small business is eligible if it falls within the size and standards of the 7(a) Program or:</p> <ul style="list-style-type: none"> • Businesses' tangible net-worth does not exceed \$7.5MM; and, • Average net income is not in excess of \$2.5 MM after taxes. Loans cannot be used for speculative investment. 	<p>Participating financial institution finances 50% of the project cost as 1st trust deed.</p> <p>Debentures are issued for 40% of the project cost for land, buildings, in 2nd trust deed.</p> <p>Borrower contributes 10% down.</p>	<p>For information on any SBA loans listed contact:</p> <p>CDC Small Business Finance Corp. (619) 291-3594 And participating lenders</p>	<p>100% guarantee on SBA debenture issue with a gross debenture amount up to \$750K.</p>	<p>Maturity available is dependent on useful life of assets being financed: either 10 or 20 years. Typically, the participating financial institution takes a first lien position on assets being financed. Personal guarantee of principals required. Interest rates are at market. Fees total approximately 3% of the debenture and may be financed within the loan.</p>
Export Import Bank of the United States	<p>Small, medium and large exporters and foreign purchasers of U.S. (at least 50% domestic content) goods and services.</p>	<p>Funds may be used for:</p> <p>Working capital needs Export credit insurance Guarantees of commercial loans of foreign buyers of U.S. goods and services Direct loans to foreign buyers of U.S. products.</p>	<p>For inquiries contact:</p> <p>U.S. Export Assistance Center, Tricia Snow Regional Director (949) 660-1688 ext.150</p>	<p>Guarantee amounts in favor of participating lenders dependent on type of buyer. Guarantees range from 85% to 100%. EX-IM Bank loans may be structured on a case-by-case basis.</p>	<p>Working capital loans are guaranteed up to 90% for creditworthy small- and medium-sized companies. Minimum gross loan amount guaranteed is \$833,334. Generally, export loan guarantee insurance covers 85% of contract price and 100% of financing portion. Up to 90% guarantee to participating lenders on one year revolving line or transaction specific line of credit for working capital guarantees.</p>