



# CA Rebuilding Fund TA Provider Intro

October 26, 2020

# Today's Presenters



- Susan Brown  
VP of Capacity Building & Training  
Trainer
- Carolina Martinez  
CAMEO CEO  
Opening Remarks
- Emily Gasner  
VP of Strategic Initiatives  
Chat Room



# Agenda

- Please introduce Yourself in Chat Room:  
Name, Organization and Title
- CA Rebuilding Fund Overview
- Participating CDFIs
- Eligibility Requirements
- Application Questions
- Your Questions for Future Training Topics
- Upcoming CAMEO events



# How the Funding Flows



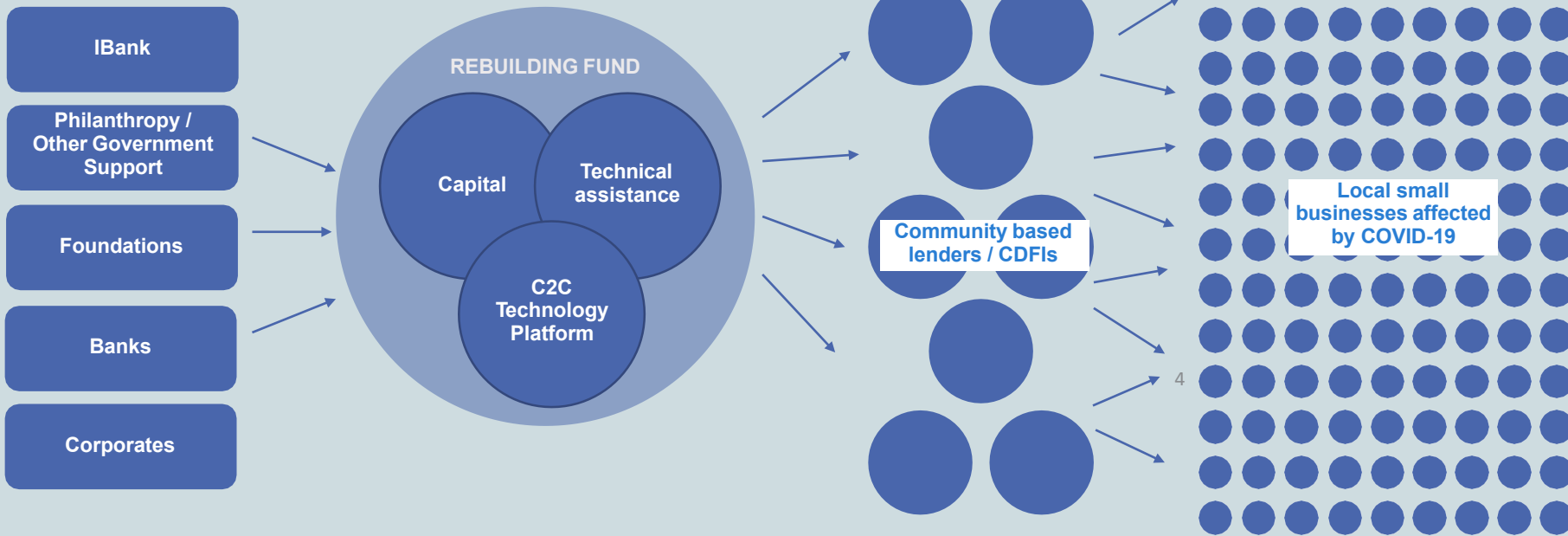
CAMEO

Funders: Loans,  
investments &  
grants...

...centralized and  
tailored...

...distributed through  
local partners...

...to the businesses that need  
it most



# Application / Underwriting Process



## Pre-application Process

All interested small businesses will apply for a loan through a centralized portal:  
[www.CALoanFund.org](http://www.CALoanFund.org)

## Matching & Underwriting

Eligible applicants matched with a CDFI which will underwrite against the program's criteria

## State Loan Guarantee

CDFI submits approved loan to State Guarantee program

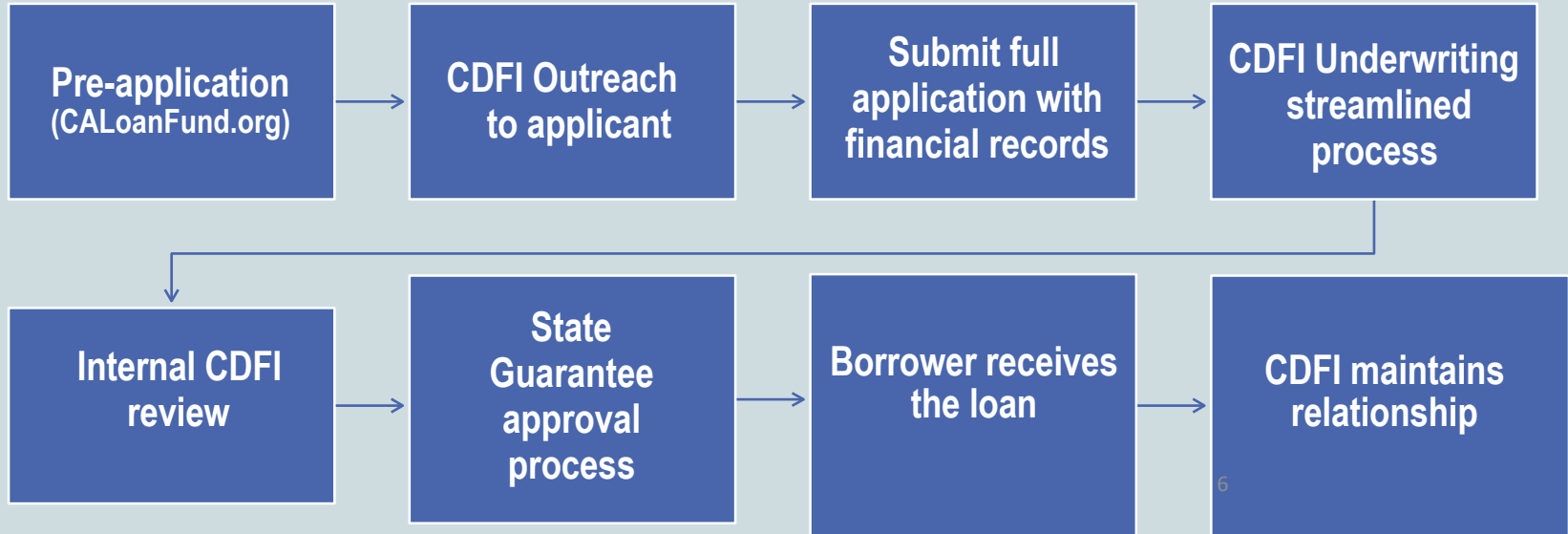
## Package & Sell to Fund

CDFI then sells 90-95% of the loan to one of two SPVs set up under the Fund

## Maintain Relationship

CDFI retains 5-10% of loan on their balance sheet and maintain the relationship with borrower

# CDFI / Borrower Process



***TA available at any point in the process***

# Participating CDFIs



- 3Core
- Access + Capital
- Accion Serving Southern California
- CDC Small Business Finance
- Main Street Launch
- MEDA / Fondo Adelante
- National Asian American Coalition
- Opportunity Fund
- PACE
- Pacific Community Ventures
- Working Solutions
- ICA

# Your Geographic Target Market



- Is your target market covered by at least one of these CDFIs? Please see document in chat.
- Do you have a working relationship with that CDFI?
- Would you like introductions to the CDFIs serving your region? Let us know in chat.

# Roles for TA Providers

- Undertake a Rough/Partial Initial Assessment vis-à-vis the Eligibility Requirements
- Support the Application Process
- Assist Declined Applicants
- Liaise with CDFIs



# Small Business Referrals on CALoanFund.org



# Identify Future Training Topics

As we go through the Eligibility Criteria 

- Please make a note of topics you are not clear about
- Eligibility Criteria that you need help or training to assess with a business owner
- Nov. 12<sup>th</sup> 10:00am PT for next training



# Attestations



- Has not applied for another CA Rebuilding Fund loan
- Has experienced economic hardship due to COVID and can document it
- Has been operating their business since June 30, 2019

## Business Size

- Has fewer than 50 FTE employees
- Gross revenues of less than \$2.5 million

## Profitability

- Can demonstrate a 25% decline in revenues since January 2020
- Positive net income in 2019
- In 2020, has been able to sustain about 30% of pre-crisis revenues.  
In other words, their sales in 2020 haven't completely bottomed out.

## Debt

- Monthly business debt service / business revenues < 25%  
where revenue refers to average monthly sales for 2019

# Credit Report



For every owner with more than 20% ownership.

- No active bankruptcy
- No delinquencies in January or February of 2020
- No more than one 60+ day delinquency and no charge offs. In other words, can't be very behind on current debt.
- No repossessions or foreclosures in 36 months
- No tax liens and judgments
- No unpaid child support
- No minimum credit score required; credit score preferences to be set by each CDFI

# Ineligible Industries

- Activities prohibited by Federal law
- Speculative activities
- Gambling
- Lobbying



# Pre-Application Questions on C2C



No Documents required at this stage

- How much do you want to borrow, and how will you use it?
- Business Type and Location
- Contact information
- 2019 total revenue and net profit
- Number of employees
- Estimated 2020 revenues
- Do you have a business plan?
- Veteran, woman, POC, LGBTQ?
- Personal Credit Score

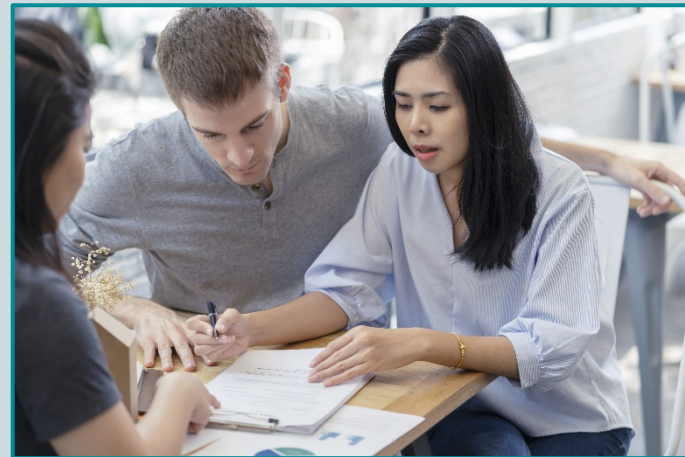
## Documents that Might be Required by Lender

- Federal tax returns
- Bank statements and/or internally generated financial statements
- Schedule of ownership
- Brief description of COVID-19 impacts on jobs and revenues
- Evidence of legal formation
- Authorization for credit pull



## Closing Documents: Handled by the CDFI

- Loan Agreement
- Commitment for State Guarantee program
- Evidence of legal formation
- Certified Schedule of Beneficial Ownership
- Personal guarantee
- UCC Filing
- Borrower Attestation Certificate



## FAQs on CALoanFund.org

- How much funding is available?
- What if I need help completing my small business loan application?
- How soon can I get my money once my loan is approved?
- What will my monthly payments look like?
- Who makes credit decisions?
- What languages are supported? English, Spanish, French, Russian, Chinese and Korean
- If I own more than one small business, can I apply for a loan for each of my businesses?
- What happens if I miss a payment on the loan?
- And many more...

## Type in Chat

Topics you would like further information or training on.

## Our Training Ideas

- Review of the loan product
- Live demo of online application
- Calculating revenue from tax returns, P&L, bank statements
- Reading a Credit Report for these eligibility criteria
- Calculating "Debt Eligibility Criteria"
- Monthly check in / peer learning / training meetings

## Upcoming CAMEO events

- **For Coaching Organizations:** Second CA Rebuilding Fund Training: November 12<sup>th</sup> at 2:00pm PT
- **For Lenders:** Managing Lending Risk in Times of Crisis: Nov 19 10:00am-12:30pm PT. Meet the seven FDCs running the State Guarantee program.
- **For Both:** A few slots left for *Microlending Essentials* class where you can learn how to underwrite microloans, starts November
- **San Diego Regional Meeting.** Tomorrow at 3:00pm



# Read Through the Website



[www.CALoanFund.org](http://www.CALoanFund.org)

Send your training request  
questions to Susan Brown at  
[sbrown@CAMEOnetwork.org](mailto:sbrown@CAMEOnetwork.org)

A large, colorful graphic with the words 'Thank You' in a bold, white, sans-serif font. The text is set against a background of vibrant, multi-colored paint splashes in shades of red, orange, yellow, green, and blue. The entire graphic is enclosed within a thin orange border.

Thank You