



DISASTER NEWS

Loans for Homeowners, Renters and Businesses of All Sizes

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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SBA Disaster Assistance Available to Private Non-Profit Organizations in Wisconsin

ATLANTA – The U.S. Small Business Administration announced today that certain Private Non-Profit Organizations (PNPs) that do not provide critical services of a governmental nature may be eligible to apply for low interest rate disaster loans. These loans are available in Wisconsin following a Presidential disaster declaration for Public Assistance resulting from damages caused by severe storms and flooding that occurred on Sept. 22 through Oct. 9, 2010.

“PNP organizations are urged to contact their county emergency managers to obtain information about local briefings. At the meeting, PNP representatives will need to provide information about their organization,” said Frank Skaggs, director of SBA Field Operations Center East in Atlanta. This information will be used to submit a “Request for Public Assistance” which FEMA uses to determine if the PNP provides an essential governmental service and meets the definition of a “critical facility.” Based upon that conclusion, FEMA will possibly provide the PNP with a “Public Assistance” reimbursement grant for their eligible costs or refer the PNP to SBA for disaster loan assistance.

PNPs located in Buffalo, Clark, Jackson, Juneau, Marathon, Portage, Taylor, Trempealeau and Wood counties located in Wisconsin are eligible to apply to SBA. Examples of eligible non-critical PNP organizations include, but are not limited to, food kitchens, homeless shelters, museums, libraries, community centers, schools and colleges.

PNP organizations may borrow up to \$2 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory and other business assets. The SBA may increase a loan up to 20 percent of the total amount of disaster damage to real estate and/or leasehold improvements, as verified by SBA, to make improvements that lessen the risk of property damage by future disasters of the same kind.

The SBA also offers Economic Injury Disaster Loans to help meet working capital needs, such as ongoing operating expenses to PNP organizations of all sizes. Economic Injury Disaster Loan assistance is available regardless of whether the organization suffered any physical property damage.

Interest rates are as low as 3 percent with terms up to 30 years. The SBA sets the loan amounts and terms based on each applicant’s financial condition.

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Disaster loan information and application forms may be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for people with speech or hearing disabilities) Monday through Friday from 8 a.m. to 6 p.m. EDT or by sending an e-mail to disastercustomerservice@sba.gov. Applications can also be downloaded from www.sba.gov. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

PNPs may visit SBA's secure website at <https://disasterloan.sba.gov/ela/> to apply for disaster loans.

The filing deadline to return applications for physical property damage is **December 20, 2010**. The deadline to return economic injury applications is **July 21, 2011**.

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For more information about the SBA's Disaster Loan Programs, visit our website at www.sba.gov.



U.S. SMALL BUSINESS ADMINISTRATION

Private Non Profit Organizations SBA and FEMA Disaster Assistance

The Disaster Mitigation Act of 2000 (Public Law 106-390), enacted on October 30, 2000, mandated certain changes in the way Federal financial assistance is delivered to Private Non Profit (PNP) organizations that provide services of a governmental nature. Prior to enactment of the Disaster Mitigation Act of 2000, under a disaster declaration for “Public Assistance” all PNPs that provide services of a governmental nature applied directly to Federal Emergency Management Agency (FEMA) for grant assistance. SBA’s disaster loan program was not activated as a result of such declarations.

Now when the President declares a major disaster that includes, or *is limited to, public assistance*, a private non profit facility which provides **non-critical** services *of a governmental nature* must first apply for disaster assistance from SBA, and exhaust SBA loan assistance, or be declined by SBA before it can seek grant assistance for permanent repairs and/or replacements from the FEMA. (Except that expenses related to debris removal or emergency measures taken to protect their facilities or employees may be reimbursed from FEMA without regard to the availability of an SBA disaster loan.)

PNPs which provide services of a governmental nature and are deemed **critical** may apply directly to FEMA for uninsured disaster-related expenses and/or disaster-related damages to the facility.

FEMA defines critical services as:

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| Fire and emergency services | Electric power |
| Water supply & some irrigation | Telephone communications |
| Sewer & wastewater treatment | Direct medical care |

FEMA defines non-critical services as:

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| Museums | Educational facilities |
| Zoos | Custodial care facilities |
| Libraries | Alcohol & Drug rehabilitation |
| Community centers | Battered Spouse Programs |
| Homeless shelters | Low-income housing |
| Shelter workshops | Food programs for the needy |
| Senior Citizen Centers | Daycare centers for special needs |

For additional information you should contact SBA at (1-800- 659-2955) or FEMA at 1-800-621-FEMA.

FREQUENTLY ASKED QUESTIONS

What is a Public Assistance disaster declaration?

A Public Assistance (PA) disaster declaration is a designation made by FEMA upon a request from the governor. It covers among other things disaster damage to the public infrastructure (roads and bridges), and in some cases reimburses municipalities for overtime expenses related to disaster cleanup. Private Non Profit organizations that provide essential services of a governmental nature are also eligible for assistance. Such PNPs that provide non-critical services must first apply to SBA before it can apply to FEMA for grant assistance.

What kind of assistance is available to a PNP from SBA under a PA disaster declaration?

Under SBA's Physical Disaster Business Loan program, low-interest long term loans to businesses of all sizes, small agricultural cooperatives and most private, non-profit organizations of all sizes to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible.

Under SBA's Economic Injury Disaster Loan program (EIDLs) are working capital loans to help small businesses, small agricultural cooperatives and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period. EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration (SBA).

What if the PNP provides both critical and non-critical services?

PNPs which operate both critical and non-critical facilities (that provide essential services of a governmental nature) will have to make separate applications to SBA and FEMA.

What if SBA determines that the PNP non-critical facility is not eligible for a disaster loan, or the PNP has obtained the maximum amount for which the SBA determines the facility is eligible?

The PNP may then apply to FEMA for grant assistance for permanent repairs for its unmet disaster-related needs. Such PNPs may apply directly to FEMA for emergency repairs.

Which agency (SBA or FEMA) has the final say on whether the PNP is considered a critical or non-critical facility?

FEMA

Are PNPs in contiguous counties also eligible to apply to SBA for assistance?

No, in a PA only declaration, PNPs in contiguous counties are not eligible to apply.