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Lendistry to Administer $1.5 Billion in Covid-19 Relief

BY PAT MAIO
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Everett Sands, founder and chief executive, Lendistry. - Los Angeles Business Journal

Downtown-based fintech firm Lendistry is administering $1.5 billion in additional funds to minority-owned small businesses in California hurt by the pandemic.

Lendistry, which already has delivered billions in Covid-19 relief funding for minority-owned small businesses throughout the nation, is administering three additional rounds of grant funding through California's pandemic relief program.

The six-year old firm, which employs just under 300 workers, was commissioned by the California Office of the Small Business Advocate to be the official administrator of the state's billions under the grant program.

“We were founded on the mission of helping small businesses get access to capital,” said Everett Sands, founder and chief executive of Lendistry. “I think the pandemic was a wake-up call. I think some of the social unrest was a personal call for me as a leader to see what I could do to encourage the other leaders in the industry to step up to the plate. Basically we took our plan and 10x-ed it.”

Sands explained that existing applicants under this latest round, as well as new applicants, can connect with funds beginning Sept. 9.

With the additional $1.5 billion expansion — for a total of $4.23 billion in Covid relief — California's small business relief program is the largest in the country to support small businesses and nonprofits that have struggled due to the pandemic lockdown, according to Sands.

Lendistry also is involved in Covid-19 relief grant programs in New York and Pennsylvania, having administered $800 million and $280 million in those states, respectively.

In addition, the firm has processed $4 billion worth of loans under the federal government's Paycheck Protection Program, a lending program designed to help businesses pay their workers during the pandemic lockdown.

The parent of Lendistry is registered in California under the name of B.S.D. Capital Inc., a financial technology company and traditional small business lender. It also is a community development financial institution that provides loans and other capital to underserved small businesses such as minority-owned businesses and those in low-income areas.

In California, the Covid-19 relief grant program began with $500 million in funding in December 2020, with an additional $2 billion provided in March 2021.

To provide relief to as many small businesses and nonprofits as possible, California Gov. Gavin Newsom signed into law on July 13 the largest economic recovery package in state history, which includes an additional $1.5 billion to the Covid relief program.

These are the latest funds that Lendistry plans to administer. It expects to have processed between 700,000 and 800,000 applications for the grants by year-end, with roughly 500,000 businesses receiving roughly $11,000 each, Sands said.

Using its proprietary platform, Lendistry will distribute the grants to all California counties, giving priority to businesses in geographical areas and industries that have been hardest hit by the shutdown, as well as historically disadvantaged communities.

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