



U.S. Small Business  
Administration

**Businesses ■ Homeowners ■ Renters ■ Nonprofits**



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# DISASTER RECOVERY & RESILIENCE – Hurricane Beryl



# SBA's Disaster Loan Programs

**SBA offers low-interest loans to businesses of all sizes, nonprofits, homeowners and renters not covered by insurance or other recovery funds**



**Business and Home Loans for disaster losses**

# SBA Disaster Loan Limits

Types of Loans	Borrowers	Purpose	Max. Amount
Business Loans	Businesses and private nonprofits	Repair or replace real estate, inventory, equipment, etc.	\$2 million *
Economic Injury Loans	Small businesses and private nonprofits	Working capital loans	\$2 million *
Home Loans	Homeowners	Repair or replace primary residence	\$500,000
Home Loans	Homeowners and renters	Repair or replace personal property	\$100,000
Mitigation	Businesses, private nonprofits and homeowners.	Mitigate future loss of the ANY type	20% of verified physical damage. Homeowners limited to \$500,000.

**\*The maximum business loan is \$2 million, unless the business qualifies as a Major Source of Employment (MSE).**

# HURRICANE BERYL

***Incident Period: July 5 - July 9, 2024***

***Application Filing Deadlines:***

***Physical Damage: Sept. 10, 2024***

***Economic Injury: April 14, 2025***

Interest rates:

- **Homeowners - Renters -** As low as **2.688% Fixed**
- **Businesses -** As low as **4.00 % Fixed**
- **Nonprofit organizations** **3.25% Fixed**
- **No** cost to apply - **No** Pre-Payment Penalty - **No** Obligation to borrow
- **Term:** 30 Year Maximum

**Interest does not begin to accrue until 12 months from the date of the first disaster loan disbursement.  
SBA disaster loan repayment begins 12 months from the date of the first disbursement**

# DISASTER RECOVERY & RESILIENCE

## What we do

The U.S. Small Business Administration (SBA) is undergoing the greatest transformation for disaster relief in the agency's 70-year history. By transforming the Office of Disaster Assistance into the Office of Disaster Recovery & Resilience (ODR&R), SBA is tying recovery to resilience so small businesses can grow, local economies can thrive, and people can prosper.

The newly reimagined office that moves from a lend-and-leave model to a whole-of-SBA enterprise, coordinating agency-wide relief to businesses, individuals, and private non-profits as they face increasingly catastrophic and frequent natural disasters with intensifying complexity and scope.

Under the Biden-Harris Administration, SBA has responded to **409** disaster declarations and approved more than **\$6,499,687,008** low-interest, long-term disaster loans.





# DISASTER RECOVERY & RESILIENCE

## Customer first, technology forward

Through a right people, right jobs approach and applying lessons from COVID, disaster relief is now more accessible and equitable. To help disaster survivors pivot and adapt to the tremendous financial and life-altering impacts of climate change, SBA:

- **Increased Loan Limits for Primary Residence:** \$200,000 to \$500,000 for real estate repair or replacement, refinancing, and mitigation for home disaster loans.
- **Increased Loan Limits for Personal Property:** \$40,000 to \$100,000 for replacement of clothing, furniture, appliances, automobiles, and more for home disaster loans.
- **Increased the Initial Payment Deferral Period:** Defers the first payment for 12 months with no interest accrued for all disaster loans. This removes the burden for disaster survivors to begin making payments before communities rebuild and recover.
- **Mitigation Disaster Loans:** Eliminates a restriction on property owners to only use disaster loan funds to mitigate a "similar" disaster event. This gives property owners more options to mitigate against future damage from different types of disasters.
- **Unified Lending Platform:** On January 9, we officially retired the Disaster Credit Management system (DCMS), and all new disaster loans are now being processed in the MySBA Unified Lending Platform. This marks the culmination one of the administrator's a priority projects to integrate the Direct and Guaranty Lending platforms and create synergies between SBA's lending policies, processes, and delivery.
- **Removing Barriers:** FEMA is removing the requirement that survivors apply for an SBA loan before being considered for certain types of financial assistance. Previously, FEMA required survivors apply for SBA loans before receiving assistance for personal property and other non-housing losses.
- **Scheduling Tool:** At SBA recovery center, Customer Service Representatives are available to assist with inquiries, guide through the SBA Disaster Loan applications process, aid in document upload, check applications status, and offer support for reconsideration requests. To access the scheduling tool visit: [appointment.sba.gov](https://appointment.sba.gov).

# DISASTER RECOVERY and RESILIENCE

## Giving governors paths for more assistance, more often, and quicker than ever

SBA now has a stronger role in supporting federally coordinated disaster preparedness, response, recovery, planning, and economic resilience activities.

- **The Disaster Assistance for Rural Communities Act:** Simplifies the process for disaster relief in rural communities. Prior to this, a declaration required damage to at least 25 structures and now only requires only one damaged property in a rural area when the county has received a major disaster declaration that does not include individual assistance.
  - **14 declarations totaling \$11,210,900 offered, with \$6,277,178 disbursed.**
- **Rapid Declaration Process:** Launched in 2024, the new process enables SBA to issue an agency declaration prior to a final determination from FEMA on a major declaration request. This cuts by potentially weeks or months the time disaster survivors wait for relief when it is uncertain if the damage threshold was met for a major disaster declaration.
- **Gun Violence Emergency Response:** With the unique ability among federal agencies to declare for human caused events, civil unrest, and gun violence, SBA is leaning into its responsibility to help small businesses recover from the economic impacts of these tragedies.
  - Under the Biden Harris Administration SBA has issued governor certifications to respond to gun violence incidents:
  - In 2023, the Monterrey Park Parade shooting saw \$595,300 approved.
  - The 2022 Highland Park Parade shooting had \$1,164,800 approved.
- **Coordinating Across Federal Agencies:** Supporting Secretary of Agriculture disaster declarations for drought and excessive heat, SBA is leveraging previously underutilized programs for eligible farm-related and non-farm related entities suffering from impacts from climate change, including businesses in tourism and aquaculture.
- **Expanded Economic Injury Disaster Lending:** Using every authority and flexibility available to provide relief to small businesses even when they are not physically damaged. SBA has led economic recovery for businesses in by declaring disasters like the Louisiana drought affecting crawfish production, the Francis Scott Key bridge collapse, and multiple highway infrastructure closures like the I-95 collapse in Pennsylvania.
- **Cutting Red Tape:** SBA has waived requirements that governors identify five businesses in each county for a statewide governor certification, allowing disaster relief to hit the ground in days instead of weeks.





# DISASTER RECOVERY AND RESILIENCE

## Leading from the ground up to support county and city officials

County executives, mayors, and local officials know their communities best. SBA's reimagined leading from the ground up approach positions recovery efforts to be better aligned with local priorities to tailor federal response efforts to the unique needs of each community.

- **Local Outreach and Engagement:** Tearing down silos, SBA is engaging community leaders, non-profits, and the whole of community to make disaster assistance more accessible.
- **Site Selections for Recovery Centers:** In addition to investing in data to better identify impacted neighborhoods, SBA now relies on local officials to identify where recovery centers can make the most impact.
- **Building Stronger Partnerships:** Through formal agreements with **Big City Emergency Managers and the Private Sector Emergency Management Association**, SBA is building capacity and expertise to support small businesses that drive local economies.
- **Mobility, Flexibility, and Inclusion:** Portable Loan Outreach Centers (PLOC) go into hard-to-reach communities. PLOCs are lightweight, mobile deployable systems that enable rapid response to some of the most damaged and vulnerable locations, where traditional recovery centers may be unavailable.



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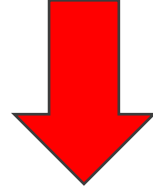
# Eligibility : Who can apply for an SBA disaster loan?



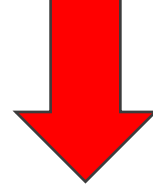
*Renters*



*Homeowners*



*Private Nonprofits*



*Businesses*

*You must be located in a [declared disaster area](#) and meet other eligibility criteria depending on the type of loan.*

# We encourage all affected to apply!!

## RENTERS

- Repair or replace personal property
- Repair or replace automobile
- Covers Insurance deductible
- Maximum Loan Amount is \$100,000

## HOMEOWNERS

- Repair or replace real-estate
- Repair or replace personal property
- Repair or replace automobiles
- Covers Insurance deductible
- Can be used for debris Removal
- Relocation case by case basis
- Refinance case by case basis
- Maximum Loan Amount is \$500,000

# Private Nonprofits and Businesses

## **BUSINESS LOANS – Physical Damages – PD**

- Repair or replace real- estate
- Repair or replace inventory
- Repair or replace machinery
- Repair or replace equipment
- All other physical losses
- Debris Removal
- Insurance deductibles
- Max Loan Amt is \$2 million – split between PD and EI

## **ECONOMIC INJURY DISASTER LOAN- EI**

- Operating expenses such as
- Payroll
- Monthly lease obligations
- Mortgage payments – Rent
- Accounts payable



# Protect Your Property from Future Disasters

*SBA can offer up to 20% of the total loss for mitigative measures **for all perils** which is a new rule that allows for not just the current peril of this disaster.*

- **Wind/Tornado Mitigation**

- Brace/upgrade to wind-rated garage doors
- Install hurricane roof straps
- Upgrade to pressure-rated windows
- Install safe rooms or storm shelters

- **Flood Mitigation**

- Seal your roof deck
- Elevate structures
- Add a sump pump
- Relocate outside flood plain
- Landscape property to improve water run off & drainage

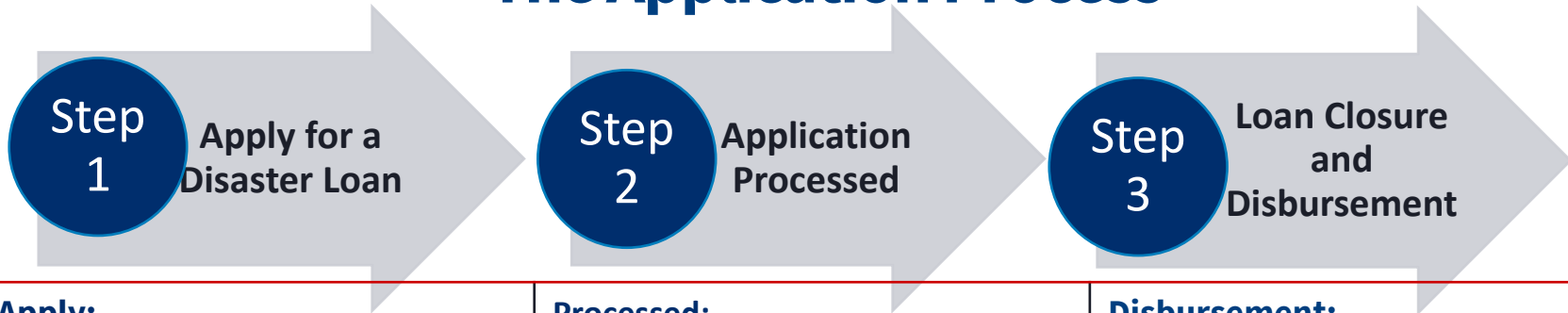
- **Wildfire Mitigation**

- Install a Class A fire-rated roof
- Remove roof and gutter debris that can be ignited by airborne embers

- **Earthquake Mitigation**

- Install window film to prevent shattered glass injuries.
- Anchor roof-top mounted equipment

# The Application Process



## Apply:

- Applications for disaster loans may be submitted online using the MySBA Loan Portal at <https://lending.sba.gov> or other locally announced locations - apply at your nearest recovery center location.

## Processed:

- Application packages and required documents (including credit and income information) will be reviewed for completeness.
- Eligible applications are sent to SBA's loss verification team and property inspections may be necessary to decide the total physical damage.
- A loan officer takes over your case to work with you to receive any additional information, review insurance or other recoveries, and recommend a loan amount.

## Disbursement:

- After receipt of the signed documents, an initial disbursement, up to the following amounts, will be made within 5 business days: up to \$25,000 for physical damage; up to \$25,000 for economic injury (working capital), which can be in addition to the physical damage disbursement for eligible businesses



# SBA Business – Disaster Recovery Center

**SBA Customer Service Representatives (CSRs) are staffed in all Disaster Recovery Centers alongside FEMA operating under the same hours**

## **CSRs are available to:**

- Answer all loan program questions
- Explain the application process and assist with completion of your application
- Assist with loan reconsideration or reacceptance



**CSRs are currently staffed throughout the Disaster Recovery Centers & Business Recovery Centers**

## Must Know Facts

- Recovery Loans creates 5 jobs post disaster
- Money is disbursed in stages- percentage of completion
- Flood Insurance must be purchased separately
- SBA is not in competition with Banks – Credit Unions – SBA supports their loan portfolios
- Average revenue increase for business the following year after borrowings is 5%\*
- Uncertainty creates risks- SBA lending removes that risk in the community
- SBA is a cash flow lender and will take junior lien collateral positions

\*According to Temple University Study

# Did You Know

- **From 1980 - 2010 # of natural disasters with more than \$1 billion in Inflation Adjusted Damages was about 2-3 a year**
- **The number is more than 25 as of 2023 – NOAA**
- **According to Axios – EI for Beryl is \$28 – 32 Billion**
- **25% of Business that stayed closed for the first 5 days of a disaster has a 90% probability of failure in the 1<sup>st</sup> year.**
- **According to Entergy – Average turn around time is 7 days**

# **SBA Office of Disaster Recovery & Resilience**

For more information about  
SBA disaster assistance programs, go to:

[SBA.gov/disaster](https://www.sba.gov/disaster)

SBA's Customer Service Center at:  
1-800-659-2955

## **Local Contacts:**

Susheel Kumar – Primary Contact – 916-878-1495

# Questions

