

DISTRIBUTION DATE:

8/17/20



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Micah Hinkle,
Deputy Director

SUBJECT: Low-Interest Federal Loans for Businesses
Damaged during Demonstrations

DATE: August 14, 2020

City Administrator
Approval

A handwritten signature in black ink, appearing to be "MH", written over a horizontal line.

Date Aug 17, 2020

INFORMATION

This Information Memorandum provides information on the U.S. Small Business Administration's low-interest loans available to businesses that experienced property or economic damages during the recent demonstrations.

Alameda County received a federal disaster declaration for business damage resulting from demonstrations held since May 26, 2020. To obtain this declaration, City staff gathered and submitted data on under-insured or uninsured Oakland businesses that enabled the County to reach the minimum threshold to have a disaster declared.

As a result, impacted businesses now have access to low-interest disaster loans through the U.S. Small Business Administration (SBA).

For businesses and private nonprofits that suffered uninsured damage to their building, inventory, supplies or equipment, a **Physical Disaster Loan** of up to \$2 million can help repair windows and doors and replace stolen merchandise. The application deadline for Physical Disaster Loans is September 16, 2020.

Additionally, working capital loans in the form of **Economic Injury Disaster Loans** help small businesses and most private nonprofits meet ordinary and necessary financial obligations (i.e., rent, utilities, payroll, etc.) that cannot be met as a direct result of the disaster. The application deadline for Economic Injury Disaster Loans is March 17, 2021.

Fact sheets in multiple languages with details on interest rates, loan terms, and application requirements have been posted, along with additional information, on the City's website at: <https://www.oaklandca.gov/resources/low-interest-federal-disaster-loans>.

