Resources to Protect Your Child Care Business

Many of LA County’s child care providers – non-profit and private centers and family child care homes – are considered small businesses. As a small business, you can apply to the U.S. Small Business Administration (SBA) loan and grant programs offered through the most recent federal stimulus package to keep your business afloat during this public health crisis. Please see below for a list of federal as well as state and local programs that can help you during these difficult times. Please note that the list will be updated as new information becomes available.

**Paycheck Protection Program**

The recently passed CARES Act included $349 billion for the Paycheck Protection Program (PPP). The PPP is a Small Business Administration (SBA) loan designed to help businesses keep their workforce employed during the Coronavirus crisis. Small businesses with 500 employees or less, as well as non-profits and sole proprietors, are eligible to apply for up to $10 million in forgivable loans at participating lending institutions. The loan can be forgiven if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest or utilities. Even if you recently laid off your employees, you could still apply for the loan and rehire your staff. The deadline to apply is June 30, 2020. However, because of overwhelming interest, all the funds allocated for the PPP have reached capacity and the SBA is unable to accept new applications. It is very likely that Congress will approve additional funds for the PPP in the next stimulus package, which is expected by the end of this week. Use this time to familiarize yourself with the application process so you can quickly apply when the program resumes.

- Sample application: link
- Where to find a participating lender, link. **Pro Tip:** Contact your current banking institution now to see if they will be participating in the next round of the PPP. If they will not be participating, start calling other institutions to see if you could apply with them and to ask if they have any other requirements (e.g., need to be an existing client).
- An LA Small Business Development Center (SBDC) Business Advisor can also answer your questions at no cost to you. Find your nearest SBDC here.

**Additional resources:**

- First Five Years Fund, fact sheet
- CLASP fact sheet
- FMA Paycheck Protection Program Toolbox
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Economic Injury Disaster Loan and Loan Advance

The SBA’s Economic Injury Disaster Loan (EIDL) offers up to $2 million in assistance to help small businesses, including non-profits and sole proprietors, overcome the temporary loss of revenue due to the current health crisis. The low-interest loans can be used to pay for payroll, rent, and other general operating expenses. Affected businesses are also eligible for a loan advance of up to $10,000 when they apply for the EIDL. These funds are made available within three days of a successful application and do not have to be repaid. You can apply for both the PPP and the EIDL, but they need to be used for different purposes. Like the PPP, federal resources for the EIDL and loan advance have reached capacity. It is very possible that Congress will allocate additional funding to these programs in the next few days. Once the program resumes, you can apply directly on the SBA website, here.

- SBDC Fact Sheet
- If you have already submitted an application and have not heard back, email Corey Williams, SBA Public Information Officer, with your confirmation number at corey.williams@sba.gov.

California Disaster Relief Loan Guarantee Program – COVID-19

The Small Business Finance Center is offering loans to small businesses and non-profits in California with one to 750 employees that have been negatively impacted by the pandemic. You can apply for a loan at a participating lending institution or through one of the seven IBank partner Financial Development Corporations. More information here.

L.A. County’s Employer Assistance Grant Fund

On April 9th, the County Board of Supervisors launched the Employer Assistance Grant Fund to help small businesses impacted by the crisis. Businesses may be eligible to receive up to $10,000 in grants based on need. Preference will be given to small businesses (between two to fifty employees), including non-profits, located in unincorporated areas of the county. Additional eligibility criteria can be found here. While the county has stopped accepting applications, you can sign up to join the waitlist here.

L.A. County’s COVID-19 Small Business Assistance Program (COVID-19 Relief Fund) – Coming soon!

Recognizing that most businesses in L.A. County are small businesses, County Supervisor Mark Ridley-Thomas introduced a motion to launch the COVID-19 Small Business Assistance Program. This week the Board of Supervisors approved the motion. This public-private partnership will provide critical funding for small businesses and non-profits experiencing hardship and who
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were not able to access the Paycheck Protection Program. The relief fund is expected to launch the week of April 27th.

- More information, here.
- For updates on how to access the fund, please go to The Department of Consumer and Business Affairs at lacountyhelpcenter.org or call 833-238-4450.

City of Los Angeles Small Business Emergency Microloan Program

The City of Los Angeles established the Small Business Emergency Microloan Program to help for-profit and tax-exempt businesses with 100 or fewer employees impacted by COVID-19. Any small business with a Business Tax Registration Certificate with the City of Los Angeles can apply for a 0% to 3% interest loan of up to $20,000. Please click here to review additional eligibility criteria and required documentation.

- Resilience Toolkit for Los Angeles Small Businesses

Long Beach Emergency Microloan Program

The microloan program offers loans ranging from $2,000 to $10,000 to businesses with five or fewer employees. The funds can be used for payroll costs, rent, supplies and other expenses. Potential borrowers can call 562-570-6099 or email BusinessDevelopment@longbeach.gov. More information here.

City of Pasadena

The Southern California Small Business Development Corporation services the City of Pasadena and offers a loan guarantee program to small businesses needing assistance to overcome economic hardships due to COVID-19. If your business is located in Pasadena, please go here for more information.

Verizon/LISC Small Business Recovery Grant

Provides grants of up to $10,000 to businesses facing financial pressures because of COVID-19. This grant program is geared to help entrepreneurs of color, women-owned businesses, and other enterprises in historically underserved communities. The funds can be used to pay rent, utilities, payroll, and other immediate operational costs. The next application period will open in Mid-April. Sign up here to get updates. More information here.

- En español aquí
Resources to Protect Your Child Care Business

Jewish Free Loan Association

Offers interest free small business loans of up to $18,000 to help businesses affected by the crisis. The loans are open to L.A. County residents who are US citizens. Learn more [here](#).

Facebook Small Business Grants Programs

Facebook will be offering 30,000 grants to eligible small businesses experiencing challenges from COVID-19. Eligible businesses must have between two and fifty employees and been in business for over a year. Learn more [here](#) and see their application [guide](#).

Questions or have other resources to add to the list? Please contact Ariana Oliva, L.A. Compact Early Childhood Manager, at [aoliva@unitela.com](mailto:aoliva@unitela.com).

A project done in partnership with the following organizations: