



DISASTER NEWS

Economic Injury Loans for Small Businesses

Release Date: March 12, 2007
Release Number: CA 10793-12

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SBA to Close Disaster Loan Outreach Centers In San Mateo and Santa Cruz Counties

Sacramento, CA – Darlene L. McKinnon, Acting Director of the U. S. Small Business Administration’s (SBA) San Francisco District Office, today announced that SBA will close its Disaster Loan Outreach Centers in **San Mateo** and **Santa Cruz Counties**. “The outreach center located in **Half Moon Bay** at the **Half Moon Bay Chamber of Commerce, 520 Kelly Avenue (Downtown)**, will close at **5:00 pm** on **Friday, March 16**. The outreach center located in **Watsonville** at the **Santa Cruz Fairgrounds Administrative Office, 2601 E Lake Avenue**, will close at **4:30 pm** on **Wednesday, March 21**,” McKinnon said.

“SBA’s customer service representatives will be available until the centers close to provide personalized service, answer specific questions about how an Economic Injury Disaster Loan from SBA may help each business recover from the freeze and provide one-on-one assistance in completing their loan application,” McKinnon added. All business owners who have received an SBA application are encouraged to return it to the outreach center nearest them before it closes.

“So far, SBA has approved more than \$5.8 million in low interest disaster loans to California small businesses hurt by the freeze,” said McKinnon.

“SBA’s disaster declaration makes low-interest Economic Injury Disaster Loans available to small, non-farm businesses who have suffered financial losses due to the freeze itself or due to freeze damage to crops such as citrus. SBA’s declaration makes available these loans to small businesses that are dependent on growers of citrus and other freeze-impacted crops. Eligible small businesses also include those who do business directly with the growers or other agricultural producers such as packing houses, truckers, and suppliers of agricultural equipment or services. Owners of small “main street” businesses whose customers are dependent on agriculture income, such as diners, gas stations, markets, etc. may also apply for these disaster loans,” McKinnon added

By law, agricultural enterprises such as citrus growers and vegetable growers are not eligible for SBA disaster assistance. Citrus and vegetable growers and farmers and ranchers should contact the U.S. Department of Agriculture (USDA) for information on assistance programs they may have available.

These are working capital loans of up to \$1.5 million at an interest rate of 4 percent with terms up to 30 years. “These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact. The loans also can provide vital economic assistance to small businesses to help them overcome the loss of revenue they are experiencing,” said McKinnon.

After SBA’s disaster offices close, businesses should mail their completed applications to SBA. Applications and information may be obtained by calling toll-free **(800) 659-2955**. Hearing impaired individuals may call **(800) 877-8339**. The filing deadline to apply for these loans is **October 24, 2007**.

For more information visit SBA’s website at <http://www.sba.gov/services/disasterassistance>.

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