

LOAN RESOURCES FOR CHILD CARE FACILITIES DEVELOPMENT IN CALIFORNIA

REVISED MARCH 2009



INSIGHT

CENTER FOR COMMUNITY
ECONOMIC DEVELOPMENT

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A California Statewide Collaborative

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This document is derived from the information provided in *A Resource Guide: Financing Child Care Facilities Development in California*, an Insight Center publication. The original version of the *Resource Guide*, which was written and researched by Stephanie Haffner, Tony Daysog and Jan Stokley, was published with funding from the Ford Foundation and the David and Lucile Packard Foundation Center for the Future of Children.

Although many individuals and organizations played a role in the development of this resource, the final materials are the responsibility of the Insight Center for Community Economic Development. Because this document is updated regularly, we encourage you to send any additional resources that should be included in future editions. Additionally, if you are a listed lender, please feel free to contact us with edits you'd like to make to your program listing.

If you have questions or comments about this document please contact the Early Care and Education Program at the Insight Center for Community Economic Development at (510) 251-2600.

INTRODUCTION

This document is designed to help child care providers and child care advocates in their efforts to access financial assistance to build, purchase, expand or renovate child care centers and homes. The majority of this document is composed of a grid of information about financial resources, primarily in the form of loan capital, that are “child care friendly.” By this, we mean that they often have more flexible terms and interest rates than conventional lenders. This inventory of available resources ranges from federal programs to local credit unions; and, while some of the identified resources are specifically designed to meet child care facilities development needs, many are more general in their mission to serve small businesses and community development enterprises.

It is important to note that several of the loan programs identified in this document are loan guarantee or loan insurance programs, and are therefore not designed to provide direct loans. It is also important to recognize that this document is not exhaustive. In other words, the resources identified do not comprise a complete list of all financial resources available for child care facilities development in California. As a result, this list can be used to help you identify the *type of resources* that may exist in your local communities, even if we have not identified them here.

While this document should be very helpful to child care providers and advocates in California, it is created with the recognition that understanding the process of developing and financing facilities requires technical expertise from various disciplines (e.g. land use, capital financing, real estate development, design, engineering, etc.) other than child care. Consequently, this document includes a list of **Technical Assistance Resources** that exist throughout the state, where providers can turn for further assistance with the process of financing their child care businesses.

Further publications information can also be accessed at www.insightcced.org and at www.buildingchildcare.org.

We encourage child care providers and advocates to share this information with others in an effort to further the expansion of the child care field in California. If you chose to use these materials in any of your own publications, however, please provide the following citation:

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THE BENEFITS of USING LOANS to MEET CHILD CARE FACILITIES DEVELOPMENT COSTS

The idea of incurring debt through loans is not one traditionally welcomed by the child care field for a variety of reasons. But, financing, if used wisely, is truly one of the most viable options for providers looking to build, purchase, renovate or expand a child care facility. There are not many capital financing resources designed specifically for the child care industry, however, the lending sources listed in this document are designed to support community development, small business development, and in some cases child care projects in particular. These sources typically have more flexible terms and interest rates than traditional lenders offer. The four points below explain the benefits of using these lending sources to pay for child care facilities development costs.

1. Capital Efficiency

- a. Financing allows an entity to leverage other money (e.g. savings and grants) and to make limited resources go farther.
- b. Financing allows the entity to pay for costs over time (i.e. the life of the property) instead of all at once.
- c. It is quite common, and usually essential, to combine multiple funding streams in order to realize a facilities development project.

2. Meet Higher Costs; Serve Families Faster

- a. The supply of available loan capital is far greater than the supply of available grant funding.
- b. Loan applications have a fast turn-around time.
- c. Raising equity through grants, donations, savings and internal resources takes a long time.
- d. Financing typically provides larger amounts of money than grant funding.
- e. Capital campaigns to raise grant money and equity for facilities development can detract from other fundraising efforts geared toward components of the services you offer, such as operating costs.
- f. Using financing for facilities development projects prevents an entity from depleting all potential grant resources up front.
- g. Grant funding is typically limited to nonprofit organizations and is rarely available to for-profit child care centers or family child care providers.
- h. Financing allows an entity to raise greater amounts of money in less time, addressing the high cost of development and serving families faster.

3. Business Skills

- a. Some lenders partner with business development programs to offer special technical assistance services that ensure a high success rate on their loan products.
- b. Technical assistance services foster the development of a child care business and financial planning capacity.
- c. Lenders, especially community development focused lenders such as those listed in this publication, will only make loans if there's evidence the borrower has the capacity to repay it in accordance with the designated terms. Lenders will not invest in risky ventures that may result in both the borrower, and the lender, losing money.
- d. Financing the acquisition of property is a good way to bring ownership within reach, which allows an agency to: gain long term tenure, customize the space for kids and staff, and build its financial position and stability.

4. Expand Early Care and Education (ECE) Stakeholders

- a. Financing leverages interest in the ECE field from financial institutions and other economic entities that can add their voices to those already lobbying for greater attention to the importance of child care.



- b. By demonstrating their success as businesses, child care providers help to encourage the expansion of additional funding streams for the field.



WHAT DOES A LENDER LOOK FOR? THE 5 C'S of CREDIT

The bottom line of lending is Repayment Capability. In other words, Lenders will only consider extending credit if they are confident that your agency will be able to repay the loan on the designated terms. The 5C's of credit are the main criteria by which a Lender will judge an application for a loan. They are:

1. Cash flow (Capacity to Repay the Loan)

- Will an agency be able to meet its monthly payments?
- Do the borrowers have a reliable and consistent revenue source(s)?
- This information is typically determined by debt service coverage ratio (see Glossary).

2. Character (Capacity to Execute the Project Successfully)

- Does the Borrower have a sound vision and a clear business plan?
- Is there leadership and technical capacity to execute that plan?
- Lenders will typically analyze agency leadership (staff and board) and the experience of the development team (consultants, architect & contractors).

3. Capital (Equity Investment in the Project)

- What agency dollars are invested?
- What other equity sources are invested?
- What percent of the total cost will be covered by the agency's equity?
- Lenders typically look for a significant investment by the agency or the individual applying for the loan.

4. Collateral

- What is the value of the property being pledged for repayment of the loan?
- Lenders typically commission appraisals of property or other assets.
- Most Lenders have policies regarding loan to value ratios (see Glossary). For example, they will only lend 80% of the value.

5. Credit History

- What is the credit history of the agency, owners, or guarantors, if any?
- Credit reports are available on nonprofit and for profit agencies and will be reviewed.
- Lenders will look at past performance carefully.



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LIST of LOAN RESOURCES INCLUDED in THE MATRIX

Statewide

1. Bank of America
2. Business, Housing and Transportation Agency
3. California Capital Financial Development Corporation
4. California Children and Families (Proposition 10) Commission
5. California Department of Education
6. California Department of Housing and Community Development
7. California Economic Development Lending Initiative, CEDLI
8. California Pollution Control Financing Authority
9. Enterprise
10. Federal Housing Administration
11. Low Income Investment Fund (*Affordable Buildings for Children's Development*)
12. Rural Community Assistance Corporation
13. U.S. Department of Agriculture, Rural Development Division
14. U.S. Department of Housing and Urban Development
15. U.S. Small Business Administration

Northern California

1. Northern California Community Loan Fund
2. Southeast Asian Community Center (SEACC)
3. State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)

Greater Bay Area

1. Cal Coastal
2. Child Care Coordinating Council of San Mateo County
3. Child Care Facilities Fund of the Low Income Investment Fund
4. City of Berkeley, Office of Economic Development
5. Community Bank of the Bay
6. Every Child Counts Child Care Fund



7. Lenders for Community Development
8. Local Initiatives Support Corporation (LISC)
9. Nonprofit Finance Fund
10. Northern California Community Loan Fund
11. Oakland Business Development Corporation
12. One Stop Capital Shop
13. Silicon Valley Economic Development Corporation
14. Southeast Asian Community Center (SEACC)
15. Smart Start San Jose (SSSJ)
16. State Assistance Fund for Enterprise, Business and Industrial Development Corporation, SAFE-BIDCO
17. Women's Initiative for Self-Employment (WISE) / Alternativas para Latinas en Auto-Suficiencia (ALAS)

Central Valley and Coast

1. Cal Coastal
2. Economic Vitality Corporation of San Luis Obispo
3. Lenders for Community Development
4. Nonprofit Finance Fund
5. Northern California Community Loan Fund
6. Santa Cruz Community Credit Union
7. Santa Cruz County Human Resources Agency
8. Small Business Loan Fund
9. Valley Economic Development Center, Inc.
10. Valley Small Business Development Corporation

Southern California

1. ACCIÓN San Diego
2. ACCIÓN Southern California
3. CDC Small Business Finance
4. Clearinghouse CDFI
5. Community Development Commission, County of Los Angeles
6. Community Investment Corporation
7. Economic & Employment Development Center
8. Local Initiatives Support Corporation (LISC)
9. Neighborhood National Bank
10. Valley Economic Development Center, Inc.
11. TELACU Community Capital



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Bank of America	Real estate acquisition, construction, working capital and equipment financing through permanent first and second mortgage loans	\$2 million maximum	Up to 24 Months	For-profit centers and family child care homes with several years of experience in the child care field.	Sacramento http://www.bankofamerica.com/community/
Business Housing and Transportation Agency	Guarantees are issued on loans for facility development, equipment purchase, working capital, business expansion, leasehold improvements, etc.	State Loan Guaranty Program • Maximum guaranty of 80% up to \$350,000.	3% of the guaranteed portion of the loan. Available business and personal assets (machinery, equipment, A/R, inventory and property) can be used as collateral. Maximum term is 12 months.	For-profit child care centers and family child care homes Applications which are bank-supported have a better chance of approval.	Nor-Cal Financial Development Corporation 300 Frank Ogawa Plaza, Suite 251 Oakland, CA 94612 P: 510-208-7330
	Provides permanent working capital for smaller businesses.	Micro Loan Program •Maximum guaranty is 100% of loans for \$25,000	Maximum term is eighty-four (84) months.	For-profit child care centers and family child care homes.	



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Business Housing and Transportation Agency (cont.)	To start or purchase a business, acquire property or other business assets, or to provide working capital.	SBA 7(a) Guaranteed Loans • \$750,000 / Real Estate Purchase • \$750,000 / Equipment Purchase • \$300,000 / Working Capital	Maximum term: 25 yrs, 10 yrs, 7 yrs	For-profit child care centers and family child care homes that meet SBA eligibility standards.	SAFE-BIDCO 1211 North Dutton Ave., Suite D Santa Rosa, CA 95401 P: (707) 577-8621 F: (707) 577-7348
	Business start up or acquisition, expansion or modernization, inventory, furniture and fixture, equipment purchases and upgrades, working capital.	North Coast Microloan Program • \$1,000 - \$25,000	3-6 yrs (depending on size and purpose), Loan fee 1.5% of loan amount due at loan closing.	For-profit child care centers and family child care homes.	
	Equipment purchase, contract, financing, business expansion, working capital.	Guarantee: term loans up to 90%, Lines of Credit-up to 85%, Maximum guarantee-up to \$500,000	Term Loans up to 7 years, Lines of Credit- renewed annually	For-profit child care centers and family child care homes, All proceeds must be used in California.	California Capital Financial Development Corporation 926 J Street, Suite 1500 Sacramento, CA 95814 P: (916) 442-1729 F: (916) 442-7852



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Business Housing and Transportation Agency (cont.)</p>	<p>Land, buildings, renovations, long term equipment, etc.</p>	<p>\$1,000,000 (1,300,000 in certain municipalities)</p>	<p>10 and 20 years/interest rates tied to the U.S. Treasury rates</p>	<p>For-profit child care centers located in Santa Barbara, San Luis Obispo, Monterey and Ventura Counties will qualify.</p>	<p>California Coastal Rural Development Corporation Monterey 479 Pacific Street # 5A Monterey, CA 93940 Phone: (831) 641-0722 Fax: (831) 641-0723</p>
					<p>Salinas 221 Main Street, Suite 301 Salinas, CA 93901 Phone: (831) 424-1099 Fax: (831) 424-1094</p>
					<p>Santa Barbara 39 East De La Guerra Santa Barbara, CA 93101 Phone: (805) 962-9251 Fax: (805) 966-5849</p>
					<p>Santa Maria 910 E. Stowell Road, Suite 104 Santa Maria, CA 93454 Phone: (805) 349-0798 Fax: (805) 349-9757</p>
					<p>Ventura 701 E. Santa Clara Street, #28</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
					Ventura, CA 93003 Phone: (805) 652-0516 Fax: (805) 652-0519
Business Housing and Transportation Agency (cont.)	Loans, revolving lines of credit, accounts receivable and inventory lines, equipment acquisition, short and intermediate terms loans.	California Loan Guarantee: \$350,000 guarantee per borrower.	Maximum term 7 years / Market rate as negotiated by borrower and lender.	Borrower must have received a commitment from a lender that participates in the guarantee program.	Valley Small Business Development Corporation 7035 N. Fruit Avenue Fresno, CA 93711 P: (559) 438-9680 F: (559) 438-9690
	Working capital, equipment, business expansion or other business needs.	\$35,000 for each borrower. Special emphasis on loans under \$7,500.	Maximum term of 6 years/Fixed interest rates.	For-profit child care centers and family child care homes that meet SBA eligibility standards.	Pacific Coast Regional Financial Development Corporation 3255 Wilshire Blvd., Suite 150 Los Angeles, CA 90010 P: (213) 739-2999 F: (213) 739-0639
	Accounts receivable, equipment purchases, inventory, leasehold improvements, contract financing, business expansion, lines of credit, short and long term loans.	State Loan Guarantee Program: \$500,000 for each borrower.	Maximum term of 7 years/ Market rate as negotiated by lender and borrower.	Proceeds must be used for small businesses located in the State of California. Borrower must show repayment ability.	
	An alternative source of funding for small businesses in which	\$350,000	Interest rate is negotiated between lender and borrower	Small businesses that do not qualify for conventional bank loans.	Hancock Urban Development Corporation 3600 Wilshire Blvd., Suite 926, Los



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	conventional lenders funds loans guaranteed by the state.				Angeles, CA 90010 P: (213) 382-4300 F: (213) 382-4732
Business Housing and Transportation Agency (cont.)	Expansion into new facilities, working capital, debt refinance or for the purchase of new equipment..	\$350,000, or up to 90% of the loan amount, whichever is less. The guarantee's percentage may vary and is subject to negotiation between the SFV-SBDC and the lender.	May extend up to seven years. The loans are typically fully-amortized, but up to a 25-year amortization are allowed for owner occupied real estate. ; Negotiated between the borrower and the lender.	For-profit child care centers and family child care homes.	San Fernando Valley Financial Development Corporation 5121 Van Nuys Blvd. 3rd Floor Van Nuys, CA 91403 Office: 818-205-1770 Fax: 818-205-1785
	Guarantees are issued on loans for facility development, equipment purchase, working capital, business expansion, leasehold improvements, etc.	Guarantee 90% of loan amounts up to 500,000.	Maximum of 7 years	For-profit child care centers and family child care homes in CA.	Inland Empire 1131 West Sixth Street, Suite 270 Ontario, CA 91762 P: (909) 391-6787 F: (909) 391-6765
	Guarantees are issued on	Guarantee 90%	Maximum of 7 years	For-profit child care centers	Small Business Financial



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	loans for facility development, equipment purchase, working capital, business expansion, leasehold improvements, etc.	of loan amounts up to 500,000.		and family child care homes in CA.	Development Corp. of Orange County 2333 N. Broadway Street, Suite 440 Santa Ana, CA 92706 P: (714) 571-1900, (800) 265-7896 F: (714) 571-1905
Business Housing and Transportation Agency (cont.)	Guarantees can be issued on short term loans, revolving and contract lines of credit, and term loans for asset purchases, purchases of existing business, or for establishing a new business.	Guarantee up to 90% of loan amounts up to \$500,000	Maximum term of 7 years	A written description of the existing or proposed business.	California Southern Small Business Development Corporation 600 B Street, Suite 2450 San Diego, CA 92101 P: (619) 232-7771 F: (619) 232-6743
California Capital Financial Development Corporation	<u>California Capital Loan Guarantee Program:</u> Equipment purchase, contract, financing, business expansion, working capital, all proceeds must be used in CA.	Term Loans up to 90%, Lines of credit up to 85%, Maximum guarantee up to \$500,000.	Term Loans up to 7 years, Lines of Credit- renewed annually; Interest rate negotiated between borrower and lender.	For-profit child care centers and family child care homes in CA.	926 J Street Suite 1500 Sacramento, CA 95814 P: (916) 442-1729 Contact: Anthony Rucker, Senior Loan Officer
California Children and	The California Children and Families Act of 1998 is	Some counties provide limited	Varies by county	Varies by county	Your local California Children and Families Commission (also referred



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Families Commission (First 5 California)</p>	<p>designed to provide, on a county-by-county basis, all children 0-5, with a comprehensive, integrated system of early development services. Contact your local commission for more information about the Prop 10 priorities in your county.</p>	<p>funding to assist with facilities development projects, but it varies by county</p>			<p>to as the First Five Commission) To access local commission contact information you can call P: (916) 323-0056, or visit www.ccfc.ca.gov</p>
<p>California Department of Education (CDE)</p>	<p><u>Child Care Facilities Revolving Fund Program</u></p>	<p>Purchase of new relocatable child care facilities.</p> <p>Renovation, repair, or improvement of an existing buildings.</p> <p>Up to \$210,000 for a Basic Building consisting of three 12 by 40 foot modules.</p> <p>Up to \$70,000</p>	<p>Lease payments amortized over 10 years with no interest.</p> <p>Requires a ten year ground lease.</p> <p>State holds building title.</p>	<p>Applicant must provide state subsidized child care contract with CDE's Child Development Division, and be serving at least 50 percent of state subsidized children.</p>	<p>California Department of Education, Child Development Division 1430 N Street, Suite 3410 Sacramento, CA 95814 P: (916) 319-0191 Contact: Alice Ludwig E-mail: aludwig@cde.ca.gov</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
		for each additional 12 by 40 foot module. Can't exceed 10 percent of total program costs for a given year.			
California Pollution Control Financing Authority (CPCFA)	California Capital Access Program (CalCAP) • For financing acquisition of land, construction or renovation of buildings, the purchase of equipment, other capital projects, and Working capital.	• Maximum loan amount is \$2.5 million • Maximum premium CPCFA will pay is \$100,000 (per loan)	Lenders determine the premium levels to be paid by the borrower and lender.	For-profit/non-profit child care centers and family child care homes in CA.	California Pollution Control Financing Authority 915 Capitol Mall, Rm. 457 Sacramento, CA 95814 P: (916) 654-5610 F: (916) 657-4821
Enterprise	• For site acquisition and bridge financing during the fundraising process.	• Average loan size is \$250,000.	• Loans mature in 3 years or less • Rates start around 6.0%	• Available to nonprofits, and to child care centers that serve low-income families.	315 W. Ninth Street, Suite 801 Los Angeles, CA 90015 P: (213) 833-7988 Ext.29 Contact: Jacqueline Waggner http://www.enterprisefoundation.org



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Federal Housing Administration	Title 1 Home Improvement Loans <ul style="list-style-type: none"> • affordable home improvement loans by insuring loans from private lenders to improve properties that meet certain requirements • For financing permanent property improvements that protect /improve a property's basic livability or utility. • For fire safety equipment. 	<ul style="list-style-type: none"> • Maximum loan insured is \$25,000 • Loan over \$7,500 must be secured by mortgage or deed of trust on property. 	<ul style="list-style-type: none"> • Fixed rate, but may vary between lenders 	<ul style="list-style-type: none"> • Family child care. • Eligible applicants: owner of property to be improved, the person leasing the property (provided the lease extends at least 6 mos. beyond loan repayment date), or someone purchasing the property under a land installment contract. 	<p>For information on Title 1 loans, call 1-800-767-7468 Request item number 2651, "Fixing up Your Home and How to Finance It" http://www.hud.gov/offices/hsg/sfh/title/ti_abou.cfm</p> <p>To find a local lender authorized to make Title 1 loans visit: http://www.hud.gov/ll/code/llscrit.html</p>
Low Income Investment Fund's Affordable Buildings for Children's Development (ABCD) Fund	ABCD Fund Repayable Planning Grant Terms Eligible Use of Fund: Early-stage project readiness activities such as securing a site, financial, 3 rd party reports and market feasibility analysis	Matching grant up to \$20,000	3-year, repayable grants	<ul style="list-style-type: none"> • For licensed child care centers in California serving at least 20% low income children. • Nonprofit and for profit child care operators, community developers, school districts, public agencies. 	Contact: Jon Dempsey Senior Program Officer, ABCD Initiative Tel (213) 627-9611, ext. 122 E-mail jdempsey@liifund.org www.liifund.org Low Income Investment Fund 800 South Figueroa Street, Suite 760 Los Angeles, CA 90017
	ABCD Fund Short-term Loan Eligible Use of Fund:	Up to \$1 million	Maximum of 2 years	<ul style="list-style-type: none"> • For licensed child care centers in California serving at least 20% low income children. 	Contact: Jon Dempsey Senior Program Officer ABCD Fund



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	<p>Short term capital for acquisition, construction, renovation, tenant improvement or bridge financing</p> <hr/> <p><u>ABCD Fund Amortized Loan Terms</u></p> <p>Eligible Use of Fund Repayment of acquisition, construction, renovation, tenant improvement or bridge financing costs of a successfully completed development project</p>	<p>Up to \$1 million</p>	<p>Up to 20-25 years with a 5-7 year repayment</p>	<ul style="list-style-type: none"> • Established (at least 2years) nonprofit and for profit child care operators, community developers, school districts, public agencies. • For licensed child care centers in California serving at least 20% low income children. • Established (at least 2years) nonprofit and for profit child care operators, community developers, school districts, public agencies. 	<p>Tel (213) 627-9611, ext. 122 E-mail capitalfinance@liifund.org www.liifund.org 800 South Figueroa St., Suite 760 Los Angeles, CA 90017</p> <hr/> <p>Contact: Jon Dempsey Senior Program Officer ABCD Fund Tel (213) 627-9611, ext. 122 E-mail capitalfinance@liifund.org www.liifund.org 800 South Figueroa St., Suite 760 Los Angeles, CA 90017</p>
<p>Rural Community Assistance Corporation</p>	<p><u>Rural Community Facility Finance Program</u></p> <ul style="list-style-type: none"> • For building and land acquisition, predevelopment, site development and facility construction/rehabilitation. • For acquisition of existing 	<ul style="list-style-type: none"> • Up to \$1 million • Up to \$5 million, with USDA-RD Community Facilities or Business and 	<ul style="list-style-type: none"> • Short-term loans; approximately 5.5% or contact lender. • Long-term financing; approximately 7.5% or contact lender. 	<ul style="list-style-type: none"> • Must be rural area (population of 50,000 or less) in the following states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington or Wyoming. • Nonprofit organizations. 	<p>3120 Freeboard Dr. #201 West Sacramento, CA 95691 P: (916) 447-2854 F: (916) 447-2878 Contact: Holly Wunder Stiles or Robert Longman rcacmail@rcac.org www.rcac.org</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	facility, repayment of development financing.	Industry loan guarantee			
U.S. Department of Agriculture (USDA) Rural Development Division	<u>Community Facilities Program</u> <ul style="list-style-type: none"> • For nonprofit and public development of essential community facilities for public use in rural areas. • For constructing, enlarging, improving or acquiring land for facilities. • For professional fees and purchasing equipment. 	<ul style="list-style-type: none"> • Direct loans, loan guarantees, and grants • Guarantees up to 90% of a loan • No minimum or maximum loan size • Direct loans up to \$3 million • Grants average \$30,000 	<ul style="list-style-type: none"> • Varies by program • Negotiated between lender and applicant • Direct loan rate is 4.5% to 5.5% • 40 year term 	<ul style="list-style-type: none"> • Public bodies, nonprofit corporations, and Indian tribes developing essential community facilities for public use in rural areas and towns with a population of 20,000 or less. • Center-based care. 	USDA Rural Development California State Office 430 G Street, #4169 Davis, CA 95616-4169 Janice Waddl P: (530) 792-5800 F: (530) 792-5838 Northern California Contact: Anita Lopez P: (530) 792-5822 Southern California Contact: Pete Yribarren P: (559) 734-8732 Ext.108 http://www.rurdev.usda.gov/ca/ For the Business and Industry Guaranteed Loan Program:



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	<p><u>Business and Industry (B&I) Guaranteed Loan Program*</u></p> <ul style="list-style-type: none"> For starting or expanding rural businesses & cooperatives, real estate, equipment, working capital, & refinancing. 	<ul style="list-style-type: none"> Guarantees up to 80 percent of a loan 	<ul style="list-style-type: none"> Varies by lender 	<ul style="list-style-type: none"> Businesses in rural communities with population under 50,000. 	<p>P: (530) 792-5805 Contact: Larry Strong Visit this site to learn more about the particular program www.rurdev.usda.gov/ca</p>
<p>U.S. Department of Agriculture (USDA) Rural Development Division (cont.)</p>	<p><u>Single-Family Housing Program</u></p> <ul style="list-style-type: none"> Direct Loan Participation Loan Guaranteed Loan Repair Loan Repair Grant 	<ul style="list-style-type: none"> \$1 million-10 million 	<ul style="list-style-type: none"> Amounts, terms, and rates vary 	<ul style="list-style-type: none"> Low and very low income people in unincorporated areas, and cities with less than 10,000, (and some less than 25,000) people. 	
<p>U.S. Department of Housing and Urban Development</p>	<p><u>Community Development Block Grant (CDBG) Entitlement Program</u></p> <ul style="list-style-type: none"> To: acquire real property; relocate and demolish; rehabilitate residential and non-residential structures; construct public facilities 	<p>Grants of up to \$500,000 for eligible cities and counties to lend to identified businesses, or use for infrastructure</p>	<p>N/A</p>	<ul style="list-style-type: none"> Grants made to urban cities and counties Metropolitan cities with populations of at least 50,000 and urban counties with populations of at least 200,000 (called "entitlement communities") with annual direct grants. 	<p>For information about the State CDBG program operated by the California Department of Housing and Community Development contact the Community Development Block Grant Program Administration: P: (916) 263-0485 www.hcd.ca.gov/ca/cdbg</p>



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	and improvements; convert school buildings for eligible purposes. <ul style="list-style-type: none"> Assist for profits carry out economic development and job creation/retention activities. 	improvements necessary to accommodate the creation, expansion, or retention of identified businesses.			
U.S. Department of Housing and Urban Development (cont.)	<p><u>State Community Development Block Grant (CDBG) Program (California Department of Housing and Community Development)</u></p> <ul style="list-style-type: none"> For housing development projects, such as rehabilitation and activities related to new construction For community facilities, including day care centers. For public services including staff and 		n/a	<ul style="list-style-type: none"> The State CDBG Program provides funds to the States, which then allocate funds among non-entitlement communities (cities with less than 50,000 people, or counties with less than 200,000). Grants made to non-urban cities and counties. Federally recognized Tribal Governments and to distressed non-entitlement jurisdictions within 150 miles of the CA-Mexico border. 	For information about the State CDBG program operated by the California Department of Housing and Community Development contact the Community Development Block Grant Program Administration: P: (916) 263-0485 www.hcd.ca.gov/ca/cdbg



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	operating costs associated with the community facilities.				
<p>U.S. Small Business Administration (SBA)</p> <p>(SBA loans are provided by various lending institutions throughout the state. Your local SBA office can help you identify these lenders.)</p>	<p><u>SBA Certified Development Company (504) Loan Program</u></p> <ul style="list-style-type: none"> • For fixed asset projects such as purchasing land and improvements, grading, street improvements, utilities, parking lots and landscaping, construction of new facilities; OR modernizing, renovating or converting existing facilities; OR purchasing long-term machinery and equipment. 	<p>The maximum SBA debenture is \$1,500,000 when meeting the job creation criteria or a community development goal. The maximum SBA debenture is \$2.0 million when meeting a public policy goal. The maximum debenture for "Small Manufacturers" is \$4.0 million</p>	<p>Interest rates on 504 loans are pegged to an increment above the current market rate for five-year and 10-year U.S. Treasury issues. Maturities of 10 and 20 years are available. Fees total approximately three (3) percent of the debenture and may be financed with the loan.</p>	<p>To be eligible, the business must be operated for profit and fall within the size standards set by the SBA. Under the 504 Program, the business qualifies as small if it does not have a tangible net worth in excess of \$7.5 million and does not have an average net income in excess of \$2.5 million after taxes for the preceding two years. Loans cannot be made to businesses engaged in speculation or investment in rental real estate.</p>	<p>SBA loans are offered through Certified Development Companies across the state. Call 1-800-827-5722 to find the participating Certified Development Companies in your area. You can also contact your local Small Business Development Center (see Page 45) to learn more about applying for these loans.</p> <p>For additional information about all of the SBA Loan Programs, please visit: http://www.sba.gov/financing/sbaloan/snapshot.html</p>



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>U.S. Small Business Administration (SBA)—cont.</p>	<p>SBA 7a Guaranty • For acquisition of real estate; costs of construction, renovation or leasehold improvements; acquisition of furniture, fixtures, machinery, and equipment; purchase of inventory; and working capital; debt refinancing; and purchase of an existing business.</p>	<p>Maximum loan amount of \$2 million dollars. SBA's maximum exposure is \$1.5 million.</p>	<p>Maximum loan maturities have been established: twenty-five (25) years for real estate and equipment; and, generally seven (7) years for working capital.</p>	<p>The eligibility requirements are designed to be as broad as possible in order that this lending program can accommodate the most diverse variety of small business financing needs. All businesses that are considered for financing under SBA's 7(a) loan program must: meet SBA size standards, be for-profit, not already have the internal resources (business or personal) to provide the financing, and be able to demonstrate repayment.</p>	<p>SBA loans are offered through Certified Development Companies across the state. Call 1-800-827-5722 to find the participating Certified Development Companies in your area. You can also contact your local Small Business Development Center (see Page 45) to learn more about applying for these loans.</p> <p>For additional information about all of the SBA Loan Programs, please visit: http://www.sba.gov/financing/sbaloan/snapshot.html</p>



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
U.S. Small Business Administration (SBA)—cont.	<p><u>SBA Express Loan Program</u> • To start or grow a business. This program also offers revolving lines of credit.</p>	Maximum Loan Amount: \$350,000 Maximum SBA Guaranty %: 50%	Interest rate negotiated between lender and borrower; Term up to 7 years with maturity extensions permitted at the outset.	By SBA, Qualified Lenders May be granted Authorization to make eligibility determinations.	SBA loans are offered through Certified Development Companies across the state. Call 1-800-827-5722 to find the participating Certified Development Companies in your area. You can also contact your local Small Business Development Center (see Page 45) to learn more about applying for these loans. For additional information about all of the SBA Loan Programs, please visit: http://www.sba.gov/financing/sbaloan/snapshot.html
	<p><u>Microloan Program</u> • Available through nonprofit community based intermediaries to start-up, newly established, or growing businesses.</p>	Maximum of \$35,000	Maximum term is 6 years; terms vary according to the size of the loan, the planned use of funds, the requirements of the intermediary lender, and the needs of the borrower; Interest rates also vary, depending upon		



GRID of LOAN RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
			the intermediary lender and costs to the intermediary from the U.S. Treasury. These rates will be between 8-13 %.		



LOAN RESOURCES AVAILABLE by REGION

REGIONAL DIVISIONS:

I. Northern California Section (pp. 23-24)

Counties Included:

Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Plumas, Placer, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Sonoma, Sutter, Tehama, Trinity, Yolo, Yuba

II. Greater Bay Area Section (pp. 25-38)

Counties Included:

Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano

III. Central Valley & Coastal Section (pp. 39-45)

Counties Included:

Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Toulumne, Tulare, Ventura

IV. Southern California Section (pp. 46-49)

Counties Included:

Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego

GRID of LOAN RESOURCES AVAILABLE **NORTHERN CALIFORNIA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Northern California Community Loan Fund	<ul style="list-style-type: none"> Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold improvements. 	<ul style="list-style-type: none"> Loans from \$10,000 to \$1,000,000 “Mini-permanent” first and second mortgage loans Line of credit for cash flow needs 	<ul style="list-style-type: none"> 6.0% to 9.0% Maximum term up to five years, longer amortizations are available. 	<ul style="list-style-type: none"> Nonprofits that serve poor communities and have limited access to conventional funding Communities in Northern California (from Tulare County north to Oregon border). 	870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@ncclf.org www.ncclf.org
Southeast Asian Community Center (SEACC)	<ul style="list-style-type: none"> Primarily for equipment, leasehold improvements, and working capital. 	<ul style="list-style-type: none"> \$1,000 to \$35,000 	<ul style="list-style-type: none"> 4 year term Currently 8.0%, rate may vary 	<ul style="list-style-type: none"> For profit businesses located in Greater Bay Area, Stockton, and Sacramento. Available to all ethnic groups. 	875 O'Farrell St. San Francisco, CA 94109 P: (415) 885-2743 Contact: Business Department
State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)	<p><u>North Coast Microloan Program:</u> Primarily for business start-up or expansion, working capital, inventory, furniture, and equipment acquisition.</p>	<ul style="list-style-type: none"> Loans range from \$1,000 to \$25,000 	<ul style="list-style-type: none"> Variable rate 3 to 6 year terms 	<ul style="list-style-type: none"> For profit businesses located through Northern California. Available to start-up or existing business. 	1211 N. Dutton Ave., Ste. D Santa Rosa, CA 95401 P: (707) 577-8621 Email: s-b@safe-bidco.com www.safe-bidco.com



GRID of LOAN RESOURCES AVAILABLE **NORTHERN CALIFORNIA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)—cont.	<u>SBA 7(a) Loan Guaranty Program</u> loans can be used to start or purchase a business, acquire property or other business assets, or to provide working capital.	<ul style="list-style-type: none"> Loans range from \$25,000 to \$750,000 	<ul style="list-style-type: none"> Variable rates Terms from 7 years for working capital & equipment, up to 25 years for real estate acquisition. 	<ul style="list-style-type: none"> For profit businesses located throughout California. Available to start-up or existing businesses. 	
	<u>Timber Counties Loan Program</u> provides loans for small businesses located in select rural counties.	<ul style="list-style-type: none"> Loans range from \$25,000 to \$250,000 	<ul style="list-style-type: none"> Fixed rate, terms vary. Rural areas with populations below 25,000. 	Start-up and existing for profit businesses located in Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Shasta, Siskiyou, Tehama, and Trinity Counties.	

GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Cal Coastal</p>	<p><u>SBA Microloan Program</u> • Provides funds for inventory, leasehold improvements, equipment, furniture, remodeling, and working capital.</p>	<p>• Loans from \$5,000 to \$35,000</p>	<p>• 7 year maximum term • Prime rate plus 2.75%</p>	<p>• New or expanding small businesses. • For profit and non-profit child care centers. • Serves providers in Monterey, Santa Cruz, San Benito, Santa Clara, Santa Barbara and Ventura Counties.</p>	<p>Monterey 479 Pacific Street # 5A Monterey, CA 93940 Phone: (831) 641-0722</p> <p>Salinas 221 Main Street, Suite 301 Salinas, CA 93901 Phone: (831) 424-1099</p> <p>Santa Barbara 39 East De La Guerra Santa Barbara, CA 93101 Phone: (805) 962-9251</p> <p>Santa Maria 910 E. Stowell Road, Suite 104 Santa Maria, CA 93454 Phone: (805) 349-0798</p> <p>Ventura 701 E. Santa Clara Street, #28 Ventura, CA 93003 Phone: (805) 652-0516</p> <p>www.calcoastal.org</p>
	<p><u>Loan Guarantee Program</u> Inventory, accounts receivable, equipment acquisitions, farm production and small business loans, Revolving lines of credit, short and</p>	<p>• Guarantees up to \$500,000; or 90% of loan</p>	<p>Maximum term of seven years; interest rate is negotiated between lender and borrower.</p>	<p>• For-profit child care centers and homes.</p>	



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	intermediate term loans.				
Child Care Coordinating Council of San Mateo County	<u>Child Care Facilities Expansion Fund</u> <ul style="list-style-type: none"> Funds are for direct investment in start-up expenses, including furnishings, equipment, fees, materials, and consulting services. 	<ul style="list-style-type: none"> Family Child Care: grants of \$2,000-\$4,000 awarded over a 3-year period. Child Care Centers: Amounts are based on the number of new spaces created. 	<ul style="list-style-type: none"> Family Child Care: quarterly competitive applications, 3-year disbursement. Child Care Centers: Applications are accepted on a rolling basis for a 10-year loan. Offer forgivable loans and loans with below-market interest rates. 	<ul style="list-style-type: none"> New and expanding family child care homes and child care centers in high-need areas of San Mateo County. 	2121 S. El Camino Real Suite A100 San Mateo, CA 94403 P: (650) 655-6770, Ext. 229 Contact: Greg Greenway
	<u>Peninsula Quality Fund</u> <ul style="list-style-type: none"> Grants for center renovations that improve program quality. Projects make use of volunteer labor & donated materials through partnership with Rebuilding Together Peninsula. 	<ul style="list-style-type: none"> Grant amounts up to \$10,000 	<ul style="list-style-type: none"> Competitive grants are awarded annually 	<ul style="list-style-type: none"> Child Care Centers in San Mateo County, serving at least 25% low-income families. 	



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Low Income Investment Fund's Child Care Facilities Fund	<u>CCFF Center Facility Maintenance Grant</u> Eligible Use of Funds: equipment purchases to increase safety, repairs to facility and increase accessibility to those with special physical or mental health needs (case-by-case basis only)	Up to \$100,000 per facility	n/a	Requires application, site visit, and CCFF managerial approval, Geographic Limits San Francisco, California	Candace Wong, Director of CCFF Tel (415) 772-9094, ext. 321 E-mail cwong@liifund.org http://www.liifund.org
	CCFF Center Pre-Development Grant Eligible Use of Funds: Planning costs including feasibility studies, business plan development, architectural services and related costs.	Up to \$ 20,000 per facility	n/a		Candace Wong, Director CCFF Tel (415) 772-9094 ext. 321 Email cwong@liifund.org http://www.liifund.org



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Low Income Investment Fund's Child Care Facilities Fund (cont.)	<p><u>CCFF Center Capital New Development Grant</u></p> <p>Eligible Use of Funds: Planning and pre-development costs; consultant(s); building purchase, construction, renovations or equipment needed to expand services to priority populations</p>	<p>Up to \$20,000 per facility</p>	<p>n/a</p>	<p>Requires application, site visit, and CCFF managerial approval, Geographic Limits San Francisco, California</p>	<p>Candace Wong, Director CCFF Tel (415) 772-9094 ext. 321 Email cwong@liifund.org http://www.liifund.org</p>
	<p><u>CCFF Center Quality Improvement Grant</u></p> <p>Eligible Use of Funds: Quality improvements on a case-by-case basis, such as, material and equipment purchases, construction or facility renovations to address low-scoring items on the centers ITERS or ECERS quality assessment</p>	<p>Up to \$3,000 per classroom with Quality Improvement Plan (Average grant size \$9,000)</p>	<p>n/a</p>	<p>Requires ITERS or ECERS assessment, application, site visit, and CCFF managerial approval Geographic Limits San Francisco, California</p>	<p>Candace Wong, Director CCFF Tel (415) 772-9094 ext. 321 Email cwong@liifund.org http://www.liifund.org</p>



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Low Income Investment Fund's Child Care Facilities Fund (cont.)	<p><u>CCFF Family Child Care Quality Improvement Grant</u></p> <p>Eligible Use of Funds: Quality improvements on a case-by-case basis, such as toys, material and equipment purchases, construction or facility renovations to address low-scoring items on the providers' FDCRS quality assessment</p>	<p>Up to \$5,000 (Approximately 70 grants available)</p>	<p>n/a</p>	<p>Requires FDCRS assessment, application, site visit, and CCFF managerial approval Geographic Limits San Francisco, California</p>	<p>Susanna Cheng, Program Officer, CCFF Tel (415) 772-9094 ext. 326 Email scheng@liifund.org http://www.liifund.org</p>
	<p><u>CCFF Family Child Care Expansion Grant</u></p> <p>Eligible Use of Funds: Facility improvements, construction and renovation associated with licensing requirements for a large family child care facility;</p>	<p>Up to \$15,000 (One grant available)</p>	<p>n/a</p>	<p>Business plan, application, site visit, and CCFF managerial approval Geographic Limits San Francisco, California ; Requires completion of course CDEV41E: How to Expand Your Family Child Care, or attended grant orientation</p>	<p>Susanna Cheng Program Officer, CCFF Tel (415) 772-9094, ext. 326 E-mail scheng@liifund.org http://www.liifund.org</p>



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	materials and equipment				
Low Income Investment Fund's Child Care Facilities Fund (cont.)	<u>CCFF Family Child Care Flex Fund Grant</u> Eligible Use of Funds: One-time emergency costs of addressing urgent health and safety issues that would otherwise jeopardize a program's ability to operate	Up to \$10,000 (four grants available)	n/a	Requires application, site visit, and CCFF managerial approval Program is serving low-income families Geographic Limits San Francisco, California	Susanna Cheng, Program Officer, CCFF Tel (415) 772-9094 ext. 326 Email scheng@liifund.org http://www.liifund.org
	<u>CCFF Alameda County Center Facility Grant</u> Eligible Use of Funds: Planning, pre-development, construction and other facilities and equipment costs including feasibility studies, business plan development, permits, architectural services, equipment purchases and physical renovation.	Up to \$50,000 (approximately 10 grants available per year)	n/a	Must be a non-profit center, serving children 0-5, and either licensed or in the process of becoming licensed. Requires application, site visit, and CCFF managerial approval. Geographic Limits Alameda County, California	Kim Di Giacomo Program Officer, Alameda County Tel (415) 489-6124 Email: kdigiacom@liifund.org http://www.liifund.org
	<u>CCFF Alameda County Center Quality Improvement Grant</u>	Up to \$10,000 (approximately 10 grants available per	Quality Improvement Initiative Grant Terms	Requires participation in the First Five Alameda County - Every Child Counts Quality Improvement Initiative,	Kim Di Giacomo Program Officer, Alameda County Tel (415) 489-6124 Email: kdigiacom@liifund.org



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	Eligible Use of Funds: Material and equipment purchases, construction or facility renovations to address items on the center's Quality Improvement Plan.	year)		application, site visit, and CCFF managerial approval. Geographic Limits Alameda County, California	http://www.liifund.org
Low Income Investment Fund's Child Care Facilities Fund (cont.)	<u>CCFF Alameda County Family Child Care Grant</u> Eligible Use of Funds: Material and equipment purchases to address needs identified in the provider's Quality Improvement Plan.	Up to \$5,000 (approximately 12 grants available per year)	Quality Improvement Initiative Grant Terms	Requires participation in the First Five Alameda County - Every Child Counts Quality Improvement Initiative, application, site visit, and CCFF managerial approval. Geographic Limits Alameda County, California	Kim Di Giacomo Program Officer, Alameda County Tel (415) 489-6124 Email: kdigiaco@liifund.org http://www.liifund.org
City of Berkeley, Office of Economic Development	<u>City Wide Loan Fund</u> • Provides loans for working capital, equipment, leasehold improvements, fixed assets and capital improvements.	• Maximum loan is \$100,000	• Rate determined by Treasury Note plus 1.0% • Up to 10 years	• Available to existing businesses; no start-ups. • Available city-wide.	2180 Milvia Street, 5th Floor, Berkeley, CA 94704 TEL: (510) 981-7530, FAX: (510) 981-7099, TDD: (510) 981-6903 Office Hours: Mon-Fri 8 a.m. to 5 p.m., Email: ecodev@ci.berkeley.ca.us , website: http://www.ci.berkeley.ca.us/OED/buserv/loans.htm
	<u>Revolving Loan Fund</u> • For business expansion	• Up to \$90,000 • Program has matching fund	• Treasury Note interest rate • Terms range from 6 months to	• Businesses must be located in the South Berkeley Target Area.	



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
		requirement of at least \$2 for every \$1 from the Fund.	10 years		
Community Bank of the Bay	<ul style="list-style-type: none"> Provides small business loans, including working capital, equipment and financing for building acquisition or construction, lines of credit and bridge loans. Loans are for community development purposes for small for profit and nonprofit businesses. 	<ul style="list-style-type: none"> Maximum loans up to \$500,000 pending with short-term financing Maximum loans up to \$600,000 pending with long-term financing 	<ul style="list-style-type: none"> Market rates 	<ul style="list-style-type: none"> Targeted at businesses that generate employment for and/or provide products and services to low- and moderate-income people and communities in the Bay Area. 	1750 Broadway Oakland, CA 94612 P: (510) 433-5400 F: (510) 433-5431 www.communitybankbay.com
Every Child Counts Child Care Fund (Funded in part by Alameda County Children and Families)	<p><u>Quality Improvement Initiative</u></p> <ul style="list-style-type: none"> To improve program quality by providing a variety of resources, which include: - Program assessment 	<ul style="list-style-type: none"> This grant does not need to be repaid unless the grant agreement is breached. 	<ul style="list-style-type: none"> Child care business must remain in operation for three years. 	<ul style="list-style-type: none"> Applicant must be a licensed child care program and provide services to children under the age of five. 	1100 San Leandro Blvd., Suite 120, San Leandro, CA 94577 www.ackids.org P: (510) 875-2479 Contact: Lisa Erickson, Program Manager



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Commission)	<ul style="list-style-type: none"> -Training - Individualized technical assistance - Capital grants to purchase child development materials and resources 	<ul style="list-style-type: none"> • The maximum grant amount is \$5,000 for family child care homes and \$10,000 for child care centers. 			
Opportunity Fund	Renovation, purchase, asset acquisition, land acquisition, predevelopment, construction	\$1,000 to \$200,000 Offer term loans; no lines of credit	1 to 10 year terms Fixed interest rates from Prime + 3% - 5%	Family child care homes and child care centers Existing and start-up facilities Facility must be in Alameda, San Mateo, San Francisco, or Santa Clara County	111 West Saint John St. San Jose, CA 95113 P: (866) 299-8173 Contact: Evelyn Huang Email: buildcredit@opportunityfund.org www.opportunityfund.org
	Loans for Childcare Centers for startup costs, equipment, toys, educational materials, playground structures, improvements and renovations.	\$1,000-\$200,000 term loans	Up to 10 years, 5% fixed	Family day care providers in Santa Clara, San Mateo, San Francisco, and Alameda Counties; existing or start-up; Applicant must be licensed or enrolled in licensing program.	



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Local Initiatives Support Corporation	<ul style="list-style-type: none"> Mixed use projects, neighborhood-serving retail, nonprofit offices/ community facilities, child care facilities, industrial facilities. 	<ul style="list-style-type: none"> No fixed minimum or maximum loan amount but loans generally do not exceed \$2 million for a single project 	<ul style="list-style-type: none"> 7.25 (up to 36 months) acquisition, predevelopment, construction, bridge loans and nonprofit community facilities loans of up to 7 years. 7.5% for longer term “mini-permanent” loans for commercial, industrial, and mixed-use projects. 	<ul style="list-style-type: none"> 501(c)3 nonprofits with priority given to Community Development Corporations with real estate development experience. 	<p>369 Pine Street, Suite 350, San Francisco, CA 94104 P: (415) 397-7322 ext. 26 F: (415) 397-8605 Contact: Greg Chin, Program Officer www.bayarealisc.org</p>
Nonprofit Finance Fund	<ul style="list-style-type: none"> Facilities projects (acquisition of space, new construction, renovation/leasehold improvements, relocation and related soft costs). Equipment needs Working capital, including line of credit and term loans, based on specific cash flow needs, a sound business 	<ul style="list-style-type: none"> \$1,000,000-\$2 million 	<ul style="list-style-type: none"> Rates based in prime minus 1% 	<ul style="list-style-type: none"> Minimum annual budget of at least \$500,000. 	<p>760 Market St., Suite 333 San Francisco, CA 94102 P: (415) 255-4849 Contact: Nima Krodel, Manager of Financial Services nimakrodel@nffusa.org www.nonprofitfinancefund.org</p>



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	<p>plan and solid track record.</p> <ul style="list-style-type: none"> • Bridge loans for anticipated funding commitments. 				
<p>Northern California Community Loan Fund</p>	<ul style="list-style-type: none"> • Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold improvements. 	<ul style="list-style-type: none"> • Loans from \$10,000 to \$1,000,000 • “Mini-permanent” first and second mortgage loans • Line of credit for cash flow needs 	<ul style="list-style-type: none"> • 6.0% to 9.0% • Maximum term up to five years 	<ul style="list-style-type: none"> • Nonprofits that serve poor communities and have limited access to conventional funding. • Communities in Northern California (from Tulare County north to Oregon border). 	<p>870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@ncclf.org www.ncclf.org</p>
<p>OBDC Business Finance</p>	<p><u>City of Oakland Micro Loan Program</u> focuses on supporting businesses with the ability to create permanent, full time employment for low-to moderate income Oakland residents.</p> <ul style="list-style-type: none"> • Funds may be used for working capital, furniture, fixtures, equipment, other start-up/expansion expenses, and supplies. 	<ul style="list-style-type: none"> • Loan amounts range from \$1,000 to \$25,000 	<ul style="list-style-type: none"> • Loan terms up to 5 years • Rate is fixed at prime plus 3.0% 	<ul style="list-style-type: none"> • For-profit businesses, located within the seven Community Development Districts of Oakland: North Oakland, West Oakland, Chinatown and Central (including Downtown), San Antonio, Fruitvale, Central East Oakland and Elmhurst. • Start-ups are eligible. 	<p>519 17th St., Suite 700 Oakland, CA 94612 P: 510-763-4297 www.obdc.com</p>



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
OBDC Business Finance (cont.)	<u>SBA Bay Area Micro Loan Program</u> <ul style="list-style-type: none"> The start-up of new businesses, the expansion of existing businesses, and the creation and retention of jobs. Funds may be used for working capital, furniture, fixtures, equipment, other start-up/expansion expenses, and supplies. 	<ul style="list-style-type: none"> Loan amounts range from \$1,000 to \$35,000 	<ul style="list-style-type: none"> Loan terms up to 5 years Rates are fixed at 7.0% to 10.0% 	<ul style="list-style-type: none"> Provides loans to women, low-income individuals and minority entrepreneurs and other small businesses located in Alameda, Contra Costa or Solano County. Start-ups are eligible. 	519 17th St., Suite 700 Oakland, CA 94612 P: 510-763-4297 www.obdc.com
One Stop Capital Shop	<ul style="list-style-type: none"> Provides a variety of loan and technical assistance programs that may be applicable to child care providers. 			<ul style="list-style-type: none"> Available to Oakland and surrounding communities. Call for more details. 	519 17th Street, Suite 600 Oakland, CA 94612 P: (510) 238-3703 http://www.oakland1stop.org/
Silicon Valley Economic Development Corporation	<u>City of San Jose Revolving Loan Fund</u> <ul style="list-style-type: none"> Loans y, business acquisition & expansion, 	<ul style="list-style-type: none"> \$5,000 to \$40,000 	<ul style="list-style-type: none"> Maximum of 5 year amortization No fees 3.75% fixed 	<ul style="list-style-type: none"> Business must be in San Jose and be able to create jobs. 	1155 North First Street, Suite 107 San Jose, CA 95112 P: 408-298-8455 Ext. 26 F: 408-971-0680



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	facilities equipment, leaseholder improvements. <ul style="list-style-type: none"> • One-on-one business counseling to help get the necessary paperwork together. 				Contact: M. Daniel Aloom, Vice President, Programs & Development
Southeast Asian Community Center (SEACC)	<ul style="list-style-type: none"> • Microloans primarily for equipment, leasehold improvements, and working capita.l 	<ul style="list-style-type: none"> • \$1,000 to \$35,000 	<ul style="list-style-type: none"> • 4 year term • Currently 8.0%, rate may vary 	<ul style="list-style-type: none"> • For profit businesses located in Greater Bay Area, Stockton, and Sacramento. • Available to all ethnic groups. 	875 O'Farrell St. San Francisco, CA 94109 Richard P: (415) 885-2743 Contact: Business Department www.seacc.us
Smart Start San Jose (SSSJ)	<ul style="list-style-type: none"> • Capital funding for child care center development to: purchase and/or develop a new facility; upgrade or renovate an existing facility; land on which an SSSJ facility can be located; or a facility that can be combined with new developments. 		<ul style="list-style-type: none"> • 15 year agreement with the City of San José 	<ul style="list-style-type: none"> • Programs must meet CA Health & Safety Standards and incorporate SSSJ Program Quality Standards. • Can be operated by public or private providers through child care centers, Head Start, State Preschools, and family child care homes. • Available to programs that currently meet or can meet local and state zoning/permit regulations. 	Interest forms may be obtained by calling the Office on Early Care and Education Services at P: (408) 392-6757
State Assistance	North Coast Microloan Program: Primarily for	<ul style="list-style-type: none"> • Loans range from \$1,000 to 	<ul style="list-style-type: none"> • Variable rate • 3 to 6 year terms 	<ul style="list-style-type: none"> • For profit businesses located through Northern California. 	1211 N. Dutton Ave., Ste. D Santa Rosa, CA 95401



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)	business start-up or expansion, working capital, inventory, furniture, and equipment acquisition.	\$25,000		• Available to start-up or existing business.	P: (707) 577-8621 Email: s-b@safe-bidco.com www.safe-bidco.com
SAFE-BIDCO – cont.	<p><u>SBA 7(a) Loan Guaranty Program</u> loans can be used to start or purchase a business, acquire property or other business assets, or to provide working capital.</p> <hr/> <p><u>Timber Counties Loan Program</u> provides loans for small businesses located in select rural counties.</p>	<p>• Loans range from \$25,000 to \$750,000</p> <hr/> <p>• Loans range from \$25,000 to \$250,000</p>	<p>• Variable rates. • Terms from 7 years for working capital & equipment, up to 25 years for real estate acquisition.</p> <hr/> <p>• Fixed rate, terms vary. • Rural areas with populations below 25,000.</p>	<p>• For profit businesses located throughout California. • Available to start-up or existing businesses.</p> <hr/> <p>Start-up and existing for profit businesses located in Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Shasta, Siskiyou, Tehama, and Trinity Counties.</p>	
Women’s Initiative for	• Microloans for start-up, expansion, or operating	• Minimum loan is \$500	• Minimum of 3 months; Maximum	• Must be an enrollee or graduate of the Women’s	WISE San Francisco: (415) 641-3460 ALAS: (415) 241-2070 (en Español)



GRID of LOAN RESOURCES AVAILABLE GREATER BAY AREA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Self-Employment (WISE)</p> <p>Alternativas para Latinas en Auto-Suficiencia (ALAS)</p>	<p>expenses, including licenses, target market research, equipment purchases, working capital, and inventory.</p> <ul style="list-style-type: none"> Funds cannot be used for real estate purchases, including land or buildings. Technical assistance is available for loan packaging and as part of the post-loan process. 	<ul style="list-style-type: none"> Maximum loan amount is \$10,000 for first time borrowers and \$25,000 for repeat borrowers 	<p>of 5 years</p> <ul style="list-style-type: none"> 10.0% fixed rate One-time processing fee of 1% upon loan approval 	<p>Initiative training program in order to apply:</p> <ul style="list-style-type: none"> Businesses must be 51% owned by women; Available to women residing in Alameda, San Francisco, Marin, Contra Costa, San Mateo, and Sonoma counties. 	<p>WISE Oakland: (510) 287-3100 ALAS: (510) 287-3100 (en Español) Email: frontdesk@womensinitiative.org www.womensinitiative.org</p>



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Cal Coastal	<p><u>SBA Microloan Program</u></p> <ul style="list-style-type: none"> Provides funds for inventory, leasehold improvements, equipment, furniture, remodeling, and working capital. 	<ul style="list-style-type: none"> Loans from \$5,000 to \$35,000 	<ul style="list-style-type: none"> 7 year maximum term Prime rate plus 2.75% 	<ul style="list-style-type: none"> New or expanding small businesses. For profit and non-profit child care centers. Serves providers in Monterey, Santa Cruz, San Benito, Santa Clara, Santa Barbara and Ventura Counties. 	<p>Monterey 479 Pacific Street # 5A Monterey, CA 93940 Phone: (831) 641-0722 Fax: (831) 641-0723</p> <p>Salinas 221 Main Street, Suite 301 Salinas, CA 93901 Phone: (831) 424-1099 Fax: (831) 424-1094</p> <p>Santa Barbara 39 East De La Guerra Santa Barbara, CA 93101 Phone: (805) 962-9251 Fax: (805) 966-5849</p> <p>Santa Maria 910 E. Stowell Road, Suite 104 Santa Maria, CA 93454 Phone: (805) 349-0798 Fax: (805) 349-9757</p> <p>Ventura 701 E. Santa Clara Street, #28 Ventura, CA 93003 Phone: (805) 652-0516 Fax: (805) 652-0519</p> <p>www.calcoastal.org</p>



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Cal Coastal (cont.)	<p><u>Loan Guarantee Program</u></p> <p>Inventory, accounts receivable, equipment acquisitions, farm production and small business loans, Revolving lines of credit, short and intermediate term loans.</p>	<ul style="list-style-type: none"> Guarantees up to \$500,000; or 90% of loan 	<p>Maximum term of seven years; interest.</p> <p>rate is negotiated between lender and borrower.</p>	<ul style="list-style-type: none"> For-profit child care centers and homes. 	<p>(see previous page)</p>
Economic Vitality Corporation of San Luis Obispo	<p><u>Microloan Program</u></p> <ul style="list-style-type: none"> For the start-up or maintenance of a small business. For the purchase of equipment and vehicles. For fixed asset expansion (i.e. leasehold improvements, furniture, fixtures). For working capital. For new ventures. 	<ul style="list-style-type: none"> Loans range from \$500, to a maximum of \$10,000 	<ul style="list-style-type: none"> Maximum term is 48 months 	<ul style="list-style-type: none"> Business must be in San Luis Obispo county. Applicant must be a Cal WORKs participant, and/or a low-to-moderate income borrower. Applicant must complete a certain number of hours of training with the local Small Business Development Center. 	<p>4111 Broad Street, Ste A P.O. Box 5257 San Luis Obispo, CA 93403 Dave Mookolr P: (805) 788-2012 F: (805) 781-6193</p> <p>http://www.sloevc.org/</p>



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Economic Vitality Corporation of San Luis Obispo (cont.)</p>	<p><u>Revolving Loan Fund</u></p> <ul style="list-style-type: none"> • For land costs, including engineering, legal, grading, testing, and site mapping. • For building costs including real estate, engineering, architectural, legal, insurance. • For acquisition of machinery and equipment, furniture and fixtures and leasehold improvements. • For working or start-up capital. • For refinance debt that threatens business' stability. 	<ul style="list-style-type: none"> • Maximum loan amount is \$150,000 	<ul style="list-style-type: none"> • Fixed-rates, • Terms are tailored to the capital needs of the business 	<ul style="list-style-type: none"> • Available to for-profits. • A borrower is eligible only when credit is not otherwise available on terms and conditions which would permit completion of the project to be financed. • The majority of the jobs created or retained by borrowers must be for individuals whose incomes are low to moderate. 	<p>4111 Broad Street, Ste A P.O. Box 5257 San Luis Obispo, CA 93403 Dave Mookolr P: (805) 788-2012 F: (805) 781-6193</p> <p>http://www.sloevc.org/</p>



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Nonprofit Finance Fund	<ul style="list-style-type: none"> • Facilities projects (acquisition of space, new construction, renovation/leasehold improvements, relocation and related soft costs). • Equipment needs • Working capital, including line of credit and term loans, based on specific cash flow needs, a sound business plan and solid track record. • Bridge loans for anticipated funding commitments. 	<ul style="list-style-type: none"> • \$10,000 to \$1 million – larger loans of up to \$2 million considered 	<ul style="list-style-type: none"> • Rates between 6.5 to 8.0% 	<ul style="list-style-type: none"> • Minimum annual budgets of at least \$250,000. 	<p>760 Market St., Suite 333 San Francisco, CA 94102 P: (415) 255-4849 Contact: Pat Krackov, Site Director www.nonprofitfinancefund.org</p>
Northern California Community Loan Fund	<ul style="list-style-type: none"> • Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold 	<ul style="list-style-type: none"> • Loans from \$10,000 to \$1,000,000; • “Mini-permanent” first and second mortgage loans • Line of credit 	<ul style="list-style-type: none"> • 6.0% to 9.0% • Maximum term up to five years 	<ul style="list-style-type: none"> • Nonprofits that serve poor communities and have limited access to conventional funding. • Communities in Northern California (from Tulare County north to Oregon border)". 	<p>"870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@ncclf.org www.ncclf.org"</p>



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	improvements.	for cash flow needs			
Santa Cruz Community Credit Union	<ul style="list-style-type: none"> Through Child Care Loans and other programs the Credit Union provides financing for renovation, expansion, start-up, real estate acquisition, working capital, equipment and other fixed assets. 	<ul style="list-style-type: none"> Child Care Loans: amounts range from \$5,000 to \$15,000 	<ul style="list-style-type: none"> Below market rates Terms of 1 to 5 years 	<ul style="list-style-type: none"> The Child Care Loans Program is available to all licensed Child Care Centers and Family Child Care Home providers in Santa Cruz County and North Monterey County. 	324 Front Street , Santa Cruz, CA 95060 P: 831-425-7708 Ext. 2301 Contact: Debra Crawford, Director of Lending
Santa Cruz County Human Resources Agency	<u>Developer Fee Child Care Loans</u> <ul style="list-style-type: none"> For development/capital improvements that increase or maintain child care capacity in centers or family child care homes. 	<ul style="list-style-type: none"> Loan amounts range from \$300 to \$75,000 	<ul style="list-style-type: none"> 5.6% rate 1 to 5 year terms For each month the operation provides care that month's payment is forgiven, 	<ul style="list-style-type: none"> Provider must provide equal access to families in unincorporated areas of Santa Cruz County. 	1000 Emeline Ave. Santa Cruz, CA 95060 P: (831) 454-5459



GRID of LOAN RESOURCES AVAILABLE **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Small Business Loan Fund (SBLF)	<u>Revolving Loan Fund</u> <ul style="list-style-type: none"> • For the start-up or expansion of a business. • Can be used for purchase of fixed assets, physical improvements to business and operating expenses. • Not for consolidation of loans or prior debt.. 	<ul style="list-style-type: none"> • \$1,000 to \$100,000 	<ul style="list-style-type: none"> • Varies for each loan 	<ul style="list-style-type: none"> • Loans over \$25,000 are for existing businesses with at least 1½ years of financial history. • Low to moderate income applicants. • Borrower must own and control 51% of his or her business. • Borrower must first be declined by one local bank. • Available to residents of Santa Barbara, Ventura, and San Luis Obispo Counties. • Must complete SBLF business training. • Must submit a business plan for loans over \$5,000. 	333 South Salinas Street Santa Barbara, CA 93103 P: (805) 965-6073 Ext. 106 F: (805) 962-9622
Valley Economic Development Center, Inc.	<ul style="list-style-type: none"> • Provides a variety of loan and technical assistance programs, some sponsored by the Small Business Administration 	<ul style="list-style-type: none"> • Loans range from \$1,000 to \$35,000 • Loan guarantees range from \$25,000 to \$250,000 	<ul style="list-style-type: none"> • Market rates 	<ul style="list-style-type: none"> • Serves clients in the San Fernando Valley and the City of Los Angeles. (Los Angeles, Ventura, and Santa Barbara Counties). 	5121 Van Nuys Blvd., 3rd Floor Van Nuys, CA 91403 P: (818) 907-9977 www.vedc.org



GRID of LOAN RESOURCES AVAILABLE CENTRAL VALLEY AND COAST

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
	<p><u>Technical Assistance</u> • MicroEnterprise Business Training through the BizWorks Program.</p>				
<p>Valley Small Business Development Corporation</p>	<p>• Provides a variety of loan programs: California Loan Guarantee Program, SBA Microloan Program, CEDLI, and USDA IRP.</p>	<p>• Varies per program</p>	<p>• Varies per program</p>	<p>• Programs are available for both center- and family-based operations.</p>	<p>7035 North Fruit Ave. Fresno, CA 93711 P: (559) 438-9680 Contact: Amy Zachery, Management & Technical Assistance, Loan Specialist www.vsbdc.com</p>



GRID of LOAN RESOURCES AVAILABLE SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
ACCIÓN San	<ul style="list-style-type: none"> For working capital, capital improvements, or purchasing new business equipment. 	<ul style="list-style-type: none"> First-time loans from \$300-5,000 without a co-signer and up to \$10,000 with a co-signer. Subsequent loans are available up to \$35,000. 	<ul style="list-style-type: none"> 1 to 3 year terms, with interest rates ranging from 10% to 16% depending on clients credit score. 	<ul style="list-style-type: none"> Applicant's business must be located in San Diego County. Minimum of six months of business operations required. 	1250 6 th Ave., Suite 500 San Diego, CA 92101 P: (619) 685-1380 Contact: Patti Mason, President & CEO www.accionsandiego.org
ACCIÓN Southern California	<ul style="list-style-type: none"> For working capital, capital improvements, or purchasing new business equipment. 	<ul style="list-style-type: none"> First-time loans from \$300-\$5,000 without a co-signer and up to \$10,000 with a cosigner. Subsequent loans are available up to \$35,000. 	<ul style="list-style-type: none"> 1 to 3 year terms, with interest rates ranging from 10% to 16% depending on clients credit score. 	<ul style="list-style-type: none"> Businesses in Orange, Riverside or San Bernardino counties that have been in operation for at least six months. 	11277 Garden Grove Blvd., Suite 101-A Garden Grove, CA 92843 P: (714) 741-05475 Contact: Carol Han, Program Manager or Justin Hardy, Loan Officer www.accionsandiego.org
CDC Small Business Finance	<ul style="list-style-type: none"> For real estate and business acquisition and other uses. Line of credit . 	<ul style="list-style-type: none"> Variety of loan products, including SBA Microloans and other small business loans Maximum 	<ul style="list-style-type: none"> Rates vary Up to 20 year terms 	<ul style="list-style-type: none"> Available to small businesses in Imperial, Orange, Riverside and San Diego Counties. Services available to for-profit and non-profit child care centers and family child care operators. 	2448 Historic Decatur Rd., #200 San Diego, CA 92106 P: (619) 291-3594 Toll Free: (800) 611-5170 San Diego Contact: Susan Lamping, slamping@cdcloans.com Orange & Riverside County Contact: Stacey Sanchez,



GRID of LOAN RESOURCES AVAILABLE SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
		\$500,000			ssanhec@cdcloans.com www.cdcloans.com
Clearinghouse CDFI	<ul style="list-style-type: none"> For acquisition, construction, rehabilitation or working capital for child care facilities that benefit low-income communities or low-income families. 	<ul style="list-style-type: none"> No minimum, \$2 million maximum 	<ul style="list-style-type: none"> 7.25% to 8.5% rate Amortization up to 30 years 	<ul style="list-style-type: none"> Nonprofit and for profit developers, start-up or existing businesses. 	23861 El Toro Rd., #401 Lake Forest, CA 92630 P: (949) 859-3600 Contact: Kristy Ollendorff, Director of Operations www.clearinghousecdpi.com
Community Investment Corporation	<p><u>Micro Enterprise Loan Program</u></p> <ul style="list-style-type: none"> For start-ups, working capital, equipment and business expansion. Technical assistance available, including mentoring/coaching, organizational and managerial stability, and application preparation assistance. 	<ul style="list-style-type: none"> Maximum loan amount is \$25,000 	<ul style="list-style-type: none"> 72-month term 10.0 % fixed rate 	<ul style="list-style-type: none"> Services available in Riverside County and the city of San Bernardino. Available to for profits and nonprofits. 	4250 Brockton Ave., Suite 100 Riverside, CA 92501 P: (909) 786-1370 http://www.cicontheweb.com/
Economic & Employment Development Center	<p><u>Micro-Enterprise Development Fund</u></p> <ul style="list-style-type: none"> For start-up of a micro-enterprise business. 	<ul style="list-style-type: none"> \$5,000 to \$15,000 	<ul style="list-style-type: none"> Up to 3 years 10% 	<ul style="list-style-type: none"> Businesses must be in LA or Orange Counties. Designed for borrowers who are refugees or in political asylum. 	241 South Figueroa St., Suite 240 Los Angeles, CA 90012 P: (626) 281-3792 Contact: DA Tran Email: eedc@aol.com



GRID of LOAN RESOURCES AVAILABLE SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Local Initiatives Support Corporation	<ul style="list-style-type: none"> • For pre-development expenses. • For development expenses. 	<ul style="list-style-type: none"> • Short-term loans, usually \$50,000 and up • “Mini-Permanent” first and second mortgage loans up to \$1million 	<ul style="list-style-type: none"> • 1 to 3 years • 6.0% • 1 to 7 year term, amortization schedule of up to 12 years • 6% 	<ul style="list-style-type: none"> • Provides loans, grants and technical assistance to community development corporations (CDCs), Head Start Centers and other child care and early childhood development facilities. 	<ul style="list-style-type: none"> • San Diego: 450 B St, Suite 1010 San Diego, CA 92101 P: (619) 239-6691 Contact Joe Horiye, Program Director • Los Angeles: 1055 Wilshire Blvd., Ste. 1600 Los Angeles, CA 90017 P: (213) 250-9550 Contact: Neelura Bell, Program Director <p>www.lisc.org</p>
Neighborhood National Bank	<ul style="list-style-type: none"> • Provides pre-construction, and construction for real estate development. • For family child care operations and for equipment purchases and renovations. 	<ul style="list-style-type: none"> • Conventional business loans and SBA 7(a) term loans 	<ul style="list-style-type: none"> • Varies based on loan type and purpose. 	<ul style="list-style-type: none"> • Child care centers or family child care providers. • Available to providers located in the San Diego area. 	<p>1717 Sweetwater Rd. National City, CA 91950 Pamela Davis P: (619) 789-4406</p> <p>www.neighborhoodnationalbank.com</p>



GRID of LOAN RESOURCES AVAILABLE SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Valley Economic Development Center, Inc.	<ul style="list-style-type: none"> Provides a variety of loan and technical assistance programs, some sponsored by the Small Business Administration. Provides MicroEnterprise Business Training through the BizWorks Program. 	<ul style="list-style-type: none"> Loans range from \$1,000 to \$35,000 Loan guarantees range from \$25,000 to \$250,000 8 types of FDA Loans 	<ul style="list-style-type: none"> Market rates 	<ul style="list-style-type: none"> Serves clients in the San Fernando Valley and the City of Los Angeles (Los Angeles, Ventura, and Santa Barbara Counties). 	5121 Van Nuys Blvd., 3rd Floor Van Nuys, CA 91403 P: (818) 907-9977 www.vedc.org

***TECHNICAL ASSISTANCE RESOURCES
FOR HELP WITH FINANCING***

TECHNICAL ASSISTANCE RESOURCES for HELP with FINANCING

Please note: this is not an exhaustive list. Also, many of the financial organizations listed in the financial resources section provide various forms of technical assistance, some of which is specifically geared towards the child care provider. Inquire about such resources when contacting those agencies for financial support.

ORGANIZATION	DESCRIPTION	CONTACT
ABCD Constructing Connections	<p>ABCD Constructing Connections, a program of the Low Income Investment Fund (LIIF), facilitates the child care and community development sectors to work together to support and streamline the process of financing, constructing and managing child care facilities in California. LIIF sponsors lead agencies in 11 counties to form or strengthen collaboratives of community development and child care representatives. These lead agencies also assist in the facilities development process by providing providers with technical assistance and resources in the following areas:</p> <ul style="list-style-type: none"> • Assessing Market Demands • Preparing a Business Plan and Budget • Licensing Requirements • Understanding Permitting Processes • Available Financial Resources • Finding a Child Care Center Site • Quality Design • Child Care Center Facility Development 	<p>For more information, please contact your nearest Constructing Connections Lead Agency:</p> <ul style="list-style-type: none"> ▪ First 5 Santa Barbara County ▪ Eileen Monahan (805) 560-1038 ▪ First 5 Riverside Kristi Van Huele (951) 248-0014 x 241 ▪ Public Counsel. (Los Angeles) Pam Schmidt (213)385-2977 x 154 ▪ The Children’s Network of Solano County Gerry Raycraft (707) 421-7229 ▪ Kern County Superintendent of Schools Dana Adams (661) 636-4572 ▪ Child Development Resources of Ventura County, Inc. Tanya McMahan (805)485-7878 x 505 ▪ Merced County Office of Education Chrisite Hendricks (209) 722-3804 ▪ Child Action, Inc. (Sacramento) Jigna Babla Shah (916) 369-3315 ▪ Public Health Foundation Enterprises Roseann Andrus (714) 647-0900 x 108 ▪ Human Resources Council, Inc. (Amador/Calaveras)

		Kerrie Williams (209) 754-5348 (Calaveras) Joyce Stone (209) 257-5303 (Amador)
Alliance for Nonprofit Management	<ul style="list-style-type: none"> • Provides training and technical assistance to nonprofits around fundraising, strategic planning, financial management, and personnel development. • There are 46 Alliance member provider organizations in California that offer a variety of services designed to help nonprofits increase their effectiveness and impact. 	To find an Alliance member provider near you, call (202) 955-8406 or visit www.allianceonline.org
Building Child Care (BCC) Collaborative	<ul style="list-style-type: none"> • Services include technical assistance, support, training, referrals, publications, information, and materials specifically designed to help provider's access information and assistance around financing and developing child care facilities in California. • Technical assistance is available through the BCC toll free telephone line and website. • Through the BCC project the Low Income Investment Fund (LIIF) provides assistance to individuals/organizations seeking capital financing for a center-based facility development project. Assistance is provided with the following: <ul style="list-style-type: none"> • Identifying public and private sources of funding • Putting together an effective funding request • Preparing necessary documents to apply for grants and loans • Connecting with local business and facility development resources 	Toll free line: (888) 411-3535 Email: bcc@insightcced.org www.buildingchildcare.org For BCC's Technical Assistance for capital financing, please email the Low Income Investment Fund at capitalfinance@liifund.org .
California Association for Family Child Care	<ul style="list-style-type: none"> • Provides information, technical assistance, and trainings about running a family child care business in California. 	(925) 828-2100 www.cafcc.org
California Indian Assistance Program	<ul style="list-style-type: none"> • Provides technical assistance, including grant writing, to help tribes obtain and manage state and federal funds for housing, infrastructure, 	1800 3rd Street, Room 365 Sacramento, CA 95814

	community and economic development projects, and governance enhancement. Planning and technical assistance grants are provided subject to fund availability. Assistance is provided to tribal governments and California Indian communities.	(916) 445-4727
California Indian Manpower Consortium, Inc.	<ul style="list-style-type: none"> • Provides technical assistance to certain tribal governments looking to expand or start child care programs in California. 	(916) 920-0285
California Native American Business Development Center (CNABDC)	<ul style="list-style-type: none"> • Provides management and technical assistance for Native Americans residing in the state of California. This assistance extends to both tribes and individuals living both on and off the reservation. Assistance is available for all stages of business from start-up through expansion. 	(626) 442-3701 Contact: Sharon Chambers schambers@ncaied.org www.ncaied.org
California Resources and Training (CARAT)	<ul style="list-style-type: none"> • Integrates and builds the capacity of technical assistance industries in California; encourages and stimulates partnerships between lending institutions and technical assistance providers. • Provides information about community development lenders and technical assistance providers that participate in CARAT and CEDLI programs in California. 	(510) 267.8994 www.caratnet.org
College and University System	<ul style="list-style-type: none"> • Programs and internships providing assistance to businesses. 	Contact your local college or university
Department of Health and Human Services-Child Care Bureau: Child Care TA Network	<ul style="list-style-type: none"> • Manages the National Child Care Information and Technical Assistance Center, the Child Care Technical Assistance Logistics Support Project, and the Tribal Child Care Technical Assistance Center. • Maintains database of child care information. • Disseminates resources through information and referral services. 	(202) 690-6782 for more information www.nccic.org

Enterprise	<ul style="list-style-type: none"> • Includes more than 1,000 useful resources for affordable housing and community development practitioners. • Includes “how-to” guides, model documents, templates for implementing a variety of programs and examples of effective program descriptions. 	800.624.4298 http://www.enterprise.com/g/about/contact_us/
The Foundation Center <i>The Foundation Directory Online</i>	<ul style="list-style-type: none"> • Directories of foundations. • Indexes of recent grants. 	(415) 397-0902 www.fdncenter.org
The Grantsmanship Center (TGCI)	<ul style="list-style-type: none"> • Provides grant proposal writing workshops. • Provides information about Community Foundations in California that offer small grants to local organizations such as child care programs. 	1125 W. Sixth St., 5 th Floor Los Angeles, CA 90017 Call (213) 482-9860 www.tgci.com
National Association for the Education of Young Children: <i>Fundraising for Early Childhood Programs</i>	<ul style="list-style-type: none"> • Provides fundraising strategies and information about sources of financial support for early childhood programs. • Provides information about how to network and present your proposal • Bibliography/other resources. 	Matia Finn Stevenson, Washington, DC: Revised Edition 1995 Call (800) 424-2460 www.naeyc.org
National Children’s Facilities Network	<ul style="list-style-type: none"> • A national coalition of nonprofit financial and technical assistance intermediaries involved in planning, developing and financing facilities for low-income child care and Head Start programs. • Primarily useful for community development financial institutions looking for information about child care facilities financing. 	You can access a list of NCFN members on the website: www.ncfn.org
Opportunity Fund	<ul style="list-style-type: none"> • Provides access to a database of community development financial institutions by state that are helpful for identifying potential lenders in your area. • Provides definitions of different community development lenders to help identify those that might be best suited to your needs. • Useful for community development financial institutions and other 	111 W. St. John Street, Suite 800 San Jose, California 95113 Phone: (408) 297-0204 Fax: (408) 297-4599 Email: info@opportunityfund.org

	<p>lenders interested in accessing financing to offer particular programs, including those designed for child care facilities.</p> <ul style="list-style-type: none"> • Small Business Loans <ul style="list-style-type: none"> ◆ Loan Amounts from \$1,000-\$10,000 (larger loans up to \$200,000 available <i>by exception</i> for clients with existing businesses, good credit, and collateral) ◆ Fixed Interest Rates from 8% to Prime + 5% ◆ Loan Fees of 3% or less, never up front ◆ Loan Terms of 1-7 years ◆ Little or no collateral requirements ◆ A simple repayment process 	
<p>The Insight Center for Community Economic Development</p>	<ul style="list-style-type: none"> • Offers child care facilities development expertise through publications such as <i>The Child Care Financial Planning and Facilities Development Manual</i>. The <i>Manual</i> (available in English, Spanish and Chinese language) includes specific information about budgeting and basic financial statements for child care centers and family child care programs: Determining Debt Capacity; Business Plan Development; The Facilities Development Process; and Financing and Developing Child Care Facilities. • Offers expertise conducting Economic Impact Reports that identify the economic benefits that child care services stimulate in various counties and states across the country. 	<p>Call (510) 251-2600 www.insightccd.org</p>
<p>Nonprofit Finance Fund</p>	<ul style="list-style-type: none"> • Provides advice and information to equip nonprofits in decision making about growth, including workshops to help plan and prepare for facilities development projects, and referrals to facilities development professionals that can also help with the process. • Technical assistance and training services are available to nonprofit organizations in the following California Counties: Alameda, Contra Costa, Marin, Monterey, San Francisco, San Mateo, Santa Clara, and Santa Cruz. 	<p>Call (415) 255-4849 F: (415) 576-1090 Email: Sheryl.kaskowitz@nffusa.org www.nonprofitfinancefund.org</p>

Small Business Administration (SBA)	<ul style="list-style-type: none"> • Primarily serves for-profit businesses. • Provides a variety of management and technical assistance programs to assist both new and expanding businesses. • The following technical assistance programs are designed to assist small businesses: <p>Small Business Development Centers (SBDC's)</p> <ul style="list-style-type: none"> • Small business counseling and seminars in local communities. • Workshops for beginning business owners. • Online library of small business development information. • Online listing of events sponsored by the SBA. 	<p>Call 1-800-8-ASK-SBA www.sba.gov</p> <p>Call 1-800-303-6600 to find the SBDC nearest you To learn more about the services offered through your local SBDC visit www.sba.gov/SBDC/</p>
	<p>SCORE (Service Corps of Retired Executives)</p> <ul style="list-style-type: none"> • Financial management workbooks. • Free one-on-one business advice on writing business plans, cash flow management, developing a small business advocacy board, investigating market potential for product or service and assessing capital needs to start a business. • Low-cost workshops and seminars. • Counselors, who can provide insight into how to start a business, serve a business, buy a business or franchise and sell a business. 	<p>Call 1-800-634-0245 to find the SCORE nearest you</p>
	<p>Women's Business Centers (WBC's)</p> <ul style="list-style-type: none"> • The eight WBC's located in California offer various services, trainings, and sometimes loans to women starting or expanding their small businesses. • The Online Women's Business Center provides an excellent general guide to business planning for child care facilities projects. 	<p>Call 1-800 U ASK SBA To find the WBC closest to you, or visit www.sba.gov/womeninbusiness/wbcs.html To access the child care facilities development information visit the Online Women's Business Center at www.onlinewbc.gov/docs/ChildCare/ccm1.htm</p>

GLOSSARY of LOAN TERMS

The Players: In any loan transaction there are at least two parties. A Borrower applies for a loan. If determined eligible, a Lender provides a loan. There are many types of Lenders including banks, savings and loans, nonprofit organizations, public agencies and even relatives. In some cases, a third party, the Guarantor will also be included in the transaction (see Guarantee).

Amortization: The period of time on which the repayment of loan principal and interest is based. Loans have different amortization schedules and terms. There are three basic ways to repay a loan:

1. In equal installments, each containing a blend of principal and interest.
2. In varying but regular installments, each containing a blend of principal and interest.
3. In irregular installments of principal or interest only with a large final payment (see BalloonPayment).

Balloon Payment: The final payment of a loan with an amortization period that is longer than the loan term. For example, if the loan amortization period is 10 years but the loan term is 5 years the unpaid principal at year 5 is the Balloon Payment. This type of loan is awarded to borrowers who need a smaller or more affordable monthly loan payment but have the capacity to refinance at the end of their loan term.

Bridge Loan: Short-term loan made in anticipation of long-term funding or financing.

Building and Real Estate Costs:

Soft Costs: Expenses, other than Hard Costs, incurred in developing a real estate project, including legal and lending fees, architectural and design fees, permits, etc.

Hard Costs: The direct costs to construct a building or structure, otherwise known as bricks and mortar costs, including acquisition of property, construction, equipment, etc.

Hidden Costs: Less visible costs associated with the facilities development process, such as staff and board time and attention.

Contingency Costs- A portion of the construction costs set aside to cover unexpected hard or soft costs.

Building Reserve: A capital improvement reserve fund. This is money set aside to pay for facilities upkeep. The amounts can be large, the ultimate need a certainty, but the exact timing is uncertain. These are often big-ticket items, like replacing the roof, which are difficult to accommodate in a single year's budget.

Collateral: The property a borrower pledges to a Lender to secure repayment of the loan. Collateral could include: a lien on your house, equipment from your business, or a bank account. If the borrower defaults, the lender has the legal right to seize the collateral and sell it to pay off the loan.

Debt: Money, goods or services that one party is obligated to pay another in accordance with an expressed or implied agreement.

Debt Service Coverage or Debt Coverage Ratio: A calculation a Lender uses to determine ability to repay a loan. This calculation is typically expressed as a ratio. Most Lenders have minimum debt service coverage requirements ranging from 1.05: 1.00 (i.e. the net income must be 5% in excess of the loan payment) to 1.25: 1.00 (i.e. the net income must be 25% in excess of the loan payment).

DSC or DCR = $\frac{\text{Net Income (after all expenses excluding debt service)}}{\text{Total Loan Payment}} = 1.10 : 1.00$

Default: Failure to pay a debt or meet an obligation.

Equity: Represents the difference between an asset's current market value and the amount of debt or other liabilities. In terms of a child care equity that is provided through internal assets, savings, grants, individual donors, collaborative resources and other sources can be used to assist in funding some of the facilities development costs. It is best to use equity funding for the planning and predevelopment stages of developing child care facilities, while debt (loan financing) is more fitting for the real estate acquisition and construction costs incurred during the development stage.

Fees: Charges by a Lender for making the loan. Fees can include a range of costs. Such as a loan origination fee, service fee and monitoring fee (also see Points).

Forgivable loan: A loan made with the understanding that if the borrower meets certain requirements, repayment of the loan will not be required. A requirement example could be if the property use continues to be child care for the term of the loan.

Guarantee: A promise by one party to pay a debt or perform an obligation contracted by another if the original party fails to pay or perform according to a contract. Loan guarantee or loan insurance programs are designed to make certain loans less risky for lenders, such as loans for community economic development projects and for small businesses like child care.

Interest: The cost of using loaned money, usually expressed as an annual percentage that a lender charges a borrower for the use of the principal over time.

Interest Rate: The amount a Lender will charge for the use of its funds. Interest rates vary greatly from loan to loan and are frequently tied to industry measures such as Prime Rate. For example, if Prime Rate is 4.75%, then a Prime Plus Two Percent rate would mean a loan with a 6.75% interest rate.

Leasehold Improvements: Renovations to leased space to suit the renter's needs. These may be paid by either the landlord or the tenant.

Lien: A claim a Lender places on property in return for making a loan. If a borrower is unable to make loan payments as agreed, it gives the Lender the right to collect repayment of the loan through selling the borrower's property. If the lien is placed on real property such as a house, this lien is often referred to as a Mortgage.

Line of Credit: A set amount of money available for the Borrower to use. The borrowed amounts are then paid back in installments determined by the Lender. A line of credit is distinct from a loan because after the money is paid back a borrower can use it again, which makes it similar to a credit card.

Loan: Transaction wherein a Lender allows a Borrower the use of a sum of money for a specified period of time at a specified rate of interest.

Loan Amount: The amount of a loan is determined by how much the Borrower needs to complete the project and the Lender's assessment of the Borrower's ability to repay. Lenders have minimum and maximum loan amounts.

Loan-to-Value Ratio: The ratio of money a Lender is willing to loan relative to the current appraised value of the property or other security.

Mortgage: Security instrument by which the Borrower (mortgagor) gives the Lender (mortgagee) a lien on property as collateral for the repayment of a loan.

Operating Reserves: Funds set aside annually to be used to offset possible operating losses due to unexpectedly low revenues or unusually high expenses.

Points: An up front fee a Lender may charge for a loan, expressed as a percentage of the loan amount. One point equals one percentage of the loan amount. Thus, one point on a \$10,000 loan is \$100 ($\$10,000 \times .01$).

Prime Rate: The rate of interest that serves as a benchmark for the interest rates banks will charge. (See Interest Rate). Banks typically lend at an Interest Rate that is Prime Rate plus an additional percentage based on the loan type and borrower.

Principal: The original amount of money borrowed, and the amount that the Borrower must pay back, not including interest.

Term: The agreed upon period of time for which a loan is made. A loan provided for 10 years has a 10 year term.”