U.S. Small Business Administration

NEWS RELEASE

OFFICE OF DISASTER RECOVERY & RESILIENCE

Release Date: Aug. 17, 2026
Release Number: CA-20045-01

Media Contact: James.Hodgman@sba.gov
Follow us on X, Facebook, LinkedIn, & Instagram

SBA Offers Relief to California Small Businesses and Private Nonprofits Affected by the 2026 Los Palos Incident

Low-interest disaster loans now available

WASHINGTON — The U.S. Small Business Administration announced low-interest federal disaster loans are now available to small businesses and private nonprofit organizations in California to offset economic losses caused by the 2026 Los Palos incident (Boyle Heights Fire) occurring June 17 – 25. SBA issued a disaster declaration in response to a request received from the California Governor's Office of Emergency Services Director Caroline Thomas Jacobs on Aug. 10.

The disaster declaration covers the California counties of Kern, Los Angeles, Orange, San Bernardino, and Ventura.

Under this declaration, SBA's Economic Injury Disaster Loan program is available to eligible small businesses, small agricultural cooperatives, and private nonprofit organizations — including faith-based organizations — with financial losses directly related to this disaster. The SBA is unable to provide disaster loans to agricultural producers, farmers, or ranchers, except for aquaculture enterprises.

Economic Injury Disaster Loans are for working capital needs caused by the disaster and are available even if the business or private nonprofit did not suffer any physical damage. They may be used to pay fixed debts, payroll, accounts payable, and other bills which could not be paid due to the disaster.

"SBA loans help eligible small businesses and private nonprofits cover operating expenses after a disaster, which is crucial for their recovery," said Chris Stallings, Associate Administrator of the Office of Disaster Recovery and Resilience at SBA. "These loans not only help business owners get back on their feet but also play a key role in sustaining local economies in the aftermath of a disaster."

The loan amount can be up to $2 million with interest rates as low as 4% for businesses and 3.625% for private nonprofits, with terms up to 30 years. Interest does not accrue, and payments are not due until 12 months from the date of the first loan disbursement. The SBA determines eligibility and sets loan amounts and terms based on each applicant's financial condition.

Beginning **Tuesday, Aug. 18**, SBA customer service representatives will be on hand at the Business Recovery Centers in Los Angeles to answer questions and assist with the disaster

loan application process. Walk-ins are welcome, and you can schedule an in-person appointment in advance at appointment.sba.gov.

The hours of operation are as follows:

LOS ANGELES COUNTY
Business Recovery Center
East LA/Boyle Heights BusinessSource Center
1780 E. First St.
Los Angeles, CA 90033

Opens Tuesday, Aug. 18 at 11 a.m.

Monday - Friday, 8 a.m. – 5 p.m.
Saturday, 9 a.m. – 2 p.m.

LOS ANGELES COUNTY
Business Recovery Center
East LA Entrepreneur Center (Centro Maravilla)
4716 E. Cesar Chavez Ave. Bldg. B
Los Angeles, CA 90022

Opens Tuesday, Aug. 18 at 11 a.m.

Monday - Friday, 8 a.m. – 4:30 p.m.

"SBA's Business Recovery Centers have consistently proven their value to business owners following a disaster," Stallings said. "Business owners can visit these centers to meet face-to-face with specialists who will guide them through the disaster loan application process and connect them with resources to support their recovery."

To apply online, visit sba.gov/disaster. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. For people who are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

The deadline to return economic injury applications is **May 14, 2027**.

###

About the U.S. Small Business Administration
The U.S. Small Business Administration helps power the American dream of business ownership. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow, expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.