



Financial Resources for Businesses

Businesses throughout Salem, especially small businesses, have been impacted by the effects of the Coronavirus pandemic. To help lessen the strain, businesses can take advantage of a variety of local, state and federal assistance programs and grants.

The following is a list of important financial resources that are available for small businesses in need of extra support at this time. We will add resources as we become aware of them.

If you would like to share information about a financial resource that is not listed, please contact [Kate Newhall-Smith](#).

To access the information, please click on the name of the resource.

Local Financial Resources

City of Salem, Microenterprise and Small Business Relief Assistance Grant

The information and application for the program will be posted on www.salem.com/COVIDBizAssist.

City of Salem Notice Regarding Bill Payments

Under “An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19,” Chapter 53 of the Acts of 2020, the City of Salem has adopted local options to extend due dates for real and personal property tax payments and applications for exemptions and a waiver of interest on certain municipal tax and other bills paid by June 30, 2020. [Click here](#) for more information.

Federal Financial Resources

A Small Business Resource Guide to the CARES Act

This guide provides information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as some additional tax provisions that are outside the scope of SBA.

Employee Retention Tax Credit (CARES Act)

The Employee Retention Credit is a fully refundable tax credit for employers equal to 50 percent of qualified wages (including allocable qualified health plan expenses) that Eligible Employers pay their employees. This Employee Retention Credit applies to qualified wages paid after March 12, 2020, and before January 1, 2021. The maximum amount of qualified wages taken into account with respect to each employee for all calendar quarters is \$10,000, so that the maximum credit for an Eligible Employer for qualified wages paid to any employee is \$5,000.

[Paycheck Protection Program](#) (CARES Act)

These loans will be available through approved lenders - check in with your bank to get the process started. A portion of this loan can be forgiven.

Eligibility: Small businesses (under 500 employees), nonprofits, sole proprietors, independent contractors, self-employed persons, and tribal businesses are able to apply.

There is no personal guarantee, collateral, or proof that applicants were unable to access credit elsewhere in order to apply.

Applicants can borrow up to 2.5x the average monthly payroll costs, not to exceed \$10M.

Borrowers can also have their loan forgiven equal to the amount the borrower spent on payroll, interest on mortgages, rent, payments on utilities, and extra wages to tipped employees in addition in the eight-week period following the loan origination. This is altered based on whether there is a reduction of employees.

[Economic Injury Disaster Loan](#) (EIDL) Program from the SBA

These low-interest loans are available for Massachusetts businesses affected by novel coronavirus.

Applicants can use these funds to pay for expenses that could have been met had the coronavirus disaster not occurred, including payroll and operating expenses.

Eligibility: Businesses with under 500 employees, sole proprietors, independent contractors, cooperatives and employee-owned businesses, tribal small businesses, and most private nonprofits.

[Economic Injury Disaster Loan Advance](#) from the SBA

Applicants can also request an emergency advance as part of their application for an EIDL. This advance, up to \$10,000, can be available within three days, does not need to be repaid, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

[Express Bridge Loans](#) from the SBA

The Express Bridge Loan Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loans or used to bridge the gap while applying for a direct SBA Economic Injury Disaster loan. If a small business has an urgent need for cash and is waiting for decision and on an Economic Injury Disaster Loan, it may qualify for an SBA Express Disaster Bridge Loan.

[SBA Debt Relief](#)

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

[Main Street Lending Program](#)

The Main Street Lending Program will help mid-size companies in America receive funds to maintain operations and keep workers employed. Financing is in the form of a 4-year loan to companies employing up to 10,000 workers with revenues of less than \$2.5 billion. Principal and interest payments will be deferred for one year.

Non-Governmental Financial Resources

The City is happy to share this information with you but has not vetted these programs to determine their effectiveness or security. Please exercise appropriate caution when dealing with private company or grassroots initiatives.

[Accion Small Business Loans](#)

Accion is a nonprofit, community organization dedicated to helping business owners who have trouble finding loans elsewhere. Loans from \$300 to \$1,000,000. Interest rates range up to 15.99% and terms range up to 60 months.

[Bartender Emergency Assistance Program](#)

Operated by United States Bartenders Guild (USBG) National Charity Foundation. Emergency grants for bartenders, their spouses, or their children. Grants are paid directly to recipients who have shown immediate hardship due to COVID-19 within 4- to 6-weeks of approval.

[Essex County Community Foundation \(ECCF\)](#)

ECCF created the Essex County COVID-19 Response Fund. Seeded by \$200,000 from ECCF, the fund provides financial resources to nonprofit organizations working with communities that are disproportionately impacted by COVID-19 and the economic consequences of the outbreak.

[Facebook Small Business Grants Program](#)

Facebook is offering \$100M in cash grants and ad credits for up to 30,000 eligible small businesses in over 30 countries where we operate.

[Fundbox](#)

Fundbox provides advanced payments for unpaid customer invoices or direct lines of credit. Lines of credit have a 12- or 24-week repayment, with funds deposited in one or two business days. Fundbox's Net Terms financing is a trade credit/vendor credit system for B2B businesses. Businesses are paid right away and Fundbox assumes the role of collecting payment from the customer.

[GoFundMe.org Small Business Relief Fund](#)

This \$1.5 million fund will provide micro-grants to qualifying small businesses negatively impacted by the COVID-19 pandemic. GoFundMe will issue matching grants of up to \$500 until the fund is depleted.

[Hello Alice](#)

A platform that is compiling additional funding sources daily.

[Honeycomb Crowdfunded Small Business Relief Loan](#)

Community-sourced loans, up to \$25,000, for small businesses impacted by COVID-19. Honeycomb is offering 45-day payment free periods, six months interest-only periods, and reduced posting/investor fees.

[Kabbage](#)

Kabbage is an online vendor that offers small business loans in the form of short-term lines of credit. Flexible credit lines up to \$250,000 with repayment terms of six, twelve, or eighteen months, 1.5% - 10% variable interest rates.

[Mainvest](#)

Existing brick-and-mortar businesses that have been negatively affected by COVID-19 outbreak, and who [launch a capital raise campaign](#) on Mainvest, may be eligible to receive a \$2,000 zero-interest loan immediately. Successful capital raise campaigns may yield over \$100,000 in total community investment.

[Massachusetts Growth Capital Corporation \(MGCC\)](#)

MGCC operates a Small Business Recovery Loan Fund. Due to a lack of available federal funds, this program is closed for now. However, if more funding becomes available, this could be an additional resource for small businesses.

[OnDeck](#)

OnDeck provides same-day term loans from three months to three years for short-term financing needs as well as business lines of credit.

[Opportunity Fund Small Business Relief Loans](#)

This loan fund aims to raise support for small businesses impacted by COVID-19 crisis and who many not qualify for traditional financing. Funds may be used for working capital, equipment purchases, tenant improvements, commercial vehicle purchases (excluding ride share cars), debt refinancing, opening a new location, purchasing another business, and more.

[Quickbooks Capital](#)

Loan funding for QuickBooks small business customers by reviewing business history within QuickBooks, transactions within business bank accounts, personal and business credit history, and current liabilities.

[Restaurant Strong Program](#)

The Greg Hill Foundation has teamed up with Samuel Adams to support those from the Massachusetts restaurant industry who have been impacted by the Covid-19 closures.

[Verizon Small Business Recovery Fund](#)

LISC will use the Verizon funding to provide grants of up to \$10,000 to businesses facing immediate financial pressure because of COVID-19—especially entrepreneurs of color, women-owned businesses and other enterprises in historically underserved communities who don't have access to flexible, affordable capital.