



Santa Cruz County, Arizona Forgivable Loan Program Fact Sheet

American Rescue Plan Act of 2021 Direct Assistance for Local Governments

apply at <https://www.prestamosloans.org/santa-cruz-loan/>

What is a forgivable loan? A loan to entrepreneurs, employers, artists/creators, or 501(c)(3) nonprofits that can be forgiven when certain conditions are met.

How will a loan be forgiven? Those awarded will invest 10% of their loan amount in their own business skills or their community over a period of a year to have the loan forgiven. CPLC will meet quarterly and provide options to help applicants meet this requirement within the 12-month window in which they receive a loan.

Who can apply? Employers in Santa Cruz County, Arizona negatively impacted by the pandemic. This can include, for example, entrepreneurs (establishing or re-establishing a business), small businesses, employers in the retail, services, and tourism, travel, and hospitality industries, artists/creators, and 501(c)(3) nonprofits that employ staff. Recipients must be ages 18 and older.

How much can I request? Forgivable loans up to \$25,000 awarded depending on the documented business or nonprofit need; forgivable loans of up to \$2,500 available for local artists/creators.

How do I apply? Visit <https://www.prestamosloans.org/santa-cruz-loan/> and fill out the form. If the business is ready, they will go directly to the loan intake process. If the applicant needs more help, they will go through one on one support needed to become ready for the loan intake process.

Who can I contact if I have questions?

Program Coordinator: Mark Mckenna **Phone Number** (520) 918-6769 **Email**
mark.mckenna@cplc.org

What makes a strong application? A strong applicant is a business that can prove a decrease in revenue directly related to the pandemic. A strong applicant is proactive in providing necessary documentation in a timely manner.

Can I ask for as much money as I want? The Santa Cruz County Forgivable Loan Program provides a maximum loan request of up to \$25,000 for a business or 501(c)(3) nonprofit and \$2,500 for an artist/creator. Applicants can ask for the maximum loan amount but the final request will be determined through various factors during loan analysis.

How do I learn more? The Prestamos CDFI website www.prestamosloans.org will have an updated calendar listing dates and locations of in-person and webinars sessions. Periodically, Prestamos CDFI will provide email updates as well as information over social media platforms and media outlets.

When can I apply? Effective May 6th, 2022 Prestamos CDFI will be accepting applications over a three-month application period until **September 1st, 2022**. Prestamos CDFI will then rate applications and inform both successful and unsuccessful applicants about forgivable loan decisions.

If awarded a forgivable loan, when should I expect to receive funding? After an application has been submitted to underwriting and final approval is given, all clients will then be expected to sign a "Commitment Letter" agreeing to the conditions of the forgivable loan. Once the "Commitment Letter" has been received, the clients will then sign all necessary forgivable loan documents and will be ready for funding 2 days afterwards*.

What happens if the applicant has more than 1 business to apply for? If a business owner has more than one business for which they want to qualify, they must provide proof that both businesses file as separate entities with the IRS using different employee identification numbers (EINs). They also need to be registered with the AZ Corporation Commission as separate entities by their Articles of Organization or Incorporation.

Who can qualify for forgiveness? Prestamos CDFI will work with all approved applicants to provide options to have their loans forgiven.

* Once all the loan documents are received and signatures verified, the funding will be processed