

THE **MATRIX** OF FINANCIAL RESOURCES FOR CHILD CARE FACILITIES DEVELOPMENT IN CALIFORNIA



REVISED MAY 2006



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and Law Center**

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**BUILDING
CHILD
CARE**

A California Statewide Collaborative

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This document is derived from the information provided in *A Resource Guide: Financing Child Care Facilities Development in California*, an NEDLC publication. The original version of the *Resource Guide*, which was written and researched by Stephanie Haffner, Tony Daysog and Jan Stokley, was published with funding from the Ford Foundation and the David and Lucile Packard Foundation Center for the Future of Children.

Although many individuals and organizations played a role in the development of this resource, the final materials are the responsibility of the National Economic Development and Law Center. Because this document is updated regularly, we encourage you to send any additional resources that should be included in future editions. Additionally, if you are a listed lender, please feel free to contact us with edits you'd like to make to your program listing.

If you have questions or comments about this document please contact
the Early Care and Education Program at the National Economic Development and Law Center at (510) 251-2600.

INTRODUCTION

This document is designed to help child care providers and child care advocates in their efforts to access financial assistance to build, purchase, expand or renovate child care centers and homes. The majority of this document is composed of a grid of information about financial resources, primarily in the form of loan capital, that are “child care friendly.” By this, we mean that they often have more flexible terms and interest rates than conventional lenders. This inventory of available resources ranges from federal programs to local credit unions; and, while some of the identified resources are specifically designed to meet child care facilities development needs, many are more general in their mission to serve small businesses and community development enterprises.

It is important to note that several of the loan programs identified in this document are loan guarantee or loan insurance programs, and are therefore not designed to provide direct loans. It is also important to recognize that this document is not exhaustive. In other words, the resources identified do not comprise a complete list of all financial resources available for child care facilities development in California. As a result, this list can be used to help you identify the *type of resources* that may exist in your local communities, even if we have not identified them here.

While this document should be very helpful to child care providers and advocates in California, it is created with the recognition that understanding the process of developing and financing facilities can be extremely complicated and confusing. Consequently, this document includes a list of **Technical Assistance Resources** that exist throughout the state, where providers can turn for further assistance with the process of financing their child care businesses.

If you would like to access more detailed information about any of the financial resources identified in this document, and about how to approach the lending process from a child care perspective, the National Economic Development and Law Center has a more comprehensive version of these materials available in its publication, *A Resource Guide: Financing Child Care Facilities Development in California*. The purpose of the *Resource Guide* is to help child care providers gain a better understanding of the scope of financial resources available for facilities development, and of how to approach the lending process in order to become more equipped to start and sustain their programs with a strong financial base.

For those interested in obtaining the full **Resource Guide**, please contact NEDLC at 510-251-2600 and ask for the Publications Department. Further publications information can also be accessed at www.nedlc.org and at www.buildingchildcare.org.

We encourage child care providers and advocates to share this information with others in an effort to further the expansion of the child care field in California. If you chose to use these materials in any of your own publications, however, please provide the following citation:

National Economic Development and Law Center. *The Matrix of Financial Resources for Child Care Facilities Development in California*; Oakland, CA, 2006.

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THE BENEFITS of USING LOANS to MEET CHILD CARE FACILITIES DEVELOPMENT COSTS

The idea of incurring debt through loans is not one traditionally welcomed by the child care field for a variety of reasons. But, financing, if used wisely, is truly one of the most viable options for providers looking to build, purchase, renovate or expand a child care facility. Because child care is not a typical business venture, however, the lending sources listed in this document are designed to support community development, small business development, and in some cases child care projects in particular. This means that they typically have more flexible terms and interest rates than traditional lenders are able to offer. The four points below explain the benefits of using these lending sources to pay for child care facilities development costs.

1. Capital Efficiency

- a. Financing allows an entity to leverage other money (e.g. savings and grants) and to make limited resources go farther.
- b. Financing allows the entity to pay for costs over time (i.e. the life of the property) instead of all at once.
- c. It is quite common, and usually essential, to combine multiple funding streams in order to realize a facilities development project.

2. Meet Higher Costs; Serve Families Faster

- a. The supply of available loan capital is far greater than the supply of available grant funding.
- b. Loan applications have a fast turn-around time.
- c. Raising equity through grants, donations, savings and internal resources takes a long time.
- d. Financing typically provides larger amounts of money than grant funding.
- e. Capital campaigns to raise grant money and equity for facilities development can detract from other fundraising efforts geared toward components of the services you offer, such as operating costs.
- f. Using financing for facilities development projects prevents you from depleting all your potential grant resources up front.
- g. Grant funding is typically limited to nonprofit organizations and is rarely available to for-profit child care centers or family child care providers.
- h. Financing allows you to raise greater amounts of money in less time, which means you will be able to meet higher costs and serve families faster.

3. Business Skills

- a. Lenders often offer special technical assistance services to insure a high success rate on their loan products.
- b. These services can foster the development of a provider's business and financial planning skills.
- c. Lenders, especially community development focused lenders such as those listed in this publication, will only make a loan if it is believed that your business is capable of repaying it on the designated terms. They do not want to invest in risky ventures that may result in both the borrower (you), and the lender (them), losing money.
- d. Financing is a good way to bring ownership within reach, which allows an agency to: gain long term tenure, customize the space for kids and staff, and build its financial position and stability.

4. Expand Early Care and Education (ECE) Stakeholders

- a. Financing leverages interest in the ECE field from financial institutions and other economic entities that can add their voices to those already lobbying for greater attention to the importance of child care.
- b. By demonstrating their success as businesses, child care providers help to encourage the expansion of additional funding streams for the field.



WHAT DOES A LENDER LOOK FOR? THE 5 C'S of LENDING

The bottom line of lending is Repayment Capability. In other words, Lenders will only consider lending if they are confident that your agency will be able to repay the loan on the designated terms. The 5C's of lending are the main criteria by which a Lender will judge an application for a loan. They are:

1. Cash flow (Capacity to Repay the loan)

- Will an agency be able to meet its monthly payments?
- This information is typically determined by debt service coverage ratio (see Glossary).

2. Character (Capacity to Execute the Project Successfully)

- Does the Borrower have a sound vision and a clear business plan?
- Is there leadership and technical capacity to execute that plan?
- Lenders will typically analyze agency leadership (staff and board) and the experience of the development team (consultants, architect, contractor).

3. Capital (Equity Investment in the Project)

- What agency dollars are invested?
- What other equity sources are invested?
- What percent of the total cost will be covered by the agency's equity?
- Lenders typically look for a significant investment by the agency or the individual applying for the loan.

4. Collateral

- What is the value of the property being pledged for repayment of the loan?
- Lenders typically commission appraisals of property or other assets.
- Most Lenders have policies regarding loan to value ratios (see Glossary). For example, they will only lend 80% of the value.

5. Credit History

- What is the credit history of the agency, owners, or guarantors, if any?
- Credit reports are available on nonprofit and for profit agencies and will be reviewed.
- Lenders will look at past performance carefully.



***FINANCIAL RESOURCES FOR
CHILD CARE FACILITIES DEVELOPMENT
IN CALIFORNIA***



LIST of FINANCIAL RESOURCES INCLUDED in THE MATRIX

Statewide

1. Bank of America
2. Business, Housing and Transportation Agency
3. California Capital Financial Development Corporation
4. California Children and Families (Proposition 10) Commission
5. California Department of Education
6. California Department of Housing and Community Development
7. California Economic Development Lending Initiative, CEDLI
8. California Pollution Control Financing Authority
9. Enterprise
10. Federal Housing Administration
11. Low Income Investment Fund (*Affordable Buildings for Children's Development*)
12. Rural Community Assistance Corporation
13. U.S. Department of Agriculture, Rural Development Division
14. U.S. Department of Housing and Urban Development
15. U.S. Small Business Administration

Northern California

1. Northern California Community Loan Fund
2. Southeast Asian Community Center (SEACC)
3. State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)

Greater Bay Area

1. Cal Coastal
2. Child Care Coordinating Council of San Mateo County
3. Child Care Facilities Fund of the Low Income Investment Fund
4. City of Berkeley, Office of Economic Development
5. Community Bank of the Bay
6. Every Child Counts Child Care Fund
7. Lenders for Community Development
8. Local Initiatives Support Corporation (LISC)



9. Nonprofit Finance Fund
10. Northern California Community Loan Fund
11. Oakland Business Development Corporation
12. One Stop Capital Shop
13. Silicon Valley Economic Development Corporation
14. Southeast Asian Community Center (SEACC)
15. Smart Start San Jose (SSSJ)
16. State Assistance Fund for Enterprise, Business and Industrial Development Corporation, SAFE-BIDCO
17. Women's Initiative for Self-Employment (WISE) / Alternativas para Latinas en Auto-Suficiencia (ALAS)

Central Valley and Coast

1. Cal Coastal
2. Economic Vitality Corporation of San Luis Obispo
3. Lenders for Community Development
4. Nonprofit Finance Fund
5. Northern California Community Loan Fund
6. Santa Cruz Community Credit Union
7. Santa Cruz County Human Resources Agency
8. Small Business Loan Fund
9. Valley Economic Development Center, Inc.
10. Valley Small Business Development Corporation

Southern California

1. ACCIÓN San Diego
2. ACCIÓN Southern California
3. CDC Small Business Finance
4. Clearinghouse CDFI
5. Community Development Commission, County of Los Angeles
6. Community Investment Corporation
7. Economic & Employment Development Center
8. Local Initiatives Support Corporation (LISC)
9. Neighborhood National Bank
10. Valley Economic Development Center, Inc.



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Bank of America</p>	<ul style="list-style-type: none"> • Real estate acquisition, construction, working capital and equipment financing through permanent first and second mortgage loans 	<ul style="list-style-type: none"> • \$2 million maximum • No minimum 		<ul style="list-style-type: none"> • For-profit centers and family child care homes with several years of experience in the child care field 	<p>Sacramento Contact: Cindy Hahn P: (916) 373-4545</p>



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>Business, Housing and Transportation Agency</p>	<p>California Small Business Loan Guarantee Program*</p> <ul style="list-style-type: none"> • Guarantees are issued on loans for facility development, equipment purchase, working capital, etc. 	<ul style="list-style-type: none"> • Guarantees are typically between 70-85% of a loan; • Microloans (up to \$35,000) can be fully guaranteed • Guaranteed portion of loan cannot exceed \$350,000 	<ul style="list-style-type: none"> • Up to 7 year term • Rates are negotiated with each lender and generally fall within the range of Prime Rate Plus 1.0% to Plus 4.0% 	<ul style="list-style-type: none"> • For-profit child care centers and family child care homes • Applications which are bank-supported have a better chance of approval 	<p><u>Northern California</u> Nor-Cal Financial Development Corporation 300 Frank Ogawa Plaza, Suite 251 Oakland, CA 94612 P: 510-208-7330</p> <p>SAFE-BIDCO 1211 North Dutton Ave., Suite D Santa Rosa, CA 95401 P: (707) 577-8621 F: (707) 577-7348</p> <p>California Capital Financial Development Corporation 926 J Street, Suite 1500 Sacramento, CA 95814 P: (916) 442-1729 F: (916) 442-7852</p> <p><u>California Central Coast Region</u></p> <p>California Coastal Rural Development Corporation 221 Main St., Suite 301 Salinas, CA 93901 P: (831) 424-1099 F: (831) 424-1094</p> <p>Monterey Branch 482 Alvarado Street, Suite N Monterey, CA 93940 P: (831) 641-0722 F: (831) 641-0723</p>



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Business, Housing and Transportation Agency (continued)					<p>Santa Barbara Branch 39 East De La Guerra Street Santa Barbara, CA 93101 P: (805) 962-9251 F: (805) 966-5849</p> <p>Santa Maria Branch 910 E. Stowell Road, Suite 110 Santa Maria, CA 93454 P: (805) 349-0798 F: (805) 349-9757</p> <p><u>Central Valley</u></p> <p>Valley Small Business Development Corporation 7035 N. Fruit Avenue Fresno, CA 93711 P: (559) 438-9680 F: (559) 438-9690</p> <p><u>Southern California Region</u></p> <p>Pacific Coast Regional Financial Development Corporation 3255 Wilshire Blvd., Suite 150 Los Angeles, CA 90010 P: (213) 739-2999 F: (213) 739-0639</p>



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Business, Housing and Transportation Agency (continued)					<p>Hancock Urban Development Corporation 3600 Wilshire Blvd., Suite 926, Los Angeles, CA 90010 P: (213) 382-4300 F: (213) 382-4732</p> <p>San Fernando Valley 12502 Van Nuys Blvd., Suite 119 Pacoima, CA 91331 P: (818) 834-9860 F: (818) 897-8007</p> <p>Inland Empire 1131 West Sixth Street, Suite 270 Ontario, CA 91762 P: (909) 391-6787 F: (909) 391-6765</p> <p>Orange County 2333 N. Broadway Street, Suite 440 Santa Ana, CA 92706 P: (714) 571-1900, (800) 265- 7896 F: (714) 571-1905</p> <p>California Southern Financial Development Corporation 600 B Street, Suite 2450 San Diego, CA 92101 P: (619) 232-7771 F: (619) 232-6743 http://commerce.ca.gov/state/ttca/ttca_homepage.jsp</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
California Capital Financial Development Corporation	EnterFund <ul style="list-style-type: none"> Supplies, improvements, and working capital. 	<ul style="list-style-type: none"> Loans up to \$25,000 depending on length of time in business and credit history Term loans only 	<ul style="list-style-type: none"> Terms up to 5 years 8.0% fixed rate 	<ul style="list-style-type: none"> Program is open to all small businesses 	926 J Street Suite 1500 Sacramento, CA 95814 P: (916) 442-1729 Contact: Anthony Rucker, Senior Loan Officer
	California Capital Loan Guarantee Program* <ul style="list-style-type: none"> Guarantees on loans for equipment purchases, inventory, working capital, business purchases, lines of credit, contract financing, refinancing for existing debt 	<ul style="list-style-type: none"> Maximum loan guarantee is 85% of the loan, or \$500,000, whichever is less 	<ul style="list-style-type: none"> Vary 	<ul style="list-style-type: none"> Available to California small businesses Guarantees on loans to small business owners who are unable to secure traditional bank financing 	
	Technical Assistance <ul style="list-style-type: none"> Business training, consultation, skill development, business plan analysis, entrepreneurial and small business education services and referrals to lenders 				

*Several sources identified in this document provide loan **guarantees** or loan **insurance** and not direct loans to borrowers. To learn more about the difference between a guarantee and direct loan look at the Glossary at the end of this document.



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
California Children and Families Commission (First 5 California)	<ul style="list-style-type: none"> The California Children and Families Act of 1998 is designed to provide, on a county-by-county basis, all children 0-5, with a comprehensive, integrated system of early development services. Contact your local commission for more information about the Prop 10 priorities in your county 	<ul style="list-style-type: none"> Some counties provide limited funding to assist with facilities development projects, but it varies by county 		<ul style="list-style-type: none"> Varies by county 	<p>Your local California Children and Families Commission (also referred to as the First Five Commission)</p> <p>To access local commission contact information you can call P: (916) 323-0056, or visit www.ccfc.ca.gov</p>
California Department of Education (CDE)	<p>Child Care Facilities Revolving Fund Program</p> <ul style="list-style-type: none"> Funding for the lease-purchase of new, relocatable child care facilities 	<ul style="list-style-type: none"> Lease-purchase funds up to \$150,000 per building for site development, relocatable buildings, transportation and installation costs, architectural & inspection fees 	<ul style="list-style-type: none"> Lease payments amortized over 10 years with no interest 	<ul style="list-style-type: none"> Applicant must provide state subsidized child care contract with CDE's Child Development Division or as a Cal-Safe Program participant 	<p>California Department of Education, Child Development Division 1430 N Street, Suite 3410 Sacramento, CA 95814 P: (916) 319-0191 Contact: Helen Lam E-mail: hlam@cde.ca.gov</p>
California Department of Housing and Community Development <i>(Though it is still an existing program, there were no funds available in the Direct Loan program as of 6/04)</i>	<p>Child Care Facilities Finance Program</p> <p>Loan Guaranty Program:</p> <ul style="list-style-type: none"> For the purchase, acquisition, construction or development of a facility and related equipment and fixtures. Projects must create new child care capacity or preserve capacity that would otherwise be lost. 	<ul style="list-style-type: none"> Guaranty up to \$1 million Up to an 80% guaranty of a private sector loan 	<ul style="list-style-type: none"> Guaranty cannot exceed 30 years 	<ul style="list-style-type: none"> Designed for licensed child care and development services including: sole proprietorships and partnerships, proprietary, nonprofit corporations, local public agencies and large family child care providers. 	<p>Call your local Small Business Financial Development Corporation. (See contact information for California Business Housing and Transportation Agency Loan Guaranty Program on Page 7)</p>



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
California Department of Housing and Community Development (Continued)	<p>Direct Loan Program:</p> <ul style="list-style-type: none"> • Purchase, acquisition, construction or development of a facility, and related equipment and fixtures. Projects must create new child care capacity or preserve capacity that would otherwise be lost. 	<ul style="list-style-type: none"> • Loans from \$25,000 to \$1 million • Up to 75% of the total project investment • 3.0% interest rate 	<ul style="list-style-type: none"> • Maximum loan term is 30 years • Below prime fixed rate 	<ul style="list-style-type: none"> • More than half of the spaces created must provide for infant care, after school care, and/or special needs care <i>OR</i> the applicant must be a current contractor with CDE <i>OR</i> more than half the capacity being created or preserved must serve children from 'welfare-to-work' families <i>OR</i> more than half the children served must be from households with incomes not exceeding 75% of the state median income 	
California Economic Development Lending Initiative	<p>Child Care Facility Financing Program</p> <ul style="list-style-type: none"> • Permanent financing through mortgages for the acquisition, expansion, rehabilitation or refinancing of new or existing child care facilities 	<ul style="list-style-type: none"> • \$50,000 to \$1 million 	<ul style="list-style-type: none"> • Loans either: a) fully amortized over a 15 year maturity, or b) 20 year amortization with 10 year maturity. • Interest rate fixed at market rates (min. 8.0%), with a five year reset provision 	<ul style="list-style-type: none"> • For nonprofits and for-profits • Business must be at least 3 years old • Only for licensed center-based child care providers—or family-based child care providers in transition to center-based status 	<p>1333 Broadway, Suite 604 Oakland, CA 94612 P: (510) 267-8990 Contact: Clinton Etheridge, Vice President http://www.caratnet.org/cedli.htm</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
California Economic Development Lending Initiative (continued)	<p><i>Working Capital Initiative for Community Needs</i></p> <ul style="list-style-type: none"> Provides accessible and affordable short-term working capital for qualified eligible nonprofit organizations operating in the child care and health fields to address their short-term cash flow needs. 	<ul style="list-style-type: none"> Up to \$500,000 in annual renewable Revolving Line of Credit 	<ul style="list-style-type: none"> Wall Street Journal Prime Rate, 6.0% 	<ul style="list-style-type: none"> Nonprofit child care providers and child care facilitators and community health clinics 	
California Pollution Control Financing Authority (CPCFA)	<p><i>California Capital Access Program (CalCAP)*</i></p> <ul style="list-style-type: none"> Encourages financial institutions to make loans to small businesses by providing a form of loan insurance For financing acquisition of land, construction or renovation of buildings, the purchase of equipment, other capital projects, and working capital 	<ul style="list-style-type: none"> Maximum loan amount is \$2.5 million Provides up to 100% coverage on certain kinds of loan defaults 	<ul style="list-style-type: none"> Negotiated with lender (federal or state-chartered bank, savings association or credit union) 	<ul style="list-style-type: none"> Additional risk coverage is available for loans that are made by lenders to businesses located in low developed areas or low income areas, such as in Enterprise Zones 	<p>California Pollution Control Financing Authority 915 Capitol Mall, Rm. 457 Sacramento, CA 95814 P: (916) 654-5610 F: (916) 657-4821</p> <p>http://www.treasurer.ca.gov/cpcfa/contacts.htm</p>
Enterprise	<ul style="list-style-type: none"> For site acquisition and bridge financing during the fundraising process 	<ul style="list-style-type: none"> Average loan size is \$250,000. 	<ul style="list-style-type: none"> Loans mature in 3 years or less Rates start around 6.0% 	<ul style="list-style-type: none"> Available to nonprofits, and to child care centers that serve low-income families 	<p>315 W. Ninth Street, Suite 801 Los Angeles, CA 90015 P: (213) 833-7988 Ext.29 Contact: Jacqueline Waggner http://www.enterprisefoundation.org</p>



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Federal Housing Administration	<i>Title 1 Home Improvement Loans*</i> <ul style="list-style-type: none"> • affordable home improvement loans by insuring loans from private lenders to improve properties that meet certain requirements • For financing permanent property improvements that protect /improve a property's basic livability or utility • For fire safety equipment 	<ul style="list-style-type: none"> • Maximum loan insured is \$25,000 • Loan over \$7,500 must be secured by mortgage or deed of trust on property 	<ul style="list-style-type: none"> • Fixed rate, but may vary between lenders 	<ul style="list-style-type: none"> • Family child care • Eligible applicants: owner of property to be improved, the person leasing the property (provided the lease extends at least 6 mos. beyond loan repayment date), or someone purchasing the property under a land installment contract 	<p>For information on Title 1 loans, call 1-800-767-7468 Request item number 2651, "Fixing up Your Home and How to Finance It"</p> <p>http://www.hud.gov/offices/hsg/sfh/title/ti_abou.cfm</p> <p>To find a local lender authorized to make Title 1 loans visit:</p> <p>http://www.hud.gov/ll/code/llscrit.html</p>
Low Income Investment Fund's Affordable Buildings for Children's Development (ABCD) Fund	<i>Planning Grants</i>	<ul style="list-style-type: none"> • Up to \$20,000 	N/A	<ul style="list-style-type: none"> • For licensed child care centers in California serving at least 20% low income children. 	100 Pine Street, Suite 1800 San Francisco, CA 94111 P: (415) 772-9094
	<i>Predevelopment Loans</i>	<ul style="list-style-type: none"> • Up to \$100,000 	<ul style="list-style-type: none"> • 3 year term, at 3.0% deferred interest 	<ul style="list-style-type: none"> • Nonprofit and for profit child care operators, community developers, school districts, public agencies. 	Contact: Amber Carter, <i>Southern California Team Leader</i> Tel (213) 627-9611, ext. 103 E-mail scalifornia@liifund.org
	<i>Interest Only Loans</i>	<ul style="list-style-type: none"> • Up to \$1 million 	<ul style="list-style-type: none"> • Up to 3 year term, average interest rate of 6.5% 		Deborah Leland, <i>Northern California Team Leader</i> Tel (415) 772-9094, ext. 357 E-mail ncalifornia@liifund.org
	<i>Amortizing Loans</i>	<ul style="list-style-type: none"> • Up to \$1 million 	<ul style="list-style-type: none"> • Maximum amortization of 40 years • Up to 10 year term • Average interest rate of 5.5% 		http://www.liifund.org



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LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Rural Community Assistance Corporation	<p><i>Rural Community Facility Finance Program</i></p> <ul style="list-style-type: none"> • For building and land acquisition, predevelopment, site development and facility construction/rehabilitation • For acquisition of existing facility, repayment of development financing 	<ul style="list-style-type: none"> • Up to \$1 million • Up to \$5 million, with USDA-RD Community Facilities or Business and Industry loan guarantee 	<ul style="list-style-type: none"> • Short-term loans; approximately 5.5% or contact lender • Long-term financing; approximately 7.5% or contact lender 	<ul style="list-style-type: none"> • Must be rural area (population of 50,000 or less) • Nonprofit organizations (including nonprofit housing development organizations, public agencies, tribal governments, and nonprofit/for-profit partnerships in which the nonprofit organization is the controlling partner) 	<p>3120 Freeboard Dr. #201 West Sacramento, CA 95691 P: (916) 447-2854 F: (916) 447-2878 Contact: Holly Wunder Stiles or Robert Longman</p> <p>rcacmail@rcac.org www.rcac.org</p>

GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
U.S. Department of Agriculture (USDA) Rural Development Division	<i>Community Facilities Program</i> <ul style="list-style-type: none"> For nonprofit and public development of essential community facilities for public use in rural areas For constructing, enlarging, improving or acquiring land for facilities For professional fees and purchasing equipment 	<ul style="list-style-type: none"> Direct loans, loan guarantees, and grants Guarantees up to 90% of a loan No minimum or maximum loan size Direct loans up to \$3 million Grants average \$30,000 	<ul style="list-style-type: none"> Varies by program Negotiated between lender and applicant Direct loan rate is 4.5% to 5.5% 40 year term 	<ul style="list-style-type: none"> Public bodies, nonprofit corporations, and Indian tribes developing essential community facilities for public use in rural areas and towns with a population of 20,000 or less Center-based care 	USDA Rural Development California State Office 430 G Street, #4169 Davis, CA 95616-4169 Janice Waddll P: (530) 792-5800 F: (530) 792-5838 <i>Northern California Contact:</i> Anita Lopez P: (530) 792-5822
	<i>Business and Industry (B&I) Guaranteed Loan Program*</i> <ul style="list-style-type: none"> For starting or expanding rural businesses & cooperatives For real estate, equipment, working capital, & refinancing 	<ul style="list-style-type: none"> Guarantees up to 80 percent of a loan \$1 million-10 million 	<ul style="list-style-type: none"> Varies by lender 	<ul style="list-style-type: none"> Businesses in rural communities with population under 50,000 	<i>Southern California Contact:</i> Pete Yribarren P: (559) 734-8732 Ext.108 http://www.rurdev.usda.gov/ca/ <i>For the Business and Industry Guaranteed Loan Program:</i>
	<i>Single-Family Housing Program</i> <ul style="list-style-type: none"> Direct Loan Participation Loan Guaranteed Loan Repair Loan Repair Grant 	<ul style="list-style-type: none"> Several loan and grant programs available. 	<ul style="list-style-type: none"> Amounts, terms, and rates vary 	<ul style="list-style-type: none"> Low and very low income people in unincorporated areas, and cities with less than 10,000, (and some less than 25,000) people Family child care providers. 	P: (530) 792-5805 Contact: Larry Strong Visit this site to learn more about the particular program www.rurdev.usda.gov/ca/



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>U.S. Department of Housing and Urban Development</p>	<p><i>Community Development Block Grant (CDBG) Entitlement Program</i></p> <ul style="list-style-type: none"> • To: acquire real property; relocate and demolish; rehabilitate residential and non-residential structures; construct public facilities and improvements; convert school buildings for eligible purposes • Assist for profits carry out economic development and job creation/retention activities <p><i>State Community Development Block Grant (CDBG) Program</i> (California Department of Housing and Community Development)</p> <ul style="list-style-type: none"> • For housing development projects, such as rehabilitation and activities related to new construction • For community facilities, including day care centers • For public services including staff and operating costs associated with the community facilities 		<ul style="list-style-type: none"> • N/A • N/A 	<ul style="list-style-type: none"> • Grants made to urban cities and counties • Metropolitan cities with populations of at least 50,000 and urban counties with populations of at least 200,000 (called "entitlement communities") with annual direct grants. • The State CDBG Program provides funds to the States, which then allocate funds among non-entitlement communities (cities with less than 50,000 people, or counties with less than 200,000) • Grants made to non-urban cities and counties • Federally recognized Tribal Governments and to distressed non-entitlement jurisdictions within 150 miles of the CA-Mexico border 	<p>Call your local city manager or housing office to ask how the funds are distributed</p> <p>Visit this website to learn more http://www.hud.gov/offices/cpd/communitydevelopment/programs/cdbg.cfm</p> <p>For other program information, contact Community Connections at (800) 998-9999</p> <p>Contact your local city manager or housing office to ask how the funds are distributed in your municipality</p> <p>For information about the State CDBG program operated by the California Department of Housing and Community Development contact the Community Development Block Grant Program Administration: P: (916) 263-0485 www.hcd.ca.gov/ca/cdbg</p>



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
<p>U.S. Small Business Administration (SBA)</p> <p><i>(SBA loans are provided by various lending institutions throughout the state. Your local SBA office can help you identify these lenders.)</i></p>	<p>SBA Certified Development Company (504) Loan Program</p> <ul style="list-style-type: none"> For fixed asset projects such as purchasing land and improvements, including existing buildings, grading, street improvements, utilities, parking lots and landscaping, construction of new facilities; OR modernizing, renovating or converting existing facilities; OR purchasing long-term machinery and equipment 	<ul style="list-style-type: none"> Maximum \$1 million (\$1.3 million for projects that meet certain Public Policy Goals). Minimum of \$50,000 	<ul style="list-style-type: none"> 10 or 20 year term Variable rates 	<ul style="list-style-type: none"> Available to existing for-profit businesses that meet SBA size, credit, and income criteria, and that cannot secure financing on reasonable terms through normal lending channels 	<p><i>SBA loans are offered through Certified Development Companies across the state. Call 1-800-827-5722 to find the participating Certified Development Companies in your area. You can also contact your local Small Business Development Center (see Page 45) to learn more about applying for these loans.</i></p> <p>For additional information about all of the SBA Loan Programs, please visit: http://www.sba.gov/financing/sbaloan/snapshot.html</p>
	<p>SBA 7a Guaranty*</p> <ul style="list-style-type: none"> For acquisition of real estate; costs of construction, renovation or leasehold improvements; acquisition of furniture, fixtures, machinery, and equipment; purchase of inventory; and working capital; debt refinancing; and purchase of an existing business 	<ul style="list-style-type: none"> Guarantees up to 85% of loans up to \$150,000; and 75% on loans over \$150,000 Maximum guarantee is \$1.5 million 	<ul style="list-style-type: none"> Maximum of 25 year term for real estate and equipment loans 7 year maximum for working capital Rates depend on the lender, and many are fixed Fixed rates range between Prime Rate Plus 2.25% and Prime Rate Plus 4.75% depending on the size and term of the loan 	<ul style="list-style-type: none"> Available to small for-profit start-up and existing businesses that are unable to secure financing on reasonable terms through normal lending channels 	



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
U.S. Small Business Administration (SBA)- continued	SBA Express Loan Program <ul style="list-style-type: none"> To start or grow a business. This program also offers revolving lines of credit. 	<ul style="list-style-type: none"> Guarantees for maximum loan amount of \$2 million Maximum guarantee is 50% Rates depend on the lender, and maximum rates are 6.5% above lenders' base rate for loans of \$50,000 or less and 4.5% for loans over \$50,000 	<ul style="list-style-type: none"> Similar to 7a Guaranty above, but with streamlined application and 36 hour response time upon receiving a complete application Loan maturity varies, but is usually 5 to 10 years. For fixed-asset loans it can be up to 25 years Revolving lines of credit have a maximum maturity of 7 years. 	<ul style="list-style-type: none"> Available to start-ups and existing small businesses that want to expand, and that meet SBA size, credit and income criteria. 	
	LowDoc Program* <ul style="list-style-type: none"> To start or grow a business 	<ul style="list-style-type: none"> Guarantees for maximum loan amount of \$150,000 Maximum guarantee is 85% 	<ul style="list-style-type: none"> Similar to 7a guaranty above, but with streamlined application and 36 hour response time upon receiving a complete application. Loan maturity varies, but is usually 5 to 10 years. For fixed-asset loans it can be up to 25 years 	<ul style="list-style-type: none"> Available to start-ups and existing small businesses that want to expand, and that meet SBA size, credit and income criteria. 	
	Microloan Program <ul style="list-style-type: none"> Available through nonprofit community based intermediaries to start-up, newly established, or growing businesses 	<ul style="list-style-type: none"> Loans range from \$500 to \$35,000 	<ul style="list-style-type: none"> Maximum term is 6 years Rates vary from program to program 	<ul style="list-style-type: none"> Small Businesses and not-for-profit child-care centers needing small-scale financing and technical assistance for start-up or expansion 	



GRID of FINANCIAL RESOURCES AVAILABLE STATEWIDE

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
U.S. Small Business Administration (SBA)- continued	<p><i>Prequalification Pilot Loan Program*</i></p> <ul style="list-style-type: none"> • Uses intermediaries to help prospective borrowers develop loan applications; receive an SBA prequalification letter of intent to guarantee; and identify lenders. This program targets low income borrowers, disabled business owners, new and emerging businesses, veterans, exporters, rural and specialized industries. 	<ul style="list-style-type: none"> • Guarantees for maximum loan amount of \$250,000 • Guarantees up to 85% of loans for \$150,000 and under; and 75% for loans over \$150,000 	<ul style="list-style-type: none"> • Rates and terms depend on the lender and can be fixed or variable • Maximum of 25 year maturity for real estate and equipment loans • 7 year maximum for working capital • Fixed interest rates range between Prime Rate Plus 2.25% and Prime Rate Plus 4.75% 	<ul style="list-style-type: none"> • Available to start-ups and existing small businesses 	



FINANCIAL RESOURCES AVAILABLE by REGION

REGIONAL DIVISIONS:

I. Northern California Section (pp. 22-23)

Counties Included:

Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Plumas, Placer, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Sonoma, Sutter, Tehama, Trinity, Yolo, Yuba

II. Greater Bay Area Section (pp. 24-32)

Counties Included:

Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano

III. Central Valley & Coastal Section (pp. 33-36)

Counties Included:

Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Toulumne, Tulare, Ventura

IV. Southern California Section (pp. 37-39)

Counties Included:

Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego

GRID of FINANCIAL RESOURCES AVAILABLE in **NORTHERN CALIFORNIA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Northern California Community Loan Fund	<ul style="list-style-type: none"> Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold improvements 	<ul style="list-style-type: none"> Loans from \$10,000 to \$1,000,000 "Mini-permanent" first and second mortgage loans Line of credit for cash flow needs 	<ul style="list-style-type: none"> 6.0% to 9.0% Maximum term up to five years 	<ul style="list-style-type: none"> Nonprofits that serve poor communities and have limited access to conventional funding Communities in Northern California (from Tulare County north to Oregon border) 	870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@ncclf.org www.ncclf.org
Southeast Asian Community Center (SEACC)	<ul style="list-style-type: none"> Primarily for equipment, leasehold improvements, and working capital 	<ul style="list-style-type: none"> \$1,000 to \$35,000 	<ul style="list-style-type: none"> 4 year term Currently 8.0%, rate may vary 	<ul style="list-style-type: none"> For profit businesses located in Greater Bay Area, Stockton, and Sacramento Available to all ethnic groups 	875 O'Farrell St. San Francisco, CA 94109 P: (415) 885-2743 Contact: Business Department
State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)	<p>North Coast Microloan Program: Primarily for business start-up or expansion, working capital, inventory, furniture, and equipment acquisition.</p> <hr/> <p>SBA 7(a) Loan Guaranty Program loans can be used to start or purchase a business, acquire property or other business assets, or to provide working capital.</p>	<ul style="list-style-type: none"> Loans range from \$1,000 to \$25,000 Loans range from \$25,000 to \$750,000 	<ul style="list-style-type: none"> Variable rate 3 to 6 year terms Variable rates Terms from 7 years for working capital & equipment, up to 25 years for real estate acquisition 	<ul style="list-style-type: none"> For profit businesses located through Northern California. Available to start-up or existing business. For profit businesses located throughout California. Available to start-up or existing businesses 	1211 N. Dutton Ave., Ste. D Santa Rosa, CA 95401 P: (707) 577-8621 Email: s-b@safe-bidco.com www.safe-bidco.com



GRID of FINANCIAL RESOURCES AVAILABLE in **NORTHERN CALIFORNIA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
SAFE-BIDCO (Continued)	<i>Energy Improvements Loan Program</i> provides loans for projects that conserve, produce, or control energy use.	<ul style="list-style-type: none"> Loans range from \$1,000 to \$350,000 	<ul style="list-style-type: none"> 5.0% fixed rate Terms from 5 to 8 years Non-residential use only 	<ul style="list-style-type: none"> For profit and non-profit businesses statewide 	
	<i>Timber Counties Loan Program</i> provides loans for small businesses located in select rural counties	<ul style="list-style-type: none"> Loans range from \$25,000 to \$250,000 	<ul style="list-style-type: none"> Fixed rate, terms vary Rural areas with populations below 25,000 	Start-up and existing for profit businesses located in Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Shasta, Siskiyou, Tehama, and Trinity Counties.	
	<i>Community Facilities Loan Program:</i> loans can be used to acquire real estate and equipment for non-profit day care facilities	<ul style="list-style-type: none"> Loans range from \$25,000 to \$750,000 	<ul style="list-style-type: none"> Variable rates, terms vary Rural areas with population below 20,000 	<ul style="list-style-type: none"> Rural non-profit and governmental agencies only. 	



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Cal Coastal	<i>SBA Microloan Program</i> <ul style="list-style-type: none"> Provides funds for inventory, leasehold improvements, equipment, furniture, remodeling, and working capital 	<ul style="list-style-type: none"> Loans from \$5,000 to \$35,000 	<ul style="list-style-type: none"> 6 year maximum term Prime rate plus 2.75% 	<ul style="list-style-type: none"> New or expanding small businesses For profit and non-profit child care centers Serves providers in Monterey, Santa Cruz, San Benito, Santa Clara, Santa Barbara and Ventura Counties 	<ul style="list-style-type: none"> Monterey: (831) 641-0722 Salinas: (831) 424-1099 Santa Barbara: (805) 962-9251 Santa Maria: (805) 349-0798 Lompoc: (805) 735-4600 Ventura (805) 652-0516 www.calcoastal.org
	<i>Loan Guarantee Program</i> Finds a local lender willing to make a loan and grants payment on that loan up to \$500,000	<ul style="list-style-type: none"> Guarantees up to \$500,000 	<ul style="list-style-type: none"> Varies 	<ul style="list-style-type: none"> For-profit child care centers and homes 	
Child Care Coordinating Council of San Mateo County	<i>Child Care Facilities Expansion Fund</i> <ul style="list-style-type: none"> Funds are for direct investment in start-up expenses, including furnishings, equipment, fees, materials, and consulting services 	<ul style="list-style-type: none"> <u>Family Child Care</u>: grants of \$2,000-\$4,000 awarded over a 3-year period. <u>Child Care Centers</u>: Amounts are based on the number of new spaces created 	<ul style="list-style-type: none"> <u>Family Child Care</u>: quarterly competitive applications, 3-year disbursement <u>Child Care Centers</u>: Applications are accepted on a rolling basis for a 10-year loan. Offer forgivable loans and loans with below-market interest rates 	<ul style="list-style-type: none"> New and expanding family child care homes and child care centers in high-need areas of San Mateo County 	2121 S. El Camino Real Suite A100 San Mateo, CA 94403 P: (650) 655-6770, Ext. 229 Contact: Greg Greenway
	<i>Peninsula Quality Fund</i> <ul style="list-style-type: none"> Grants for center renovations that improve program quality. Projects make use of volunteer labor & donated materials through partnership with Rebuilding Together Peninsula. 	<ul style="list-style-type: none"> Grant amounts up to \$10,000, 	<ul style="list-style-type: none"> Competitive grants are awarded annually 		



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Child Care Facilities Fund (of the Low Income Investment Fund)	<i>Family Child Care Assistance Program</i> <ul style="list-style-type: none"> Recoverable grants and technical assistance to support start up, expansion, and quality improvement 	<ul style="list-style-type: none"> Expansion grants are available for up to \$15,000 Quality improvement grants are available for up to \$5,000 		<ul style="list-style-type: none"> Licensed family child care providers in San Francisco 	100 Pine St., Suite 1800 San Francisco, CA 94111 Tel (415) 772-9094 Fax (415) 772-9095 E-mail ccff@liifund.org www.liifund.org
	<i>Child Care Center Assistance Program</i> <ul style="list-style-type: none"> Assistance and recoverable grants available for: Planning and pre-development costs; consultants; equipment purchases; construction or renovations to expand services; quality improvements on case-by-case basis 	<ul style="list-style-type: none"> Grants, loans and credit enhancement products available. 		Nonprofit child care centers serving low-income children in San Francisco	
	<i>Flex Fund</i> <ul style="list-style-type: none"> To prevent a child care provider from shutting down due to unexpected emergencies 	<ul style="list-style-type: none"> Grants up to \$10,000, distributed within as few as ten days 		Licensed family child care providers and nonprofit child care centers serving low-income children in San Francisco	
	<i>Technical Assistance</i> <ul style="list-style-type: none"> Business management and facilities development technical assistance is also available 			Licensed family child care providers and nonprofit child care centers serving low-income children in San Francisco	



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
City of Berkeley, Office of Economic Development	<p>City Wide Loan Fund</p> <ul style="list-style-type: none"> Provides loans for working capital, equipment, leasehold improvements, fixed assets and capital improvements <p>Revolving Loan Fund</p> <ul style="list-style-type: none"> For business expansion 	<ul style="list-style-type: none"> Maximum loan is \$100,000 Up to \$90,000 Program has matching fund requirement of at least \$2 for every \$1 from the Fund 	<ul style="list-style-type: none"> Rate determined by Treasury Note plus 1.0% Up to 10 years Treasury Note interest rate Terms range from 6 months to 10 years 	<ul style="list-style-type: none"> Available to existing businesses; no start-ups Available city-wide Businesses must be located in the South Berkeley Target Area 	<p>2118 Milvia Street, Suite 200 Berkeley, CA 94704 Contacts: Thomas A. Myers, (510) 981-7530 Email: ecodeve@ci.berkeley.ca.us www.ci.berkeley.ca.us/OED/busserv/oans.htm</p>
Community Bank of the Bay	<ul style="list-style-type: none"> Provides small business loans, including working capital, equipment and financing for building acquisition or construction, lines of credit and bridge loans Loans are for community development purposes for small for profit and nonprofit businesses 	<ul style="list-style-type: none"> Maximum loans up to \$500,000 pending with short-term financing Maximum loans up to \$600,000 pending with long-term financing 	<ul style="list-style-type: none"> Market rates 	<ul style="list-style-type: none"> Targeted at businesses that generate employment for and/or provide products and services to low- and moderate-income people and communities in the Bay Area 	<p>1750 Broadway Oakland, CA 94612 P: (510) 433-5400 F: (510) 433-5431 www.communitybankbay.com</p>
Every Child Counts Child Care Fund (Funded in part by Alameda County Children and Families Commission)	<p>Quality Improvement Initiative</p> <ul style="list-style-type: none"> To improve program quality by providing a variety of resources, which include: <ul style="list-style-type: none"> - Program assessment - Training - Individualized technical assistance - Capital grants to purchase child development materials and resources 	<ul style="list-style-type: none"> This grant does not need to be repaid unless the grant agreement is breached The maximum grant amount is \$5,000 for family child care homes and \$10,000 for child care centers 	<ul style="list-style-type: none"> Child care business must remain in operation for three years 	<ul style="list-style-type: none"> Applicant must be a licensed child care program and provide services to children under the age of five 	<p>1100 San Leandro Blvd., Suite 120 San Leandro, CA 94577 www.ackids.org P: (510) 875-2479 Contact: Lisa Erickson, Program Manager</p>



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Lenders for Community Development	<ul style="list-style-type: none"> • Building Block Loans for family child care providers for start-up costs, equipment/toys/ educational materials, playground structures, minor improvements 	<ul style="list-style-type: none"> • \$1,000-\$20,000 term loans 	<ul style="list-style-type: none"> • Up to 5 years, 5% fixed 	<ul style="list-style-type: none"> • Family day care providers in San Mateo and Santa Clara counties; existing or start-up 	111 West St. John St., Suite 710 San Jose, CA 95113 P: (408) 297-0204 Ext. 27 Contact: Anthony Chang, Loan Officer Email: anthony@L4CD.com www.L4CD.com
	<ul style="list-style-type: none"> • Building Block Loans for child care centers for start-up costs, equipment/toys/educational materials, playground structures, improvements and renovations 	<ul style="list-style-type: none"> • \$1,000-\$100,000 term loans 	<ul style="list-style-type: none"> • Up to 10 years, 5% fixed 	<ul style="list-style-type: none"> • Child care centers in San Mateo and Santa Clara counties; existing or start-up; non-profit or for-profit 	
Local Initiatives Support Corporation	<ul style="list-style-type: none"> • Mixed use projects, neighborhood-serving retail, nonprofit offices/ community facilities, child care facilities, industrial facilities 	<ul style="list-style-type: none"> • No fixed minimum or maximum loan amount but loans generally do not exceed \$2 million for a single project 	<ul style="list-style-type: none"> • 6.0% for short term (up to 36 months) acquisition, predevelopment, construction, bridge loans and nonprofit community facilities loans of up to 7 years • 7.0% for longer term “mini-permanent” loans for commercial, industrial, and mixed-use projects 	<ul style="list-style-type: none"> • 501(c)3 nonprofits with priority given to Community Development Corporations with real estate development experience 	369 Pine Street, Suite 350 San Francisco, CA 94104 P: (415) 397-7322 F: (415) 397-8605 Contact: Paul Peninger, Program Officer www.bayarealisc.org



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Nonprofit Finance Fund	<ul style="list-style-type: none"> Facilities projects (acquisition of space, new construction, renovation/leasehold improvements, relocation and related soft costs) Equipment needs Working capital, including line of credit and term loans, based on specific cash flow needs, a sound business plan and solid track record Bridge loans for anticipated funding commitments 	<ul style="list-style-type: none"> \$10,000 to \$1,000,000 	<ul style="list-style-type: none"> Rates between 6.5 to 8.0% 	<ul style="list-style-type: none"> Minimum annual budget of at least \$250,000 	760 Market St., Suite 333 San Francisco, CA 94102 P: (415) 255-4849 Contact: Pat Krackov, Site Director www.nonprofitfinancefund.org
Northern California Community Loan Fund	<ul style="list-style-type: none"> Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold improvements 	<ul style="list-style-type: none"> Loans from \$10,000 to \$1,000,000 “Mini-permanent” first and second mortgage loans Line of credit for cash flow needs 	<ul style="list-style-type: none"> 6.0% to 9.0% Maximum term up to five years 	<ul style="list-style-type: none"> Nonprofits that serve poor communities and have limited access to conventional funding Communities in Northern California (from Tulare County north to Oregon border) 	870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@ncclf.org www.ncclf.org
OBDC Business Finance	<p>City of Oakland Micro Loan Program focuses on supporting businesses with the ability to create permanent, full time employment for low-to moderate income Oakland residents.</p> <ul style="list-style-type: none"> Funds may be used for working capital, furniture, 	<ul style="list-style-type: none"> Loan amounts range from \$1,000 to \$25,000 	<ul style="list-style-type: none"> Loan terms up to 5 years Rate is fixed at prime plus 3.0% 	<ul style="list-style-type: none"> For-profit businesses, located within the seven Community Development Districts of Oakland: North Oakland, West Oakland, Chinatown and Central (including Downtown), San Antonio, Fruitvale, 	519 17 th St., Suite 700 Oakland, CA 94612 P: 510-763-4297 www.obdc.com



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
OBDC Business Finance (continued)	fixtures, equipment, other start-up/expansion expenses, and supplies SBA Bay Area Micro Loan Program • The start-up of new businesses, the expansion of existing businesses, and the creation and retention of jobs • Funds may be used for working capital, furniture, fixtures, equipment, other start-up/expansion expenses, and supplies	• Loan amounts range from \$1,000 to \$35,000	• Loan terms up to 5 years • Rates are fixed at 7.0% to 10.0%	Central East Oakland and Elmhurst • Start-ups are eligible • Provides loans to women, low-income individuals and minority entrepreneurs and other small businesses located in Alameda, Contra Costa or Solano County. • Start-ups are eligible	
One Stop Capital Shop	• Provides a variety of loan and technical assistance programs that may be applicable to child care providers			• Available to Oakland and surrounding communities • Call for more details	519 17 th Street, Suite 600 Oakland, CA 94612 P: (510) 238-3703 http://www.oakland1stop.org/
Silicon Valley Economic Development Corporation	City of San Jose Revolving Loan Fund • Loans y, business acquisition & expansion, facilities equipment, leaseholder improvements • One-on-one business counseling to help get the necessary paperwork together	• \$5,000 to \$40,000	• Maximum of 5 year amortization • No fees • 3.75% fixed	• Business must be in San Jose and be able to create jobs	1155 North First Street, Suite 107 San Jose, CA 95112 P: 408-298-8455 Ext. 26 F: 408-971-0680 Contact: M. Daniel Aloom, Vice President, Programs & Development



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Southeast Asian Community Center (SEACC)	<ul style="list-style-type: none"> • Microloans primarily for equipment, leasehold improvements, and working capital 	<ul style="list-style-type: none"> • \$1,000 to \$35,000 	<ul style="list-style-type: none"> • 4 year term • Currently 8.0%, rate may vary 	<ul style="list-style-type: none"> • For profit businesses located in Greater Bay Area, Stockton, and Sacramento • Available to all ethnic groups 	875 O'Farrell St. San Francisco, CA 94109 Richard P: (415) 885-2743 Contact: Business Department www.seacc.us
Smart Start San Jose (SSSJ)	<ul style="list-style-type: none"> • Capital funding for child care center development to: purchase and/or develop a new facility; upgrade or renovate an existing facility; land on which an SSSJ facility can be located; or a facility that can be combined with new developments 		<ul style="list-style-type: none"> • 15 year agreement with the City of San José 	<ul style="list-style-type: none"> • Programs must meet California Health & Safety Standards and incorporate SSSJ <i>Program Quality Standards</i> • Can be operated by public or private providers through early child development centers, Head Start, State Preschools, and family child care homes • Available to programs that currently meet or can meet local and state zoning/permit regulations; where school academic performance reports indicate that children are under-performing; areas identified as <i>in need of</i> early care and education/child care services; and areas that are designated as Strong Neighborhood Initiatives or City of San José Redevelopment 	Interest forms may be obtained by calling the Office on Early Care and Education Services at P: (408) 392-6757



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)	North Coast Microloan Program: primarily for business start up or expansion, working capital, inventory, furniture, and equipment acquisition.	<ul style="list-style-type: none"> Loans range from \$1,000 to \$25,000 	<ul style="list-style-type: none"> Variable rate 3 to 6 year terms 	<ul style="list-style-type: none"> For profit businesses throughout Northern California. Available to start-up or existing businesses 	1211 N. Dutton Ave., Ste. D Santa Rosa, CA 95401 P: (707) 577-8621 Email: s-b@safe-bidco.com www.safe-bidco.com
	SBA 7(a) Loan Guaranty Program loans can be used to start or purchase a business, acquire property or other business assets, or to provide working capital.	<ul style="list-style-type: none"> Loans range from \$25,000 to \$750,000 	<ul style="list-style-type: none"> Variable rates Terms from 7 years for working capital & equipment, up to 25 years for real estate acquisition 	<ul style="list-style-type: none"> For profit businesses located throughout California. Available to start-up or existing businesses 	
	Energy Improvements Loan Program provides loans for projects that conserve, produce, or control energy use.	<ul style="list-style-type: none"> Loans range from \$1,000 to \$350,000 	<ul style="list-style-type: none"> 5.0% fixed rate Terms from 5 to 8 years Non-residential use only 	<ul style="list-style-type: none"> Start-up and existing for profit businesses 	
	Timber Counties Loan Program provides loans for small businesses located in select rural counties.	<ul style="list-style-type: none"> Loans range from \$25,000 to \$250,000 	<ul style="list-style-type: none"> Fixed rates, terms vary Rural areas with population below 25,000 	<ul style="list-style-type: none"> Start-up and existing for profit businesses located in Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Shasta, Siskiyou, Tehama, and Trinity Counties 	



GRID of FINANCIAL RESOURCES AVAILABLE in the **GREATER BAY AREA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
SAFE-BIDCO (Continued)	<i>Community Facilities Loan Program</i> can be used to acquire real estate and equipment for non-profit day care facilities.	<ul style="list-style-type: none"> Loans range from \$25,000 to \$750,000 	<ul style="list-style-type: none"> Variable rates, terms vary Rural areas with population below 20,000 	<ul style="list-style-type: none"> Rural non-profit and governmental agencies only 	
Women's Initiative for Self-Employment (WISE) Alternativas para Latinas en Auto-Suficiencia (ALAS)	<ul style="list-style-type: none"> Microloans for start-up, expansion, or operating expenses, including licenses, target market research, equipment purchases, working capital, and inventory. Funds cannot be used for real estate purchases, including land or buildings. Technical assistance is available for loan packaging and as part of the post-loan process. 	<ul style="list-style-type: none"> Minimum loan is \$500 Maximum loan amount is \$10,000 for first time borrowers and \$25,000 for repeat borrowers 	<ul style="list-style-type: none"> Minimum of 3 months; Maximum of 5 years 10.0% fixed rate One-time processing fee of 1% upon loan approval 	<ul style="list-style-type: none"> Must be an enrollee or graduate of the Women's Initiative training program in order to apply: Businesses must be 51% owned by women; Available to women residing in Alameda, San Francisco, Marin, Contra Costa, San Mateo, and Sonoma counties. 	WISE San Francisco: (415) 641-3460 ALAS: (415) 241-2070 (en Español) WISE Oakland: (510) 287-3100 ALAS: (510) 287-3100 (en Español) Email: frontdesk@womensinitiative.org www.womensinitiative.org



GRID of FINANCIAL RESOURCES AVAILABLE in the **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Cal Coastal	<p><i>SBA Microloan Program</i></p> <ul style="list-style-type: none"> Provides funds for inventory, leasehold improvements, equipment, furniture, remodeling, and working capital 	<ul style="list-style-type: none"> Loans from \$5,000 to \$35,000 	<ul style="list-style-type: none"> 6 year maximum term Prime rate plus 2.75% 	<ul style="list-style-type: none"> New or expanding small businesses For profit and non-profit child care centers Serves providers in Monterey, Santa Cruz, San Benito, Santa Clara, Santa Barbara and Ventura Counties 	<ul style="list-style-type: none"> Monterey: (831) 641-0722 Salinas: (831) 424-1099 Santa Barbara: (805) 962-9251 Santa Maria: (805) 349-0798 Lompoc: (805) 735-4600 Ventura (805) 652-0516 <p>www.calcoastal.org</p>
	<p><i>Loan Guarantee Program</i></p> <p>Finds a local lender willing to make a loan and grantees payment on that loan up to \$500,000</p>	<ul style="list-style-type: none"> Guarantees up to \$500,000 	<ul style="list-style-type: none"> Varies 	<ul style="list-style-type: none"> For-profit child care centers and homes 	
Economic Vitality Corporation of San Luis Obispo	<p><i>Microloan Program</i></p> <ul style="list-style-type: none"> For the start-up or maintenance of a small business For the purchase of equipment and vehicles For fixed asset expansion (i.e. leasehold improvements, furniture, fixtures) For working capital For new ventures 	<ul style="list-style-type: none"> Loans range from \$500, to a maximum of \$10,000 	<ul style="list-style-type: none"> Maximum term is 48 months 	<ul style="list-style-type: none"> Business must be in San Luis Obispo county Applicant must be a CalWORKs participant, and/or a low-to-moderate income borrower Applicant must complete a certain number of hours of training with the local Small Business Development Center 	<p>4111 Broad Street, Ste A P.O. Box 5257 San Luis Obispo, CA 93403 Dave Mookolr</p> <p>P: (805) 788-2012 F: (805) 781-6193</p> <p>http://www.sloevc.org/</p>
	<p><i>Revolving Loan Fund</i></p> <ul style="list-style-type: none"> For land costs, including engineering, legal, grading, testing, and site mapping For building costs including real estate, engineering, architectural, legal, insurance 	<ul style="list-style-type: none"> Maximum loan amount is \$150,000 	<ul style="list-style-type: none"> Fixed-rates Terms are tailored to the capital needs of the business 	<ul style="list-style-type: none"> Available to for-profits A borrower is eligible only when credit is not otherwise available on terms and conditions which would permit completion of the project to be financed 	



GRID of FINANCIAL RESOURCES AVAILABLE in the **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Economic Vitality Corporation of San Luis Obispo <i>(continued)</i>	<ul style="list-style-type: none"> • For acquisition of machinery and equipment, furniture and fixtures and leasehold improvements • For working or start-up capital • For refinance debt that threatens business' stability 			<ul style="list-style-type: none"> • The majority of the jobs created or retained by borrowers must be for individuals whose incomes are low to moderate 	
Lenders for Community Development	<ul style="list-style-type: none"> • Microloans available for equipment or supplies, renovation or construction, business acquisition, working capital <hr style="border-top: 1px dashed black;"/> <ul style="list-style-type: none"> • Business loans available for equipment or supplies, renovation or construction, business acquisition, working capital 	<ul style="list-style-type: none"> • \$1,000-\$25,000 • Term loans up to 100,000 <hr style="border-top: 1px dashed black;"/> <ul style="list-style-type: none"> • Term loan: \$10,000-75,000 	<ul style="list-style-type: none"> • Up to 7 years • 5 % fixed 	<ul style="list-style-type: none"> • Focus on low income Family child care homes or child care centers • Existing and start-up facilities • For-profit or non-profits • Facility must be in Santa Clara, San Mateo, San Francisco or Alameda Counties 	111 West St. John St., Suite 710 San Jose, CA 95113 P: (408) 297-0204 Ext. 34 Contact: Natalie Brutto Child Care Consultant www.L4CD.com
Nonprofit Finance Fund	<ul style="list-style-type: none"> • Facilities projects (acquisition of space, new construction, renovation/leasehold improvements, relocation and related soft costs) • Equipment needs • Working capital, including line of credit and term loans, based on specific cash flow needs, a sound business plan and solid track record • Bridge loans for anticipated funding commitments 	<ul style="list-style-type: none"> • \$10,000 to \$1 million – larger loans of up to \$2 million considered 	<ul style="list-style-type: none"> • Rates between 6.5 to 8.0% 	<ul style="list-style-type: none"> • Minimum annual budgets of at least \$250,000 	760 Market St., Suite 333 San Francisco, CA 94102 P: (415) 255-4849 Contact: Pat Krackov, Site Director www.nonprofitfinancefund.org



GRID of FINANCIAL RESOURCES AVAILABLE in the **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Northern California Community Loan Fund	<ul style="list-style-type: none"> Provides pre-development and development funds, including real estate acquisition, new construction, rehabilitation, working capital, equipment purchases and leasehold improvements 	<ul style="list-style-type: none"> Loans from \$10,000 to \$1,000,000 "Mini-permanent" first and second mortgage loans Line of credit for cash flow needs 	<ul style="list-style-type: none"> 6.0% to 9.0% Maximum term up to five years 	<ul style="list-style-type: none"> Nonprofits that serve poor communities and have limited access to conventional funding Communities in Northern California (from Tulare County north to Oregon border) 	870 Market Street, Suite 677 San Francisco, CA 94102 P: (415) 392-8215 F: (415) 392-8216 Contact: Dutch Haarsma, Director of Lending Email: info@nccf.org www.nccf.org
Santa Cruz Community Credit Union	<ul style="list-style-type: none"> Through Child Care Loans and other programs the Credit Union provides financing for renovation, expansion, start-up, real estate acquisition, working capital, equipment and other fixed assets 	<ul style="list-style-type: none"> Child Care Loans: amounts range from \$5,000 to \$15,000 	<ul style="list-style-type: none"> Below market rates Terms of 1 to 5 years 	<ul style="list-style-type: none"> The Child Care Loans Program is available to all licensed Child Care Centers and Family Child Care Home providers in Santa Cruz County and North Monterey County 	324 Front Street Santa Cruz, CA 95060 P: 831-425-7708 Ext. 2301 Contact: Debra Crawford, Director of Lending
Santa Cruz County Human Resources Agency	Developer Fee Child Care Loans <ul style="list-style-type: none"> For development/capital improvements that increase or maintain child care capacity in centers or family child care homes 	<ul style="list-style-type: none"> Loan amounts range from \$300 to \$75,000 	<ul style="list-style-type: none"> 5.6% rate 1 to 5 year terms For each month the operation provides care that month's payment is forgiven 	<ul style="list-style-type: none"> Provider must provide equal access to families in unincorporated areas of Santa Cruz County 	1000 Emeline Ave. Santa Cruz, CA 95060 P: (831) 454-5459



GRID of FINANCIAL RESOURCES AVAILABLE in the **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Small Business Loan Fund (SBLF)	<p><i>Revolving Loan Fund</i></p> <ul style="list-style-type: none"> • For the start-up or expansion of a business • Can be used for purchase of fixed assets, physical improvements to business and operating expenses • Not for consolidation of loans or prior debt 	<ul style="list-style-type: none"> • \$1,000 to \$100,000 	<ul style="list-style-type: none"> • Varies for each loan 	<ul style="list-style-type: none"> • Loans over \$25,000 are for existing businesses with at least 1½ years of financial history • Low to moderate income applicants • Borrower must own and control 51% of his or her business • Borrower must first be declined by one local bank • Available to residents of Santa Barbara, Ventura, and San Luis Obispo Counties • Must complete SBLF business training • Must submit a business plan for loans over \$5,000 	<p>333 South Salinas Street Santa Barbara, CA 93103 P: (805) 965-6073 Ext. 106 F: (805) 962-9622</p>
Valley Economic Development Center, Inc.	<ul style="list-style-type: none"> • Provides a variety of loan and technical assistance programs, some sponsored by the Small Business Administration <p><i>Technical Assistance</i></p> <ul style="list-style-type: none"> • MicroEnterprise Business Training through the BizWorks Program 	<ul style="list-style-type: none"> • Loans range from \$1,000 to \$35,000 • Loan guarantees range from \$25,000 to \$250,000 	<ul style="list-style-type: none"> • Market rates 	<ul style="list-style-type: none"> • Serves clients in the San Fernando Valley and the City of Los Angeles. (Los Angeles, Ventura, and Santa Barbara Counties) 	<p>5121 Van Nuys Blvd., 3rd Floor Van Nuys, CA 91403 P: (818) 907-9977</p> <p>www.vedc.org</p>



GRID of FINANCIAL RESOURCES AVAILABLE in the **CENTRAL VALLEY AND COAST**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Valley Small Business Development Corporation	<ul style="list-style-type: none"> Provides a variety of loan programs: California Loan Guarantee Program, SBA Microloan Program, CEDLI, and USDA IRP 	<ul style="list-style-type: none"> Varies per program 	<ul style="list-style-type: none"> Varies per program 	<ul style="list-style-type: none"> Programs are available for both center- and family-based operations 	7035 North Fruit Ave. Fresno, CA 93711 P: (559) 438-9680 Contact: Amy Zachery, Management & Technical Assistance, Loan Specialist www.vsbdc.com



GRID of FINANCIAL RESOURCES AVAILABLE in SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
ACCIÓN San Diego	<ul style="list-style-type: none"> For working capital, capital improvements, or purchasing new business equipment 	<ul style="list-style-type: none"> First-time loans from \$300-5,000 without a co-signer and up to \$10,000 with a co-signer. Subsequent loans are available up to \$35,000. 	<ul style="list-style-type: none"> 1 to 3 year terms, with interest rates ranging from 10% to 16% depending on clients credit score. 	<ul style="list-style-type: none"> Applicant's business must be located in San Diego County Minimum of six months of business operations required 	1250 6 th Ave., Suite 500 San Diego, CA 92101 P: (619) 685-1380 Contact: Patti Mason, President & CEO www.accionsandiego.org
ACCIÓN Southern California	<ul style="list-style-type: none"> For working capital, capital improvements, or purchasing new business equipment 	<ul style="list-style-type: none"> First-time loans from \$300-\$5,000 without a co-signer and up to \$10,000 with a cosigner. Subsequent loans are available up to \$35,000. 	<ul style="list-style-type: none"> 1 to 3 year terms, with interest rates ranging from 10% to 16% depending on clients credit score. 	<ul style="list-style-type: none"> Businesses in Orange, Riverside or San Bernardino counties that have been in operation for at least six months 	11277 Garden Grove Blvd., Suite 101-A Garden Grove, CA 92843 P: (714) 741-05475 Contact: Carol Han, Program Manager or Justin Hardy, Loan Officer www.accionsandiego.org
CDC Small Business Finance	<ul style="list-style-type: none"> For real estate and business acquisition and other uses Line of credit 	<ul style="list-style-type: none"> Variety of loan products, including SBA Microloans and other small business loans Maximum \$500,000 	<ul style="list-style-type: none"> Rates vary Up to 20 year terms 	<ul style="list-style-type: none"> Available to small businesses in Imperial, Orange, Riverside and San Diego Counties Services available to for-profit and non-profit child care centers and family child care operators 	2448 Historic Decatur Rd., #200 San Diego, CA 92106 P: (619) 291-3594 Toll Free: (800) 611-5170 San Diego Contact: Susan Lamping, slamping@cdcloans.com Orange & Riverside County Contact: Stacey Sanchez, ssanche@cdcloans.com www.cdcloans.com
Clearinghouse CDFI	<ul style="list-style-type: none"> For acquisition, construction, rehabilitation or working capital for child care facilities that benefit low-income communities or low-income families 	<ul style="list-style-type: none"> No minimum, \$2 million maximum 	<ul style="list-style-type: none"> 7.25% to 8.5% rate Amortization up to 30 years 	<ul style="list-style-type: none"> Nonprofit and for profit developers, start-up or existing businesses 	23861 El Toro Rd., #401 Lake Forest, CA 92630 P: (949) 859-3600 Contact: Kristy Ollendorff, Director of Operations www.clearinghousecdpi.com



GRID of FINANCIAL RESOURCES AVAILABLE in SOUTHERN CALIFORNIA

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Community Investment Corporation	<i>Micro Enterprise Loan Program</i> <ul style="list-style-type: none"> • For start-ups, working capital, equipment and business expansion • Technical assistance available, including mentoring/coaching, organizational and managerial stability, and application preparation assistance 	<ul style="list-style-type: none"> • Maximum loan amount is \$25,000 	<ul style="list-style-type: none"> • 72-month term • 10.0 % fixed rate 	<ul style="list-style-type: none"> • Services available in Riverside County and the city of San Bernardino • Available to for profits and nonprofits 	4250 Brockton Ave., Suite 100 Riverside, CA 92501 P: (909) 786-1370 http://www.cicontheweb.com/
Economic & Employment Development Center	<i>MicroEnterprise Development Fund</i> <ul style="list-style-type: none"> • For start-up of a microenterprise business 	<ul style="list-style-type: none"> • \$5,000 to \$15,000 	<ul style="list-style-type: none"> • Up to 3 years • 10% 	<ul style="list-style-type: none"> • Businesses must be in LA or Orange Counties • Designed for borrowers who are refugees or in political asylum 	241 South Figueroa St., Suite 240 Los Angeles, CA 90012 P: (626) 281-3792 Contact: DA Tran Email: eedc@aol.com
Local Initiatives Support Corporation	<ul style="list-style-type: none"> • For pre-development expenses 	<ul style="list-style-type: none"> • Short-term loans, usually \$50,000 and up 	<ul style="list-style-type: none"> • 1 to 3 years • 6.0% 	<ul style="list-style-type: none"> • Provides loans, grants and technical assistance to community development corporations (CDCs), Head Start Centers and other child care and early childhood development facilities 	<ul style="list-style-type: none"> • San Diego: 450 B St, Suite 1010 San Diego, CA 92101 P: (619) 239-6691 Contact Joe Horiye, Program Director • Los Angeles: 1055 Wilshire Blvd., Ste. 1600 Los Angeles, CA 90017 P: (213) 250-9550 Contact: Neelura Bell, Program Director www.lisc.org
	<ul style="list-style-type: none"> • For development expenses 	<ul style="list-style-type: none"> • “Mini-Permanent” first and second mortgage loans up to \$1million 	<ul style="list-style-type: none"> • 1 to 7 year term, amortization schedule of up to 12 years • 6% 		



GRID of FINANCIAL RESOURCES AVAILABLE in **SOUTHERN CALIFORNIA**

LOAN SOURCE / NAME	PURPOSE	LOAN AMOUNT / TYPE	TERM / INTEREST RATE	ELIGIBILITY	CONTACT
Neighborhood National Bank	<ul style="list-style-type: none"> • Provides pre-construction, and construction for real estate development • For family child care operations and for equipment purchases and renovations 	<ul style="list-style-type: none"> • Conventional business loans and SBA 7(a) term loans 	<ul style="list-style-type: none"> • Varies based on loan type and purpose 	<ul style="list-style-type: none"> • Child care centers or family child care providers • Available to providers located in the San Diego area 	1717 Sweetwater Rd. National City, CA 91950 Pamela Davis P: (619) 789-4406 www.neighborhoodnationalbank.com
Valley Economic Development Center, Inc.	<ul style="list-style-type: none"> • Provides a variety of loan and technical assistance programs, some sponsored by the Small Business Administration • Provides MicroEnterprise Business Training through the BizWorks Program 	<ul style="list-style-type: none"> • Loans range from \$1,000 to \$35,000 • Loan guarantees range from \$25,000 to \$250,000 • 8 types of FDA Loans 	<ul style="list-style-type: none"> • Market rates 	<ul style="list-style-type: none"> • Serves clients in the San Fernando Valley and the City of Los Angeles (Los Angeles, Ventura, and Santa Barbara Counties) 	5121 Van Nuys Blvd., 3rd Floor Van Nuys, CA 91403 P: (818) 907-9977 www.vedc.org



TECHNICAL ASSISTANCE RESOURCES FOR HELP WITH FINANCING



TECHNICAL ASSISTANCE RESOURCES for HELP with FINANCING

Please note: this is not an exhaustive list. Also, many of the financial organizations listed in the financial resources section provide various forms of technical assistance, some of which is specifically geared towards the child care provider. Inquire about such resources when contacting those agencies for financial support.

ORGANIZATION	DESCRIPTION	CONTACT
Alliance for Nonprofit Management	<ul style="list-style-type: none"> • Provides training and technical assistance to nonprofits around fundraising, strategic planning, financial management, and personnel development • There are 46 Alliance member provider organizations in California that offer a variety of services designed to help nonprofits increase their effectiveness and impact 	To find an Alliance member provider near you, call (202) 955-8406 or visit www.allianceonline.org
Building Child Care (BCC) Collaborative	<ul style="list-style-type: none"> • Services include technical assistance, support, training, referrals, publications, information, and materials specifically designed to help providers access information and assistance around financing and developing child care facilities in California • Technical assistance is available through the BCC toll free telephone line and website 	Toll free line: (888) 411-3535 www.buildingchildcare.org
California Association for Family Child Care	<ul style="list-style-type: none"> • Provides information, technical assistance, and trainings about running a family child care business in California 	(925) 828-2100 www.cafcc.org
California Children and Families Commission	<ul style="list-style-type: none"> • Provides, on a county-by-county basis, all children 0-5 with a comprehensive, integrated system of early development services. Sometimes local commissions have grant writing trainings and other technical assistance services for helping child care providers 	To access your local commission contact information you can call (916) 323-0056, or visit www.cafc.ca.gov
California Indian Assistance Program	<ul style="list-style-type: none"> • Provides technical assistance, including grant writing, to help tribes obtain and manage state and federal funds for housing, infrastructure, community and economic development projects, and governance enhancement. Planning and technical assistance grants are provided subject to fund availability. Assistance is provided to tribal governments and California Indian communities. 	1800 3rd Street, Room 365 Sacramento, CA 95814 (916) 445-4727



California Indian Manpower Consortium, Inc.	<ul style="list-style-type: none"> Provides technical assistance to certain tribal governments looking to expand or start child care programs in California 	(916) 920-0285
California Native American Business Development Center (CNABDC)	<ul style="list-style-type: none"> Provides management and technical assistance for Native Americans residing in the state of California. This assistance extends to both tribes and individuals living both on and off the reservation. Assistance is available for all stages of business from start-up through expansion 	(626) 442-3701 Contact: Sharon Chambers schambers@ncaied.org www.ncaied.org
California Resources and Training (CARAT)	<ul style="list-style-type: none"> Integrates and builds the capacity of technical assistance industries in California; encourages and stimulates partnerships between lending institutions and technical assistance providers Provides information about community development lenders and technical assistance providers that participate in CARAT and CEDLI programs in California 	(510) 267.8994 www.caratnet.org
College and University System	<ul style="list-style-type: none"> Programs and internships providing assistance to businesses 	Contact your local college or university
Department of Health and Human Services-Child Care Bureau: Child Care TA Network	<ul style="list-style-type: none"> Manages the National Child Care Information and Technical Assistance Center, the Child Care Technical Assistance Logistics Support Project, and the Tribal Child Care Technical Assistance Center Maintains database of child care information Disseminates resources through information and referral services 	(202) 690-6782 for more information www.nccic.org
The Enterprise <i>The Enterprise Resource Database</i>	<ul style="list-style-type: none"> Includes more than 1,000 useful resources for affordable housing and community development practitioners Includes “how-to” guides, model documents, templates for implementing a variety of programs and examples of effective program descriptions 	(410) 964-1230 http://www.enterprisefoundation.org/Resource/Default.asp
The Foundation Center <i>The Foundation Directory Online</i>	<ul style="list-style-type: none"> Directories of foundations Indexes of recent grants 	(415) 397-0902 www.fdncenter.org
The Grantsmanship Center (TGCI)	<ul style="list-style-type: none"> Provides grant proposal writing workshops Provides information about Community Foundations in California that offer small grants to local organizations such as child care programs 	1125 W. Sixth St., 5 th Floor Los Angeles, CA 90017 Call (213) 482-9860 www.tgci.com

<p>National Association for the Education of Young Children: <i>Fundraising for Early Childhood Programs</i></p>	<ul style="list-style-type: none"> • Provides fundraising strategies and information about sources of financial support for early childhood programs • Provides information about how to network and present your proposal • Bibliography/other resources 	<p>Matia Finn Stevenson, Washington, DC: Revised Edition 1995 Call (800) 424-2460 www.naeyc.org</p>
<p>National Children’s Facilities Network</p>	<ul style="list-style-type: none"> • A national coalition of nonprofit financial and technical assistance intermediaries involved in planning, developing and financing facilities for low-income child care and Head Start programs • Primarily useful for community development financial institutions looking for information about child care facilities financing 	<p>You can access a list of NCFN members on the website: www.ncfn.org</p>
<p>National Community Capital Association</p>	<ul style="list-style-type: none"> • Provides access to a database of community development financial institutions by state that are helpful for identifying potential lenders in your area • Provides definitions of different community development lenders to help identify those that might be best suited to your needs • Useful for community development financial institutions and other lenders interested in accessing financing to offer particular programs, including those designed for child care facilities 	<p>www.communitycapital.org</p>
<p>National Economic Development and Law Center</p>	<ul style="list-style-type: none"> • Offers child care facilities development expertise through publications such as <i>A Resource Guide, Financing Child Care Facilities Development in California</i>; and <i>The Child Care Financial Planning and Facilities Development Manual</i>. The <i>Manual</i> (available in both English and Spanish language) includes specific information about budgeting and basic financial statements for child care centers and family child care programs: Determining Debt Capacity; Business Plan Development; The Facilities Development Process; and Financing and Developing Child Care Facilities • Offers expertise conducting Economic Impact Reports that identify the economic benefits that child care services stimulate in various counties and states across the country 	<p>Call (510) 251-2600 www.nedlc.org</p>
<p>Nonprofit Finance Fund</p>	<ul style="list-style-type: none"> • Provides advice and information to equip nonprofits in decision making about growth, including workshops to help plan and prepare for facilities development projects, and referrals to facilities development professionals that can also help with the process. • Technical assistance and training services are available to nonprofit organizations in the following California Counties: Alameda, Contra Costa, Marin, Monterey, San Francisco, San Mateo, Santa Clara, and Santa Cruz 	<p>Call (415) 255-4849 F: (415) 576-1090 Email: Sheryl.kaskowitz@nffusa.org www.nonprofitfinancefund.org</p>

Small Business Administration (SBA)	<ul style="list-style-type: none"> • Primarily serves for-profit businesses • Provides a variety of management and technical assistance programs to assist both new and expanding businesses • The following technical assistance programs are designed to assist small businesses: <p>Small Business Development Centers (SBDC's)</p> <ul style="list-style-type: none"> • Small business counseling and seminars in local communities • Workshops for beginning business owners • Online library of small business development information • Online listing of events sponsored by the SBA 	<p>Call 1-800-8-ASK-SBA www.sba.gov</p> <p>Call 1-800-303-6600 to find the SBDC nearest you To learn more about the services offered through your local SBDC visit www.sba.gov/SBDC/</p>
	<p>SCORE (Service Corps of Retired Executives)</p> <ul style="list-style-type: none"> • Financial management workbooks • Free one-on-one business advice on writing business plans, cash flow management, developing a small business advocacy board, investigating market potential for product or service and assessing capital needs to start a business • Low-cost workshops and seminars • Counselors who can provide insight into how to start a business, serve a business, buy a business or franchise and sell a business 	<p>Call 1-800-634-0245 to find the SCORE nearest you</p>
	<p>Women's Business Centers (WBC's)</p> <ul style="list-style-type: none"> • The eight WBC's located in California offer various services, trainings, and sometimes loans to women starting or expanding their small businesses • The Online Women's Business Center provides an excellent general guide to business planning for child care facilities projects 	<p>Call 1-800 U ASK SBA To find the WBC closest to you, or visit www.sba.gov/womeninbusiness/wbcs.html To access the child care facilities development information visit the Online Women's Business Center at www.onlinewbc.gov/docs/ChildCare/ccm1.htm</p>



GLOSSARY of TERMS

The Players: In any loan transaction there are at least two parties. A “Borrower” applies for a loan. If determined eligible, a “Lender” provides a loan. There are many types of Lenders including banks, savings and loans, nonprofit organizations, public agencies and even relatives. In some cases, a third party, the “Guarantor” will also be included in the transaction (see Guarantee).

Amortization: The period of time on which the repayment of loan principal and interest is based. Sometimes loans may have different amortization schedules and terms. There are three basic ways to repay a loan: (a) in equal installments, each containing a blend of principal and interest; (b) in varying but regular payments which result from paying off principal plus interest on the amount actually borrowed; and (c) in very irregular principal payments often incorporating a larger final payment (see Balloon Payment).

Balloon Payment: The final payment of a loan that has a longer amortization period than term. For example, if a monthly payment is based on a period of 10 years, but the actual term is 5 years, a large payment (roughly half of the loan amount) is due with the final payment at the end of 5 years.

Bridge Loan: Short-term loan made in anticipation of long-term funding or financing.

Building and Real Estate Costs:

- a. **Soft Costs** – Expenses, other than hard costs, incurred in developing a real estate project, including legal and lending fees, architectural and design fees, permits, etc.
- b. **Hard Costs** – The direct costs to construct a building or structure, otherwise known as “bricks and mortar” costs, including acquisition of property, construction, equipment, etc.
- c. **Hidden Costs** – Less visible costs associated with the facilities development process, such as staff and board time and attention.
- d. **Contingency Costs** – A portion of the construction costs set aside to cover unexpected “hard” costs.

Building Reserve: A capital improvement reserve fund. Money set aside to pay for facilities upkeep: where the amounts can be large, the ultimate need a certainty, but where the exact timing is uncertain. These are often big-ticket items, like replacing the roof, which are difficult to accommodate in a single year’s budget.

Collateral: The property a borrower pledges to a Lender to secure repayment of the loan. Collateral could include: a lien on your house, equipment from your business, or a bank account. If the borrower defaults, the lender has the legal right to seize the collateral and sell it to pay off the loan.

Debt: Money, goods or services that one party is obligated to pay another in accordance with an expressed or implied agreement.



Debt Service Coverage or Debt Coverage Ratio: A calculation a Lender uses to determine ability to repay a loan. This calculation is typically expressed as a ratio. Most Lenders have minimum debt service coverage requirements ranging from 1.05: 1.00 (i.e. the net income must be projected to be 5% in excess of the loan payment) to 1.25: 1.00 (i.e. the net income must be projected to be 25% in excess of the loan payment).

$$\text{DSC or DCR} = \frac{\text{Net Income (after all expenses excluding debt service)}}{\text{Total Loan Payment}} = 1.10 : 1.00$$

Default: Failure to pay a debt or meet an obligation.

Equity: Represents the difference between an asset's market value and the amount of debt or other liabilities. In terms of a child care equity that is provided through internal assets, savings, grants, individual donors, collaborative resources and other sources can be used to assist in funding some of the facilities development costs. It is best to use equity funding for the planning and predevelopment stages of developing child care facilities, while debt (loan financing) is more fitting for the real estate acquisition and construction costs incurred during the development stage.

Fees: Charges by a Lender for making the loan. Fees can include a range of costs.

Forgivable loan: A loan made with the understanding that if the borrower meets certain requirements, repayment of the loan will not be required.

Guarantee: A promise by one party to pay a debt or perform an obligation contracted by another if the original party fails to pay or perform according to a contract. Loan guarantee, or loan insurance programs are designed to make certain loans less risky for lenders, such as loans for community economic development projects and for small businesses like child care.

Interest: The cost of using loaned money, usually expressed as an annual percentage, that a lender charges a borrower for the use of the principal over time.

Interest Rate: The amount a Lender will charge for the use of their funds. Interest rates vary greatly from loan to loan and are frequently tied to industry measures such as Prime Rate. For example, if Prime Rate is 4.75%, then a "Prime Plus Two Percent" rate would mean a loan with a 6.75% interest rate.

Leasehold Improvements: Renovations to leased space to suit the renter's needs. These may be paid for either by the landlord or the tenant.

Lien: A claim a Lender may place on property in return for making a loan. If a borrower is unable to make loan payments as agreed, it gives the Lender the right to try and collect repayment of the loan through selling the borrower's property. If the lien is placed on real property such as a house, this lien is often referred to a "Mortgage" or a "Trust Deed."

Line of Credit: A set amount of money available for the Borrower to borrow as needed. The borrowed amounts are then paid back in installments determined by the Lender. A line of credit is distinct from a loan because after the money is paid back a borrower can access it and use it again, which makes it similar to a credit card.

Loan: Transaction wherein a Lender allows a Borrower the use of a sum of money for a specified period of time at a specified rate of interest.

Loan Amount: The amount of a loan is determined by how much the Borrower needs to complete the project and the Lender's assessment of the Borrower's ability to repay. Some Lenders may have minimum and maximum loan amounts.

Loan-to-Value Ratio: The ratio of money a Lender is willing to loan relative to the appraised value of the property or other security.

Mortgage: Security instrument by which the Borrower (mortgagor) gives the Lender (mortgagee) a lien on property as security for the repayment of a loan.

Operating Reserves: Funds set aside annually to be used to offset possible operating losses due to unexpectedly low revenues or unusually high expenses.

Points: An up front fee a Lender may charge for a loan, expressed as a percentage of the loan amount. "One point" equals one percentage of the loan amount. Thus, one point on a \$10,000 loan is \$100 ($\$10,000 \times .01$).

Prime Rate: The rate, as announced from time to time by commercial banks, as the prime rate. (See Interest Rate).

Principal: The original amount of money borrowed, and the amount that the Borrower must pay back, not including interest.

Term: The agreed upon period of time for which a loan is made. A loan provided for 10 years has "a 10 year term."

Note: Definitions provided by the Low Income Investment Fund and the Nonprofit Finance Fund are used in this glossary.



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