

Pandemic Financing Opportunities Available to Arizona Small Businesses and Nonprofits

Last updated: April 30, 2020

Please find summarized below federal and local programs to provide liquidity and relief to Arizona small businesses and nonprofits during the ongoing COVID-19 pandemic. This is a simple, practical summary designed to educate, empower, and guide readers in identifying and accessing appropriate resources. You are encouraged to review this entire document - there may be resources available with which you may be less familiar or may be helpful to someone you know. This is being offered as a public service - the authors accept no liability for its contents. Please refer to the individual funding opportunity rules and requirements, as rules and requirements are detailed and subject to change.

Initial rounds of funding were depleted, but the government approved another \$310 billion in funding and opened up applications again on April 27, 2020. The information below will include the status of funding as of the last update of this document.

How to Use This Document

It is recommended that the following steps be taken to make the most effective use of the information provided in this document:

1. Review the program descriptions and additional information to assess eligibility for a particular program before applying.
2. Apply for the eligible programs as quickly as possible - the last PPP funding was depleted in two weeks and it will be even quicker this time as it will include businesses that did not make it through for the first round of funding.
3. Contact your CPA or CPAs listed below if assistance is needed with the application process. The representatives at lending companies might not have all the answers as these programs are so new and change so quickly, but may be good resources throughout the application process as well.
4. For more comprehensive information about the CARES Act, consider the [CARES Act Readiness Program for Small Businesses](#), a free training program developed by the Arizona Small Business Association and the Arizona Chamber of Commerce to help "both novice and experienced borrowers successfully access relief funds."

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Government Loan Programs

SBA/CARES Act | Paycheck Protection Program (PPP)

Details:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

Status:

Accepting Applications

Application Link:

<https://www.sba.gov/paycheckprotection/find>

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. The following entities affected by Coronavirus (COVID-19) may be eligible:

- Any small business concern that meets SBA's size standards (either the industry based size standard or the alternative size standard)
- Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern (sec. 31(b)(2)(C) of the Small Business Act) with the greater of:
 - 500 employees, or
 - That meets the SBA industry size standard if more than 500
- Any business with a NAICS Code that begins with 72 (Accommodations and Food Services) that has more than one physical location and employs less than 500 per location
- Sole proprietors, independent contractors, and self-employed persons

SBA/CARES Act | Economic Injury Disaster Loan (EIDL) Program & Emergency Grants

Details:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>

Status:

Not accepting applications new applications based on available appropriations funding, but previously submitted applications will continue to be processed on a first-come, first-served basis.

Application Link:

<https://disasterloan.sba.gov/ela/Account/Login>

Application Instructions:

https://www.sba.gov/sites/default/files/resource_files/how_to_disaster_app_March_2020.pdf

In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by COVID-19. Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

SBA/CARES Act | Small Business Debt Relief Program

Details:

https://www.sbc.senate.gov/public/_cache/files/9/7/97ac840c-28b7-4e49-b872-d30a995d8dae/F2CF1DD78E6D6C8C8C3BF58C6D1DDB2B.small-business-owner-s-guide-to-the-cares-act-final-.pdf

Status:

Not accepting applications, but it will likely open back with the new government package.

Application Link:

<https://www.sba.gov/local-assistance/find/>

Contact a local agency that can help navigate these different types of loans.

Application Instructions:

- 7(a) Loans: <https://www.sba.gov/partners/lenders/7a-loan-program/types-7a-loans>
- 504 Loans: <https://www.sba.gov/brand/assets/sba/sba-lenders/504-Loan-Fact-Sheet-Borrower-Version.pdf>

This program from SBA provides any businesses that currently have *non-disaster* SBA loans (7(a), 504, and microloans) with relief in the form of covering all loan payments for 6 months. It will also be available to any new borrowers who take out loans within 6 months after the CARES Act was signed into law. In general, businesses must meet size standards, be based in the U.S., be able to repay, and have a sound business purpose. To check whether your business is considered small, you will need your business's 6-digit [North American Industry Classification System \(NAICS\)](#) code and 3-year average annual revenue.

Non-Governmental Funds & Grant Programs

Prestamos Community Development Financial Institution (CDFI) | COVID Microloan for Coronavirus Relief

Details & Application Link:

<https://www.prestamosloans.org/covidmicro/>

Status:

Accepting Applications

Under our COVID19 Microloan program, each business is eligible to apply for up to \$25,000. The first six payments will be paid (both principal and interest) directly by The SBA. The remaining balance will be amortized over a 6-12 month term based on repayment ability. There is a 3% loan origination fee and the interest rate for this loan is 6.5%. As a CDFI we pledge to serve small businesses in low-income communities, minority, and women-owned businesses. Our priority will be focused on small businesses located in low-income communities and underserved business owners to fulfill our mission of creating/preserving jobs in economically distressed communities.

Growth Partners Arizona | Kiva Tucson & Small Business Success Loans

Details:

<https://www.growthpartnersaz.org/news/expanded-access-to-loans-for-small-businesses-and-nonprofits/>

Status:

Accepting Applications

Application Link:

- Kiva Tucson: <https://www.growthpartnersaz.org/kiva-tucson/>
 - Contact: Carie Davis, Capital Access Manager - tucson@local.kiva.org | 520-529-1766 x216
- Small Business Success Loans: <https://www.growthpartnersaz.org/small-business-success-loans/>

Kiva

Kiva's unique crowdfunding model helps business owners and nonprofits with earned income streams access loans with the help of their community. Kiva determines the loan amount based on many factors, including finances, social media presence, and quality of narrative. Kiva loans can be used for many different business expenses. Minimum requirements:

- At least 18 years old
- Not in current bankruptcy or foreclosure
- Not a multi-level marketing business
- Loan is for a legal business

Small Business Success Loans

Small Business Success Loans are for \$10,000-\$75,000 and intended for business growth and expansion, equipment, long-term working capital, tenant improvements, and consolidation of more expensive debt. The eligibility requirements are:

- Do business in Arizona (valid business license and be in good standing with the state of Arizona)
- Annual revenues in excess of \$50,000
- In business for at least two tax filing periods; no start-up businesses
- Minimum FICO score of 660
- Priority is given to businesses located in CDFI investment areas

Local First Arizona Foundation & Community Investment Corporation | Graham & Greenlee County Micro-Loan Fund

Details:

<https://www.localfirstazfoundation.org/az-microloans>

Status:

Accepting Applications

Application Link:

<https://static1.squarespace.com/static/5a394b7fd55b41ea8eaf6a7c/t/5ba85ebb419202c9a87052e5/1537760956965/CIC-Local%2BFirst%2BLoan%2BApplication.pdf>

Local First Arizona Foundation is building opportunity for local businesses in rural Arizona in partnership with Freeport McMoRan and the Graham & Greenlee County Leadership Cohort through the Graham & Greenlee County Micro-Loan Program. Businesses and startups in all industries located in Graham County or Greenlee County can apply for loans of \$5,000 to \$25,000. The loan fund is managed by the Community Investment Corporation, and loan applications are reviewed by a steering committee of local community members.

PPEP Microbusiness and Housing Development Corporation (PMHDC)

Details:

<http://www.pmhdc.net/loans/>

Status:

Accepting Requests for Information

Application Link:

<http://www.pmhdc.net/request-for-information/>

PMHDC provides loans of \$500 to \$75,000 to small business owners in southern Arizona that reside in Yuma, Cochise, Santa Cruz, Pima, Pinal, Maricopa, Gila and Graham Counties. As a nonprofit organization, PMHDC's mission is to help small businesses thrive through technical assistance, lending money, promoting our clients' businesses, linking them to small business resources, information and mentors, and providing networking opportunities. The mandatory requirements are:

- Existing and start-up businesses
- Citizen of US or permanent resident status
- No default on any federal loan
- Never convicted of a fraud-related felony
- Up to date on child support payments
- 20% or more ownership must be an applicant

Business Development Finance Corporation (BDFC)

Details:

<https://www.bdfc.com/small-business/>

Status:

Accepting Applications

Application Link:

- Online: <https://bdfc.loanapp.bmisw.com/>
- Paper: https://www.bdfc.com/wp-content/uploads/2017/04/bdfc_online_application.pdf

BDFC is a private, non-profit corporation dedicated to economic development by providing affordable financing for Arizona businesses. We are one of Arizona's most experienced SBA lenders, and have financed more than \$1 billion in projects from our offices in Tucson and Phoenix since 1979. Whether you need working capital to start or expand your business, want to buy a business or need to purchase real estate or machinery and equipment, we have a loan product that will meet or exceed your expectations. We are your SBA 504 and 7(a) Partners!

Community Investment Corporation | COVID-19 Emergency Microloans & Community-Backed Loans

Details:

<https://cictucson.org/covid-19-emergency-loan-products/>

Status:

Currently at capacity for emergency microloans, but CIC continues to raise funds for them. They are accepting inquiries for community-backed loans.

Application Link:

<https://cictucson.org/disaster-relief-microloan-pre-qualification/>

Emergency microloans are for a maximum of \$10k up to five years for small businesses based in Southern Arizona. We are working in earnest to fundraise for this program through a community driven effort called [Tucson Helping Tucson](#) as well as other means so we can continue to help businesses in need. Please refer back to this page for updates or follow us on [Facebook](#) or [Instagram](#) to learn when more funding becomes available.

CIC is offering a number of “community-backed” loan options in conjunction with various partners. These options harness the power of investors (local and otherwise) who want to see you succeed. CIC has partnered with WeFunder to offer a COVID-19 disaster loan using the [WeFunder](#) community lending platform for loans amounts from \$20k to \$1 million.

Local First Arizona (LFA) | Small Business Relief Fund

Details:

<https://www.localfirstaz.com/small-business-relief-fund>

Status:

Not currently accepting applications, but may become available again with the increase of philanthropic contributions from the community.

Application Link:

Currently Unavailable

In response to the COVID-19 pandemic, Local First Arizona and its community partners launched the Small Business Relief Fund (SBRF) to provide mini-grants to Arizona's smallest, locally owned, independent enterprises. These micro-entrepreneurs — businesses with 0-3 employees and less than \$250,000 in annual revenue (approximately \$35k-\$45k in net profits) — needed immediate assistance to sustain the impact from decreased business and cash flow caused by the shut down of our economy.

Arizona Together | AZ Coronavirus Relief Fund

Details:

<https://arizonatogether.org/#business-resources>

Status:

Not currently accepting applications, but funds continue to be raised and applications may open up again in the future.

Application Link:

Currently Unavailable

The AZ Coronavirus Relief Fund will provide financial support to organizations working to mitigate the impacts of COVID-19 in Arizona. Initially, the fund will focus on the following immediate needs:

- Funding of Personal Protective Equipment (PPE) for frontline medical personnel.
- Non-profit organizations that support the most vulnerable Arizonans through food banks, homeless shelters, domestic violence facilities, and other services.
- Efforts to provide low-income students with technology enabling them to transition to online learning.

LeadMD, StartupAZ Foundation, & Invest Southwest | AZ Local Impact Fund

Details:

<https://investsouthwest.org/apply-for-az-local-impact-fund/>

Status:

Not currently accepting applications, but funds continue to be raised and applications may open up again in the future.

Application Link:

Currently Unavailable

Everything raised by the fund will go directly to supporting local businesses that apply for support beginning in April 2020. A committee that will consist of local business mentors and leaders, entrepreneurs, investors and non-profit board members will review all applications submitted and determine how much of the relief fund will be allocated to each, according to predefined criteria. To be considered, here are the base criteria:

- Must be headquartered in Arizona
- Must have been in business for a minimum of one (1) year
- Must be currently selling or servicing customers in AZ, as of February 2020
- Must clarify how COVID-19 has impacted your business in 125 words or less (if additional information is necessary we will contact you)
- Must communicate a clear understanding of how funds will be used, including how employees and the business will be directly affected by the funds
- Must provide requested financial documents to verify business operations and revenue