



NEWS RELEASE

FOR IMMEDIATE RELEASE:
Thursday, July 16, 2020

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City Revises Small Business Micro Loan Program Guidelines

STOCKTON, Calif. – The Stockton City Council passed a resolution on June 6, 2020, revising the existing Small Business Micro Loan Program guidelines. The program is designed to financially assist small businesses by helping to retain existing jobs, creating new jobs, and stimulating the local economy. It is an existing loan program and not emergency relief grant funding.

Program revisions include:

- Expanding eligible business activities to include rent, utilities, and supplies.
- Increasing maximum loan to \$35,000.
- Interest and payments deferred for the first six (6) months.
- A fixed interest rate of 2-4% (depending on credit standing) for the term of the loan.
- \$50 application fee temporarily waived now through December 31, 2020.
- Loans exceeding \$20,000 will require collateral (collateral previously required for loans over \$10,000).
- Quicker application process.
- Tax returns no longer required.

Eligible businesses must be located within the city limits of Stockton. The Small

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Business Micro Loan program is funded through the US Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program. Participating businesses must meet HUD guidelines and create or retain at least one full- time job for a person who qualifies as moderate to low-income and documentation is required. Micro Loans are reimbursement style loans. Only purchases made after a fully executed agreement are eligible for reimbursement.

For more information about programs offered through the City of Stockton Economic Development Department, please visit www.stocktonca.gov/EDD or call (209) 937-8539.

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