DATE: February 3, 2020

TO: All BusinessSource Center Subcontractors

FROM: Daysi Hernandez, Chief Grants Administrator

SUBJECT: INFORMATION BULLETIN NO. 20-02
ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT MICROLOAN PROGRAM FOR SIDEWALK AND PARK VENDORS AND INDIVIDUAL TAXPAYER IDENTIFICATION NUMBER

EFFECTIVE DATE
This bulletin is effective on the date of issue.

PURPOSE
The purpose of this bulletin is to provide BusinessSource Centers (BSCs) with updates and clarification on matters related to the implementation of the Sidewalk and Park Vending Program in the City of Los Angeles. This bulletin outlines information on the Economic and Workforce Development Department (EWDD) Microloan Program and guidance on the role of BSCs in reference to processing of the Individual Taxpayer Identification Number (ITIN). Updates will be sent on a regular basis to bolster agency capacity, which in turn will enhance service delivery to vendors.

EWDD MICROLOAN PROGRAM
The Microloan Program provides financing to viable businesses. Vendors may apply for microloans for equipment purchases. Loan amounts will be determined based on need and repayment ability, up to $50,000. The EWDD Loan Officer will review the loan application, which must include projections; personal financial statements; bank statements; budget; legal residency/citizenship information; commercial liability/property insurance; collateral and proof of Seller's permits; and a Business Tax Registration Certificate.

In addition, if available, the EWDD Loan Officer will review the business entity's legal documents: business financials; personal tax returns (2-3 years); and corporate guarantee (if a Corporation exists). Please refer to Attachment for a complete list of loan application requirements.
After approval and funding, the EWDD will require a copy of the Los Angeles County Health Permit and the City of Los Angeles Vending Permit.

At this time, legal residency or citizenship is required to apply for EWDD Microloans.

BSC staff may submit a microloan application on behalf of the vendor directly on the online loan application system. The link is https://cloud.bmisw.com/CityOfLA/ . There is no need to apply through a traditional bank first. When staff submits the loan application, the account can be created under the business coach’s email address.

INDIVIDUAL TAXPAYER IDENTIFICATION NUMBER (ITIN)
Questions have arised about the role of the BusinessSource Centers in relation to an Individual Taxpayer Identification Number (ITIN). An ITIN is a tax processing number issued by the Internal Revenue Service (IRS). The IRS issues ITINs to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a Social Security Number (SSN) from the Social Security Administration.

IRS issues ITINs to help individuals comply with the U.S. tax laws, and to provide a means to efficiently process and account for tax returns and payments for those not eligible for Social Security numbers.

At this time, BusinessSource Centers are not required to process requests for ITINs. BusinessSource Centers may refer Vendors who need assistance with ITINs to other agencies who can assist them.

Please feel free to email labusinesssourceadmin@lacity.org with any questions.

Attachment: City of Los Angeles Microloan Program - Sidewalk and Park Vending Term Sheet