

For Immediate Release

March 21, 2017

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Federal and state disaster loans now available to help San José flood victims

*Low-cost Small Business Administration loans now available to all flood victims, and
0% interest state loans available to income-limited single-family homeowners*

San José, Calif. – The federal Small Business Administration (SBA) is offering low-cost loans to all San José renters, homeowners, and business owners who experienced losses from the Coyote Creek Flood.

Renters and homeowners can borrow up to \$40,000 for personal items, including furniture and vehicles, and homeowners can borrow up to \$200,000 to repair or replace damaged real estate. The deadline to apply for these types of loans is May 19, 2017.

Businesses and private nonprofits can borrow up to \$2 million for economic injury and to help meet working capital needs caused by the disaster. The deadline for such loans is December 20, 2017.

Loan applicants can access information and assistance in four ways:

- Visit San José City Hall, 200 E. Santa Clara Street, 12th Floor-Room 1231, to process a loan application in person with an SBA representative. Beginning Wednesday, March 22, hours are 10 a.m. to 7:00 p.m., Monday through Friday (closed March 31 for Cesar Chavez Day).
- Call 800-659-2955 to speak with an SBA representative in English, Spanish or Vietnamese.
- Visit <https://www.sba.gov/disaster> for SBA loan information and to download applications that can be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14295 Kingsport Road, Fort Worth, TX 76155.
- City staff will also be working in the flood-affected neighborhoods to help residents known to have barriers with the loan application process.

The City's Housing Department is also administering loans from state programs that together have \$5.7 million available to loan. These are 0% interest loans to income-limited owners of single-family homes that experienced flood damage. To qualify, applicants' income cannot exceed 120% of the Area Median Income (AMI), and applicants must maintain flood insurance for the term of their loan. Payment is not due until the

end of the loan term (30 years) or upon sale/transfer of the property. For more information, please contact the Housing Department at (408) 975-4440.

Governor Brown's declaration on March 7 of a state of emergency due to storms across California helped to initiate the process for using the federal and state loan programs for disaster loan purposes. An additional federal declaration was needed to clear the way for the SBA disaster loan program.

"This flooding deeply impacted residents along the Coyote Creek corridor, reaching levels beyond the 100-year flood zone in some places and destroying the possessions of many who did not carry insurance," said Mayor Sam Liccardo. "While much work remains to rebuild affected neighborhoods, these loans will help provide a degree of relief for those residents who have lost so much."

Following extraordinary back-to-back storms that caused Anderson Reservoir to spill and caused high flows on Coyote Creek, the creek overtopped its banks early on March 20, rushing into the low-lying neighborhoods of Rock Springs near Phelan and Senter roads; three mobile home parks near Old Oakland Road; and the Naglee Park, Brookwood Terrace, and Olinder neighborhoods in the vicinity of William Street Park. Damage assessments placed private property damage in San José at an estimated \$50 million, and public property damage at an estimated \$18 million.

[Find more information about the SBA loans here.](#)

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