



Dear Ballard Alliance Members and Partners -

I know many of our Ballard business owners are examining their financial situation in light of the slowdown in economic activity. This is a difficult task and we'd like to provide some guidance and resources.

WaFd Special Offer

WaFd Bank is offering a 5-year business line of credit with 90 days interest free to businesses affected by COVID-19. Businesses who have seen a 10% or greater drop in revenues can apply to receive up to \$200,000 on business lines of credit with 90 days interest-free. Additionally, WaFd will be expediting the process for lines up to \$30,000.

[Click here](#) for more details and access to the online application.

Small Business Administration Update

The Small Business Administration has enacted a disaster loan program for businesses and non-profit organizations impacted by the COVID-19 slow down to the economy. These loans may be used to fund payroll, fixed debts, accounts payable, and other bills that can't be paid because of the disaster's impact. Unlike most SBA loans these are not made by the bank but are coming directly from SBA.

IMPORTANT: This program is still being developed and you cannot submit an application just yet. However, here's what you can do to get started:

- Start at the [SBA website](#)
- If you have not visited the site before you'll need to create an information, choose a username and password to get into the site
- Complete the information requested
- Please complete [this form](#) and send it to kc.eec@kingcounty.gov
- King County collects the forms and sends them to Olympia where they are reviewed and forwarded to the SBA. This helps the SBA track the number of businesses impacted by the event. As a reminder, this is just a preliminary assessment to show need. Once the SBA decides that relief is necessary and warranted in Washington, businesses will need to apply for the program directly.

Tips for Talking With Your Lender About Existing Loans or Lines of Credit

The following tips and recommendations will empower you to have a more effective discussion with your lender about existing loans and lines of credit. If you anticipate having trouble making payments, consider these steps:

1. Reach out to your bank early
2. Your lender will probably ask for some financial documents:

- 2018 and 2019 P&L and Balance Sheet
- 2018 Business and Personal Taxes

3. Let your lender know how your year-over-year sales figures look through February and since March 1. January - February of this year will likely look similar to last year. However March 1-15, 2019 will probably look a lot better than March 1-15, 2020. Be prepared to show your lender how much business has dropped off in the past three weeks.

4. If your business bills on terms - and you have accounts receivable - bring your most recent aging report so the lender can see the cash flow you anticipate coming in, even if it will take longer than normal to collect.

5. Have a plan. Let your lender know what you are intending to do to address this difficult time. If you can make partial payments, make payments after a few months, or make interest-only payments let them know.

6. Lenders will be having this same conversation with many clients, if you do the heavy lifting for them and let them know what you can do, they will be able to present your case much faster than someone who has no plan and just says "Let me know what you can do".

7. If you have a credit card - Call the number on the back of the card and say you need to talk to someone about making payment arrangements. They may direct you back to your banker or they may be able to help right away.

Special thanks to our Ballard Alliance finance committee members for helping to gather this information.

We will continue to provide updates as new information becomes available.

Sincerely,

Mike Stewart
Executive Director