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**Lynn S. Mohrfeld, CAE**  
**President & CEO**

**April 9, 2020**



## Today's Agenda

- Volunteer Hotel Opportunities
- Employee Opportunities (Deleted)
- Navigating the SBA

## COVID-19 Resources

- CO => **C**oronavirus
- VI => **V**irus
- D => **D**isease
- 20**19**



**COVID-19**

Email CHLA -  
[covid19info@calodging.com](mailto:covid19info@calodging.com)



## COVID-19 Resources

- Volunteer Hotel Opportunities
- Safety + Protocol Suggestions
- Sample Signage
- Hotel to Hospital Conversion
  
- Property Tax Deferral Request Summary
  - Sample Letter



## Volunteer Hotel Opportunities

- Volunteer Hotel Opportunities
  - Whole Property Leases
    - First Responders/Healthcare Workers
    - Hotel to Hospital Conversions
  - “Occupancy” Agreements
    - COVID-19 Exposed
    - Homeless



## Volunteer Hotel Opportunities

- Whole Property Leases
  - Significant Effort
    - Multiple Parties Involved
    - Limited Opportunities
    - Lease-to-Buy Options
    - Hotel to Hospital Conversions



## Volunteer Hotel Opportunities

- “Occupancy” Agreements
  - Essentially a Group Sales Contract
    - Project Roomkey (Homeless Focus)
      - »County/Dept. of Gen’l Services
      - »FEMA/County Agreements
    - 90 Days w/ 30 Day Extensions
    - Check w/ Insurance Provider



## Volunteer Hotel Opportunities

- Populations
  - COVID-19 Infected
  - COVID-19 Exposed / Vulnerable
    - Assisted Living / SRO's
    - Homeless
      - Older / Vulnerable
      - Younger





## Volunteer Hotel Opportunities

- New Opportunities
  - Private Industry for Healthcare Workers
    - Kaiser/Stanford/Large Providers
  - State Vouchers/Stipends - **NEW**
    - **Caltravelstore.com**
      - 100% or Deep Discounts



## **Navigating the SBA – How can the stimulus can help you?**



**Jennifer Davis**  
**Sr. Vice President, TMC Financing**



## The CARES Act

- \$2 trillion coronavirus relief/economic stimulus bill that provides debt forgiveness and creates two loan programs for small businesses
  - the Paycheck Protection Program Loan and
  - the Economic Injury Disaster Loan (EIDL), also known as an SBA Disaster Loan
- You *can* apply for both, however, not for the same use of loan proceeds.



# Paycheck Protection Program (PPP)

Apply through a 7a lender

**Eligible businesses:** <500 employees that were operational on or before Feb 15<sup>th</sup>

**Loan amount:** 2.5 times avg monthly payroll over past 12 months, \$10 million max

**Terms:** 1% fixed, 2-year term, no fees, prepayment penalty, personal guaranty, or collateral required

**Use of proceeds** – payroll, health benefits, rent, mortgage payments (interest no principal) and utilities

**Payment deferment** – all loans will have payments deferred for at least 1<sup>st</sup> 6 months

**Loan forgiveness** – the amount used for eligible uses listed above in an 8-week period during the “covered period” (Feb 15 – June 30) will be forgiven. The government will write a check to the lender for that amount.



## Economic Injury Disaster Loan (EIDL)

Apply through the SBA: [covid19relief.sba.gov](https://covid19relief.sba.gov)

**Eligible businesses:** businesses that meet SBA size standards and nonprofits with less than 500 employees adversely impacted by COVID-19

**Loan amount:** up to \$2 million

**Interest Rate:** 3.75% fixed for businesses, 2.75% fixed for nonprofits

**Terms:** up to 30 years, no personal guaranty or collateral required

**Use of proceeds** – may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.



## Debt Relief

- The SBA is to make the loan payments for six months on 504 loans in regular servicing beginning April 1
- 504 loans on deferment on the date of enactment of the CARES Act will receive the loan payments for 6 months after the deferment ends.
- SBA payments will be made **NO LATER THAN 30 days** after the date on which the first payment is due. **The first payment is due April 1, thus SBA has until April 30 to make the payments on behalf of 504 borrowers.**
- For 504 loans, this debt forgiveness applies **ONLY** to the SBA second mortgage, it does not apply to the first mortgage. **You do not need to request these payments – they will be made automatically.**



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