



Build**PERALTA** Academy

Build Peralta Academy
Small Business Administration Update
Surety-Bond Guarantee, PPP and loans
Wednesday, January 27, 2021



Agenda

- Welcome
- Program Overview
- Commitment to Local Businesses
- Build Peralta Academy Schedule
- Course Small Business Administration Update -
Surety-Bond Guarantee, PPP and loans
- Survey
- Closing



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Safety - Starts with Self Wellness Tips



- Exercise. Aim for at least 30 minutes of exercise daily



- Eat healthy



- Avoid mind-altering substances



- Prioritize sleep



- Build an internal locus of control



- Quiet time 10 minutes a day



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Meet
The
Team



Keith Kajiya

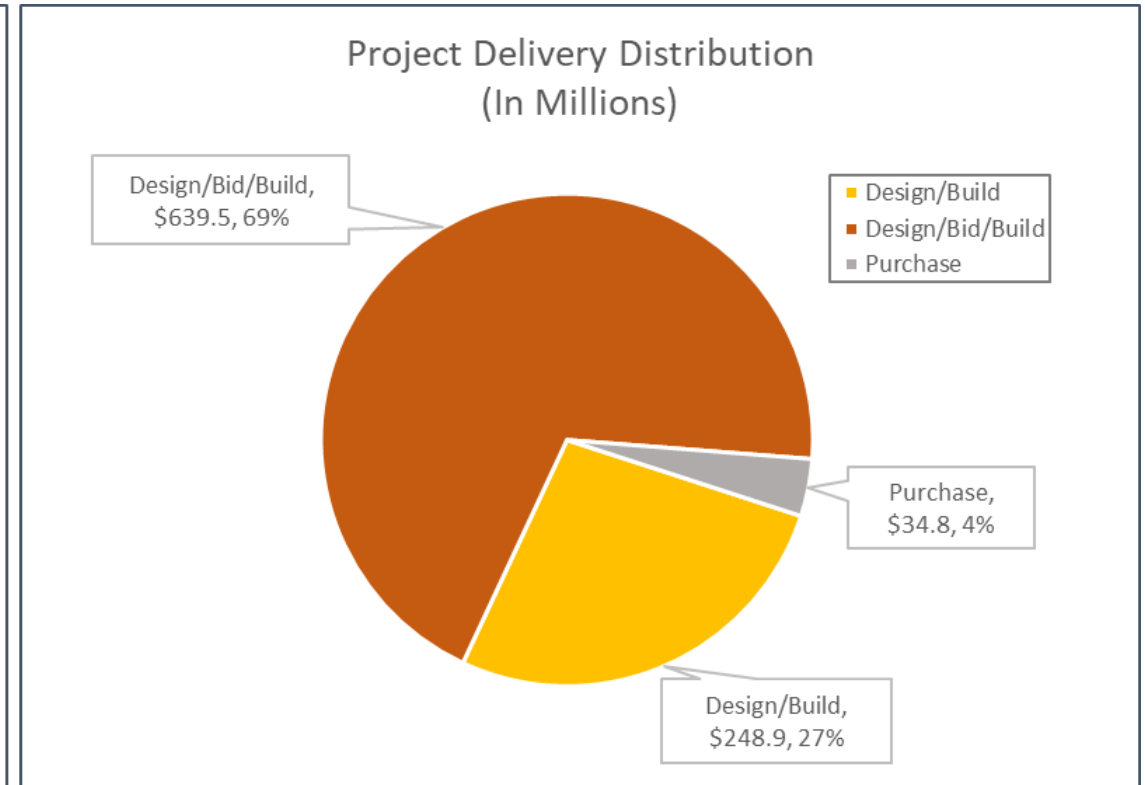
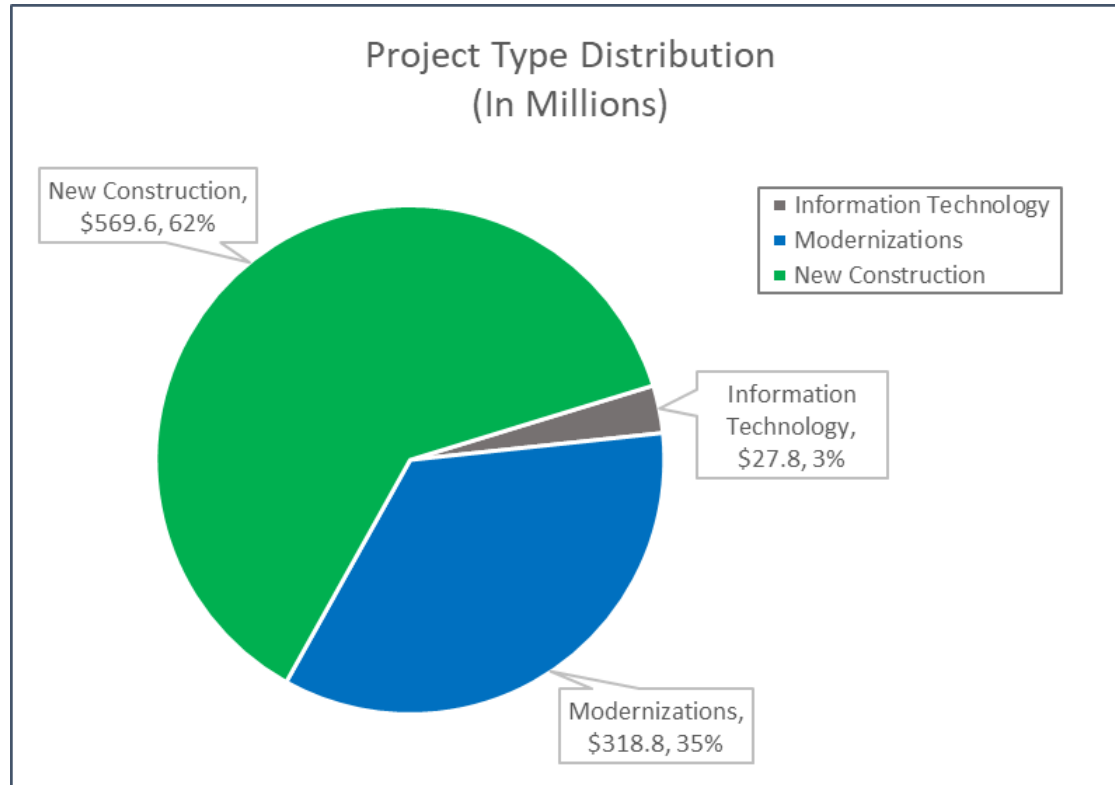
Program Manager
AECOM



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Capital Program Overview

Keith Kajiya, AECOM



Bond Program Status

\$77 Million
State Funding in Place

\$61 Million
Contract
Commitments

\$115 Million
Bonds Issued

15
Major Projects
Underway

Laney College – New Learning Resource Center *(in DSA Review)*



Merritt College – Child Development Center *(in DSA Review)*

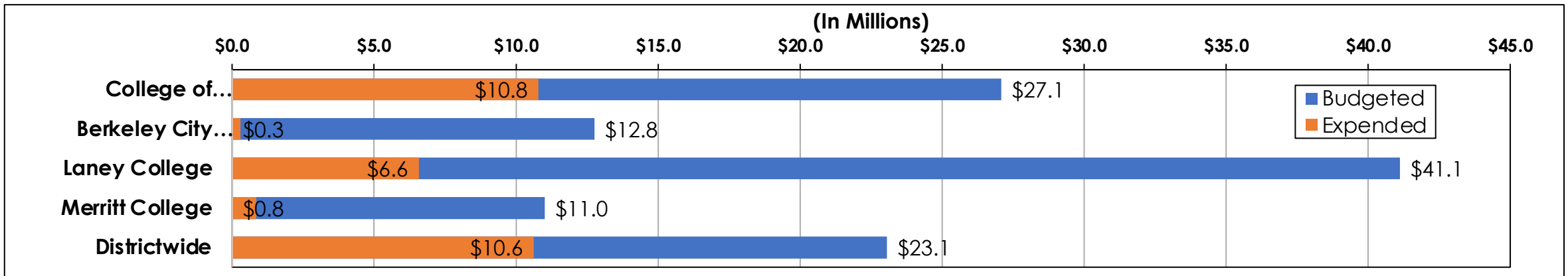


Projects Underway

¹ Expenditures as of September 30, 2020.

Campus Name	Measure G		Measure A	
	Budgeted	Expended ¹	Budgeted	Expended ¹
College of Alameda	\$10,049,390	\$409,760	\$17,025,954	\$10,367,906
Berkeley City College	\$3,210,341	\$0	\$9,542,841	\$292,709
Laney College	\$8,240,085	\$893,550	\$32,872,170	\$5,678,664
Merritt College	\$9,726,549	\$356,902	\$1,275,353	\$487,161
Districtwide	\$18,773,634	\$5,994,493	\$4,283,682	\$4,621,203

Total \$115M Allocation **\$50,000,000** **\$7,654,705** **\$65,000,000** **\$21,447,643**



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The
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Shonda Scott

CEO / Founder
360 Total Concept



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Commitment to Local Businesses

Shonda Scott, 360 Total Concept

- PCCD Small Business Policy
 - 25% Small Local Business Participation
- Certification (small business located in 6 cities in Peralta District: Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont)
 - SLBE: Revenue size has not exceeded gross annual revenue for the past 3 consecutive years
 - Construction Firms: \$8.5M > under
 - Goods Non-Professional Services Firms \$6M > under
 - A/E and Professional Services \$3M > under
 - SELBE
 - For businesses that have not exceeded revenue of \$1.5M past 3 consecutive years
- Host Outreach Meetings
- Matchmaking Sessions with Primes
- Build Peralta Academy
 - Technical Assistance Workshops



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Bonnie James

CEO
BRJ & Associates



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Build Peralta Academy Course Schedule (9 Part Series – Technical Assistance Workshops)

Course Title	Description	Instructors	Date
Developing A Safety Program During COVID19 Era	Learn The Law(s) Federal OSHA has approved California's use of its version of construction and OSHA safety	BRJ & Associates - Mark Edwards Avitus Group – Bill Kane	9/30/20
How to Bid Informally and Formally including CUPCCAA	Learn how to bid informally and formally including the CUPCCAA process, pre-qualification and other PCCD contracting procedures	PCCD – Brian Slaughter AECOM - Ray Loving	10/14/20
Small Business Guide to Access Capital; Manage Profitability and Cashflow	Learn about programs and opportunities for small businesses to achieve capital/cashflow in a COVID-19 Era, including PPP loan forgiveness	SBA - Julie Clowes Summit Bank - Tom Duryea FHLB–Kevin Blackburn PCV - Adria Moss Avitus Group - Pete Maki 360 Total Concept - Shonda Scott	10/28/20
Change Management: How to Manage Scope, Schedule & Budget	Learn the principles of planning for the identification and management of changes	PCCD Program Management/ Construction Management PM Panel: AECOM, BRJ, Kitchell, Roebblen, Swinerton	11/12/20
How to Obtain Bonding/Insurance	Learn how to obtain construction bonds and insurance for major projects and how to build bonding capacity for your company	Merriwether & Williams	11/18/20
Learn more about PCCD Small Business Program and Local Small Business Certification	Learn about PCCD's small local business program and how to get certified with local agencies	PCCD - Atheria Smith City of Oakland - Ernestine Nettles Port of Oakland - Ramona Dixon 360 Total Concept - Shonda Scott	12/09/20
How to Prepare Estimate	Learn the principles of how to prepare a construction estimate	AECOM - Peter Morris	12/16/20
Scheduling 101 - How to Prepare A Schedule	Learn the basics about project schedules: from critical path method to work breakdown structure and everything in between	AECOM - Craig Olsen	1/13/21
Small Business Administration Update - Surety-Bond Guarantee, PPP and loans	This course will provide details on SBA programs and they benefit small, local firms interested in working on public sector projects.	SBA - Julie Clowes	1/27/21



Meet
The
Expert



Julie Clowes

District Director
SBA San Francisco District Office



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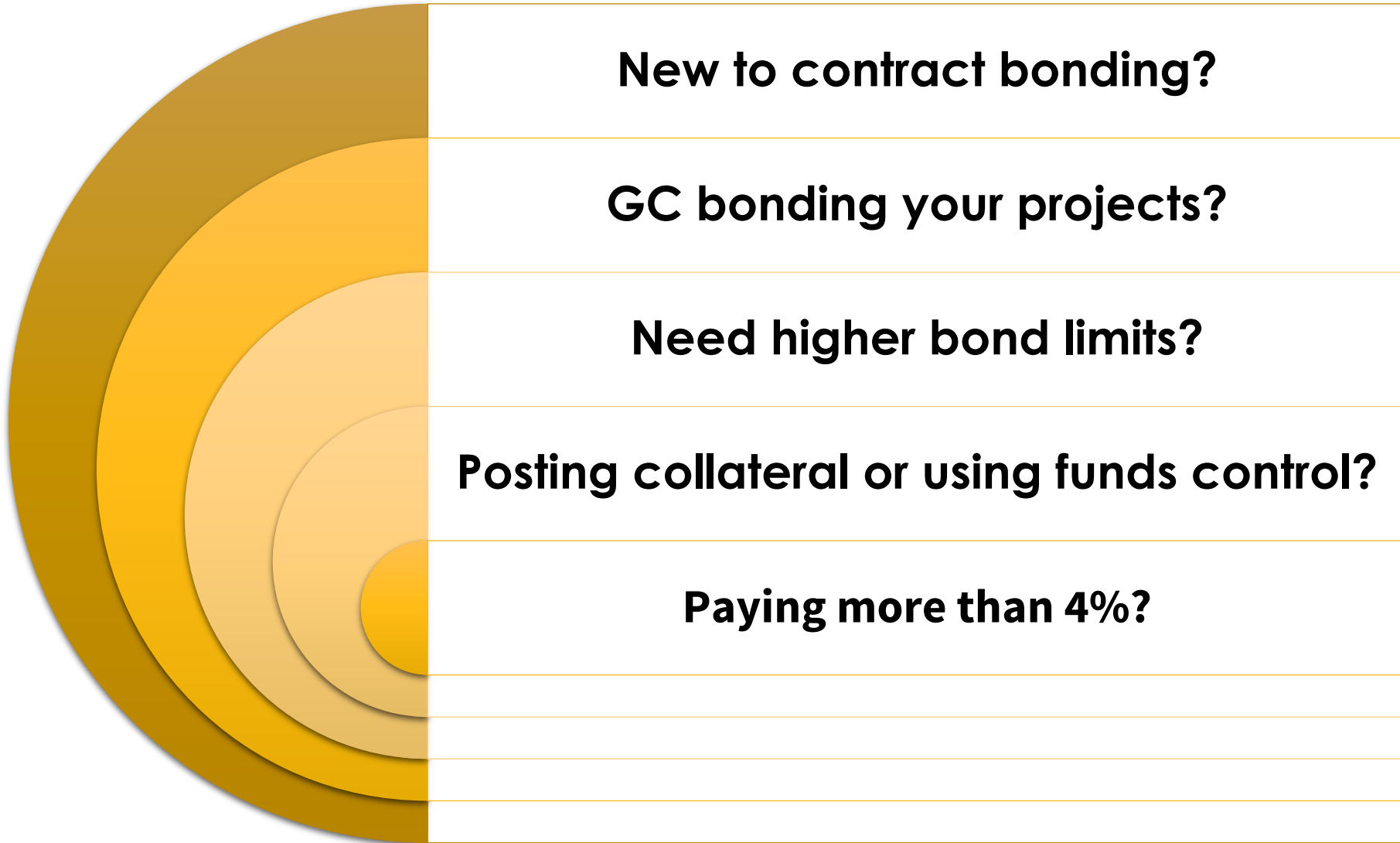


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Surety Bond Guarantee Program

**“We Open Doors to
Bonding” for Small Business**

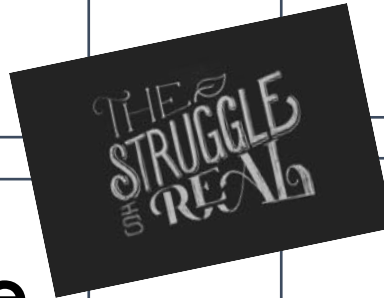
“We Open Doors to Bonding”



The Small Business Struggle

License & permit bonds differ from contract bonds

Contract surety bonds are a form of credit



Sureties underwrite each bond for capital, credit & capacity

Small businesses may struggle to qualify

SBA Surety Bond Guarantee Program



**SBA's
guarantee
provides your
small
business
contracting
opportunities**



**Construction, service, supply &
manufacturing firms**

- New & emerging
- Limited financial resources
- Internal financial statements
- Need current bond limits increased
- Subcontractors establishing prime bonding



The SBA Advantage!

Available bank
line of credit =
more working
capital

Working Capital +
Available BLOC =
More Bonding Capacity

Total bonding
capacity typically
doubles

Internally
prepared financial
statements
accepted

Eligibility



Be small by SBA size standards



Have a contract up to \$10 million requiring bonds



Pass evaluation



QuickApp

**Obtain
Contract Bonds
Up to \$400,000
Quickly &
Easily!**

**Approvals
in hours**

**No
financials
for SBA**

**Easy
qualification**

**Limitations
&
exclusions
apply**





What Do I Need to Apply?

**Business financial
statements last 3
years**

**Owners' personal
financial
statement**

**Bank reference
letter**

**SBA Form 912
Statement of
Personal History**

**SBA Form 994
Application for
Surety Bond
Guarantee
Assistance**

Counting the Cost



Both costs typically reimbursable by project owner



SBA Contractor's Fee

.6% of contract amount

(reduced from .729% effective 10/1/18)



Surety's Bond Premium

1.5% - 3% of contract amount

The Application Process



Program Partners



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We partner with 35 surety companies and over 350 agents





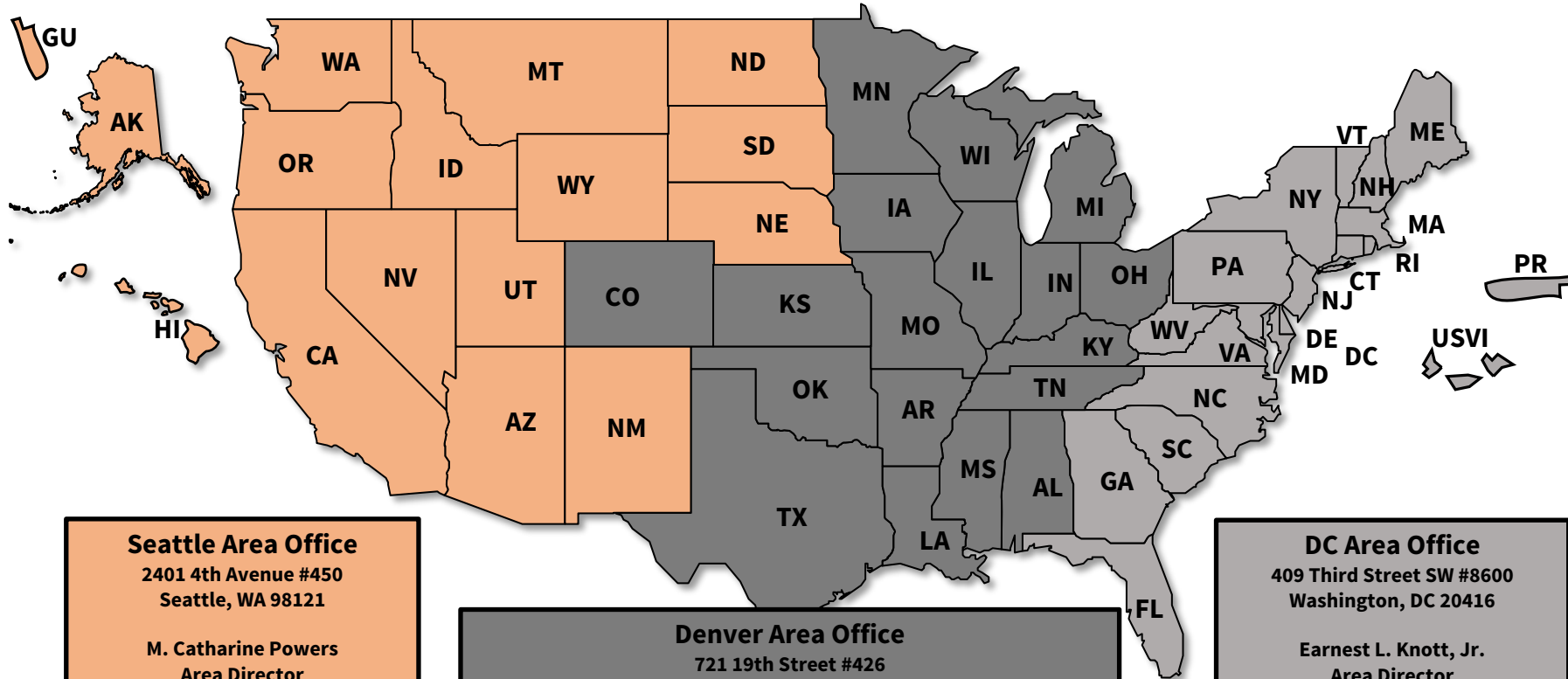
Contact an SBA Authorized Bond Agent



www.sba.gov/osg

SBG Program Offices

"We Open Doors to Bonding"



Seattle Area Office
2401 4th Avenue #450
Seattle, WA 98121

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Kevin Valdes
Underwriting Marketing Specialist
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Jennifer Vigil Area Director (303) 927-3489 jennifer.vigil@sba.gov	Tamara E. Murray Underwriting Marketing Specialist (303) 927-3479 tamara.murray@sba.gov
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COVID Financial Assistance Available

Information current as of 1/25/21

- Debt Deferral and Relief:
 - Deferring payments on existing non-COVID disaster loans thru 3/31/21
 - Reflected in monthly notice
 - SBA Debt Relief Program – extended
- Loans and Grants:
 - Economic Injury Disaster Loan (EIDL) –open thru 12/31/21
 - Targeted EIDL Grant – coming soon
 - PPP – open to all lenders 1/19/21
 - Shuttered Venue Operators grant – NEW - coming soon
 - Live venue operators, promoters, theatrical producers, live performing arts organization operators, museum operators, motion picture theatre operators or talent representatives
 - [Shuttered Venue Operators Grant \(sba.gov\)](https://www.sba.gov)



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U.S. Small Business
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Paycheck Protection Program Re-Launch Overview

This presentation provides a general overview of the PPP related to provisions in the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the Economic Aid Act). In the event of any inconsistency between this presentation and the Economic Aid Act, the PPP Flexibility Act of 2020, the CARES Act, PPP IFRs, PPP FAQs, PPP Application Forms and Instructions, and other PPP guidance (together, official guidance), the official guidance governs.

Information Current as of 1/14/21 – Visit www.sba.gov/ppp for the most up-to-date information.

Agenda

- 1 Where We Are / Key Dates
- 2 First Draw PPP Loans
- 3 Second Draw PPP Loans
- 4 Forgiveness Updates
- 5 What to do Now / Additional Resources





Congress intended this round of PPP to increase access to COVID relief funding for the hardest-hit small businesses and those in underserved segments, including women, minorities & veterans. In response, the SBA is:

- Initially opening PPP loan applications to submissions from Community Financial Institutions, which serve underserved communities.
- Leveraging its Lender Match platform so borrowers can find these and other participating PPP lenders.
- Continuing to provide trainings, materials and assistance via SBA field offices and its resource partners across the country.

Where We Are



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Paycheck Protection Program Key 2021 Dates

- **Jan. 11:** PPP opened for First Draw PPP loan applications from Community Financial Institutions
- **Jan. 13:** PPP opened for Second Draw PPP loan applications from CFIs
- **Jan. 15:** PPP opens for First and Second Draw applications to lending institutions with \$1 billion or less in assets
- **Jan. 19:** PPP opens First and Second Draw applications to all other participating lending institutions
- **March 31:** All PPP applications must be submitted

What is a CFI?

Community Financial Institutions include:

- Community Development Financial Institutions
- Minority Depository Institutions
- Certified Development Companies
- Microloan Intermediaries



What is a First Draw PPP Loan?

For eligible applicants that did not receive a PPP loan prior to Aug. 9, 2020

- PPP loan eligibility now includes additional types of entities.
- Covered eligible expenses are expanded.
- Borrowers can now select a covered period to use PPP loan proceeds anytime between 8 and 24 weeks after disbursement.
- Certain borrowers may request an increase to their original PPP loan amount.
- Must apply **on or before March 31, 2021**, or until Congressional appropriations expire.



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First Draw PPP Loan Eligibility

Must comply with size standards, eligibility criteria & certain limitations

Newly Eligible

- Housing cooperatives
- Destination marketing organizations
- Certain 501 (c)(6) organizations such as Chambers of Commerce
- Eligible news organizations

Still Eligible

- Business entities (e.g., partnerships, corporations, LLCs)
- Sole proprietors, independent contractors, self-employed individuals
- 501 (c)(3) non-profit organizations
- 501 (c)(19) Veterans organization
- Tribal businesses



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What is a Second Draw PPP Loan?

For borrowers that previously received a PPP loan, have 300 employees or less, and suffered a 25% reduction in gross receipts

- For most borrowers, the maximum loan amount of a Second Draw PPP loan is 2.5x average monthly 2019 or 2020 payroll costs, up to \$2 million.
- For borrowers in the Accommodation and Food Services sector (NAICS 72), the maximum loan amount for a Second Draw PPP loan is 3.5x average monthly 2019 or 2020 payroll costs, up to \$2 million.
- Second Draw PPP loan applicants must submit the information on **SBA Form 2483-SD** (Borrower Application) when applying to their lender.



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Second Draw PPP Loan Eligibility

Must have previously received a First Draw PPP loan

Additional Eligibility Criteria

- Has used or will use the full First Draw PPP loan amount only for eligible expenses before the PPP Second Draw Loan is disbursed
- Has no more than 300 employees
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.



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PPP Loan Forgiveness

Borrowers must apply for forgiveness through their lender; lenders submit borrower forgiveness decisions to the SBA

Updates per the Economic Aid Act

- EIDL Advances are no longer deducted from forgiveness payment.
- Forgiven PPP loans are not taxable income; expenses paid with PPP loan funds are now tax deductible; **consult the IRS** for details
- Expanded forgivable expenses are permissible for any PPP loan not already forgiven.
- Simplified forgiveness application for PPP loans \$150,000 and under.



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AECOM

PPP – Forms and Guidance

Find all forms and guidance @ [SBA.gov/ppp](https://www.sba.gov/ppp)

- 1st Draw Loans
 - Form 2483 1st Draw Borrower Application
 - How to Calculate 1st Draw Loan Amount and Documentation
- 2nd Draw Loans
 - Form 2483-SD 2nd Draw Borrower Application
 - How to Calculate Revenue Reduction and Max Amount
- PPP Guidance and Resources
 - IFR #1 - PPP as Amended by Economic Aid Act
 - IFR #2 – PPP Second Draw Loans
 - IFR #3 – PPP Loan Forgiveness Requirements



SBA Resources



- **San Francisco District Office**
 - Email: SFOMail@sba.gov
 - Call (415) 744-6820 and leave a message
 - Sign up for our newsletter on [SBA.gov/ca/sf](https://www.sba.gov/ca/sf)
 - Follow us on Twitter: @SBA_SF
- **SF Resource Guide** – Lists local resource partners/SBA lenders
 - <https://www.sba.gov/sites/default/files/files/resourceguide3102.pdf>
- Our Resource Partners, **SBDC, SCORE, WBC, VBOC**, are ready to help with free business advising.
 - NorCal SBDC Financing Team: 833-ASK-SBDC or loans@asksbdc.com
- **SBA's Customer Service Center** (for EIDL only)
 - 1-800-659-2955 / 1-800-877-8339 (TTY)
 - Email: disastercustomerservice@sba.gov
- **PPP Loan Application and Forgiveness Information**
 - <https://www.sba.gov/ppp>



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QUESTIONS?





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Build Peralta Bond Program Contact Information

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