

Coronavirus (COVID-19) Continued Guidance and Resources for Santa Cruz County Businesses

SANTA CRUZ COUNTY LOCAL GOVERNMENTS

AND BUSINESS PARTNERS

MARCH 27, 2020

Agenda

1. Opening Remarks – Andy Constable, Economic Development Manager
2. County Office for Economic Development – Andy Constable, Economic Development Manager
3. City of Santa Cruz Economic Development – Rebecca Unitt, Business Liaison
4. Small Business Development Center (SBDC) – Brandon Napoli – Director
5. County Workforce Development Board – Andy Stone, WDB Director
6. Fortress and Flourish/City of Santa Cruz Economic Development – Candice Elliot, Founder and Principal/Downtown Liaison
7. Santa Cruz County Business Council – Robert Singleton, Executive Director
8. Santa Cruz County Chamber of Commerce – Casey Beyer, Chief Executive Officer
9. Questions

Webinar Broadcast Options

- Zoom webinar
- CTV YouTube - <https://www.youtube.com/channel/UCGIIdn3uVpcXnvHwwUIhQeew/live>
- County Facebook page - <https://www.facebook.com/countyofsantacruz/>
- CTV – Comcast channel 25 and Charter channel 71, **which will be available for replay.**
- Slides from today's webinar will be posted on www.sccvitality.org



Office for Economic Development

Andy Constable, Economic Development Manager

Recap of Background & Activities

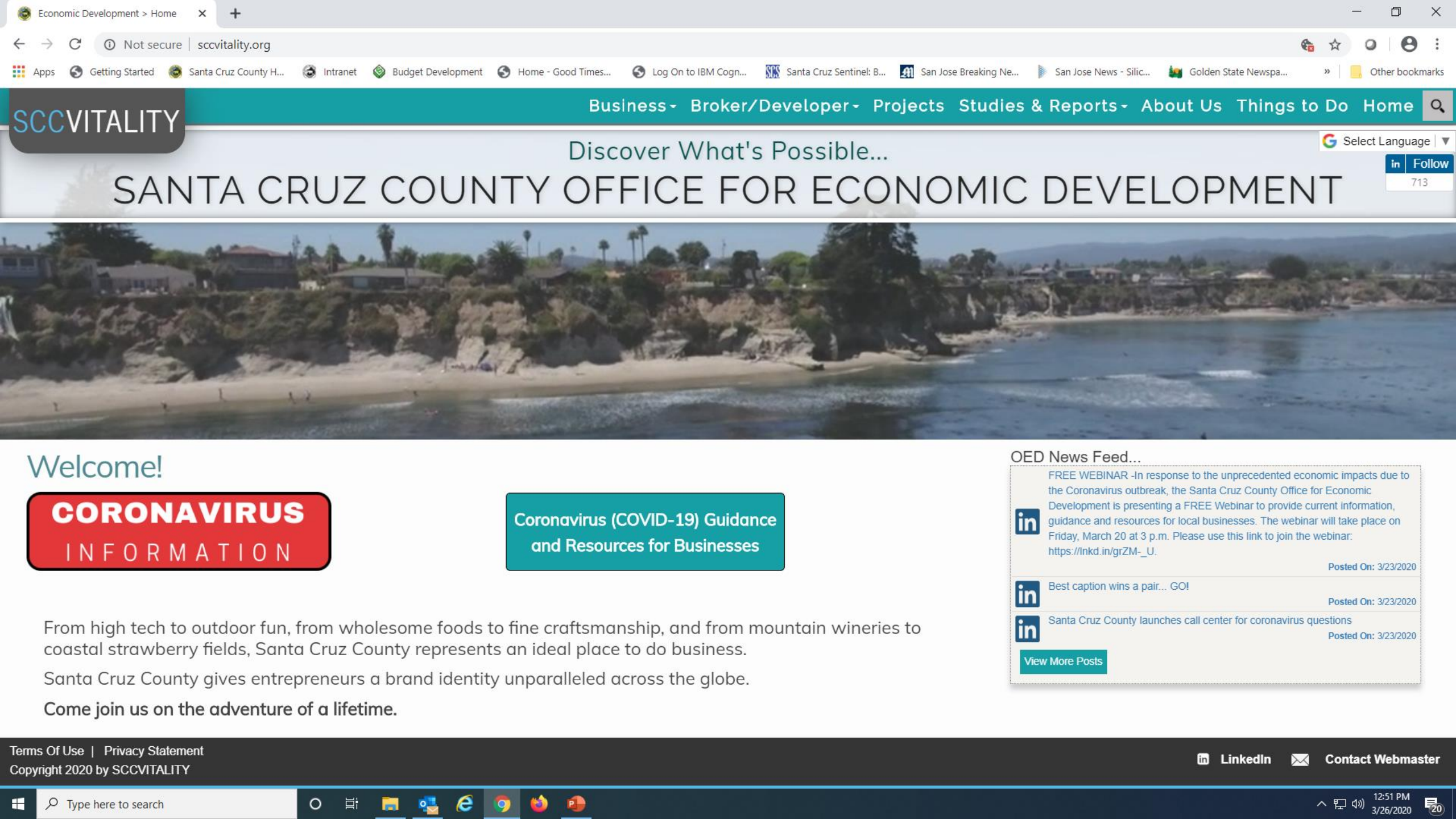
- Shelter in Place Orders
 - Issued by the County Health Officer (March 16, 2020)
 - <https://www.santacruzhealth.org/coronavirus>
 - Definition of “Essential Businesses”
 - Issued by the State (March 19, 2020)
 - <https://covid19.ca.gov/>
- Questions about the order and/or Coronavirus (Covid-19), call (831) 454-4242 between 8 am and 6 pm, Monday-Friday. Outside of these hours, call the United Way of Santa Cruz County at 211 or text "covid19" to 211211.

Recap of Background & Activities (continued)

- Board of Supervisors actions
 - Residential and commercial eviction moratorium March 24, 2020
 - https://santacruzcountyca.igm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1796&MediaPosition=5565.913&ID=8810&CssClass=
- Resources for landlords and property managers
 - Building Owners and Managers Association International (BOMA) <https://www.boma.org/>
 - Institute of Real Estate Management (IREM) <https://www.irem.org/learning/coronavirus>
 - National Apartment Association (NAA) <https://www.naahq.org/news-publications/guidance-dealing-coronavirus>
 - CCIM Institute <https://www.ccim.com/covid-19/?gmSsoPc=1>

Recap of Background & Activities (continued)

- Office for Economic Development actions
 - SCCVitality.org (Coronavirus (Covid-19) Guidance and Resources for Businesses page)
 - [https://www.sccvitality.org/Coronavirus\(COVID-19\)GuidanceforBusinesses.aspx](https://www.sccvitality.org/Coronavirus(COVID-19)GuidanceforBusinesses.aspx)
 - County of Santa Cruz Office for Economic Development LinkedIn page
 - March 20, 2020 webinar in support of local businesses
 - Video link - <https://www.youtube.com/watch?v=jlvVJYsHjS0&feature=youtu.be>
 - Slides link - <https://www.sccvitality.org/Portals/23/pdfs/2020-03-20COVID19%20Presentation.pdf>
 - March 27, 2020 webinar in support of local businesses
 - Replays will be available on YouTube, CTV Comcast channel 25 & Charter channel 71
 - Slides presented with active links will be posted on OED website listed above



Discover What's Possible...

SANTA CRUZ COUNTY OFFICE FOR ECONOMIC DEVELOPMENT

Select Language

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713

Welcome!

CORONAVIRUS
INFORMATION

Coronavirus (COVID-19) Guidance
and Resources for Businesses

From high tech to outdoor fun, from wholesome foods to fine craftsmanship, and from mountain wineries to coastal strawberry fields, Santa Cruz County represents an ideal place to do business.

Santa Cruz County gives entrepreneurs a brand identity unparalleled across the globe.

Come join us on the adventure of a lifetime.

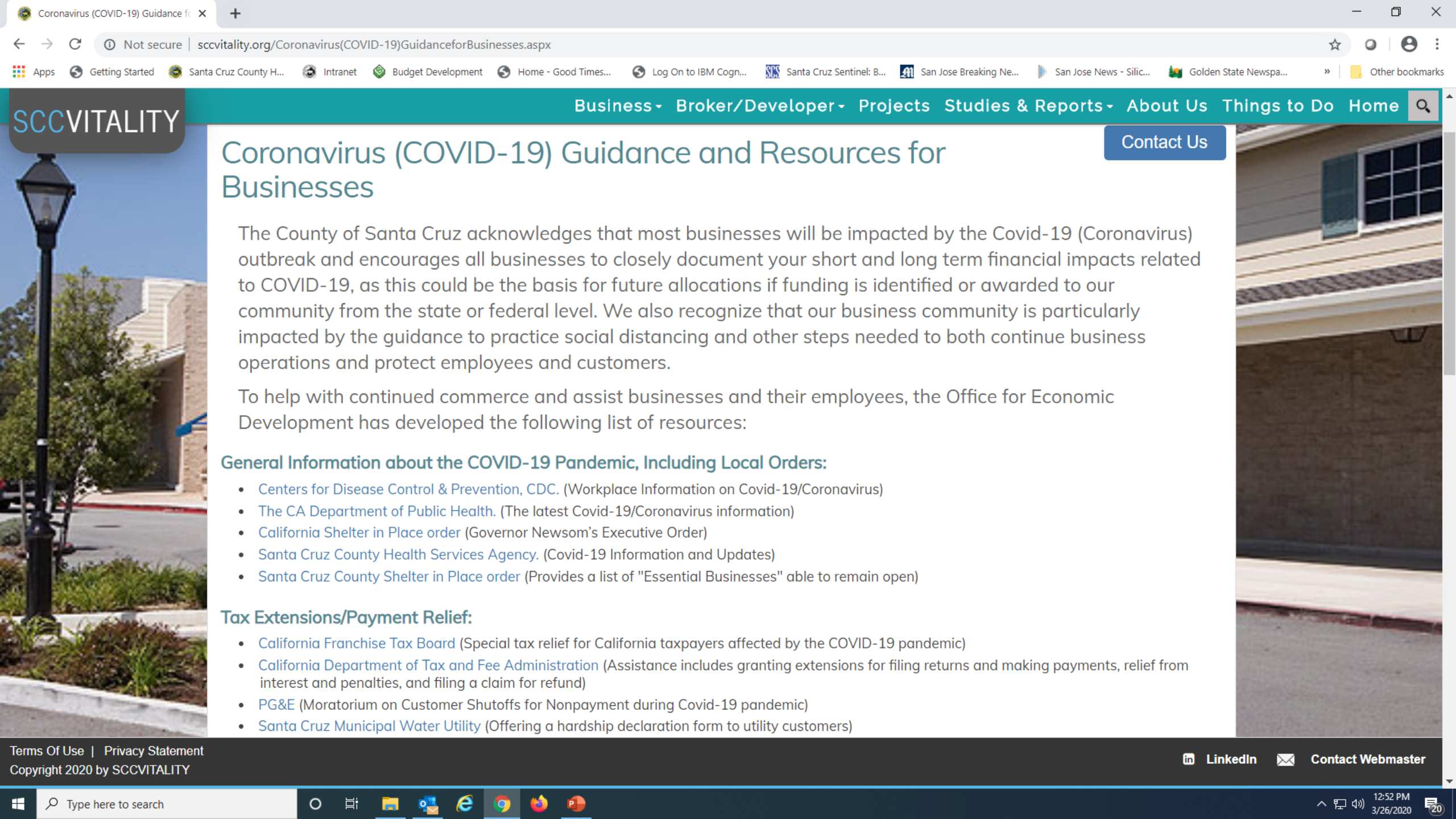
OED News Feed...

FREE WEBINAR -In response to the unprecedented economic impacts due to the Coronavirus outbreak, the Santa Cruz County Office for Economic Development is presenting a FREE Webinar to provide current information, guidance and resources for local businesses. The webinar will take place on Friday, March 20 at 3 p.m. Please use this link to join the webinar: https://lnkd.in/grZM_U.
Posted On: 3/23/2020

Best caption wins a pair... GO!
Posted On: 3/23/2020

Santa Cruz County launches call center for coronavirus questions
Posted On: 3/23/2020

[View More Posts](#)



Contact Us

Coronavirus (COVID-19) Guidance and Resources for Businesses

The County of Santa Cruz acknowledges that most businesses will be impacted by the Covid-19 (Coronavirus) outbreak and encourages all businesses to closely document your short and long term financial impacts related to COVID-19, as this could be the basis for future allocations if funding is identified or awarded to our community from the state or federal level. We also recognize that our business community is particularly impacted by the guidance to practice social distancing and other steps needed to both continue business operations and protect employees and customers.

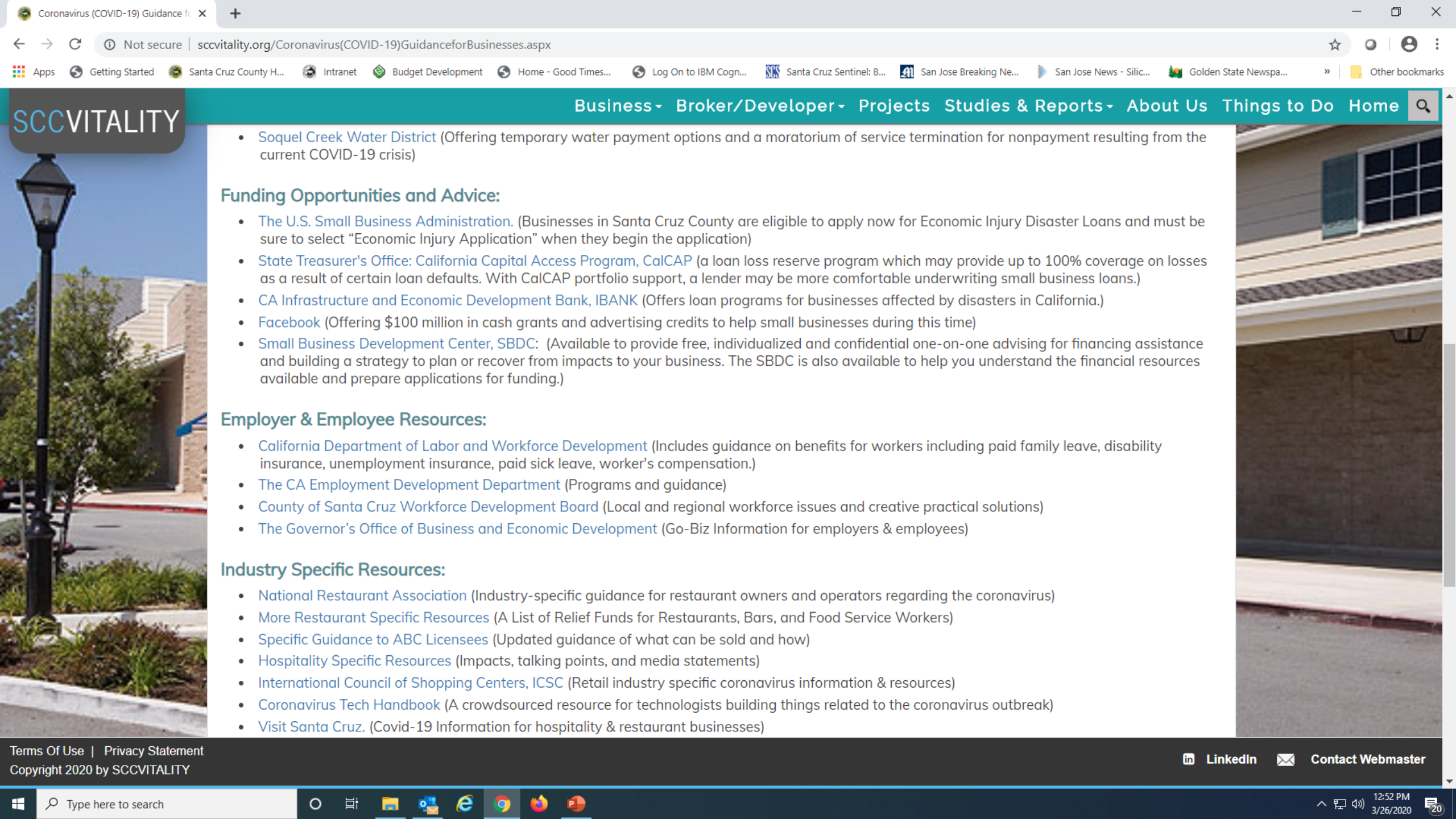
To help with continued commerce and assist businesses and their employees, the Office for Economic Development has developed the following list of resources:

General Information about the COVID-19 Pandemic, Including Local Orders:

- [Centers for Disease Control & Prevention, CDC.](#) (Workplace Information on Covid-19/Coronavirus)
- [The CA Department of Public Health.](#) (The latest Covid-19/Coronavirus information)
- [California Shelter in Place order](#) (Governor Newsom's Executive Order)
- [Santa Cruz County Health Services Agency.](#) (Covid-19 Information and Updates)
- [Santa Cruz County Shelter in Place order](#) (Provides a list of "Essential Businesses" able to remain open)

Tax Extensions/Payment Relief:

- [California Franchise Tax Board](#) (Special tax relief for California taxpayers affected by the COVID-19 pandemic)
- [California Department of Tax and Fee Administration](#) (Assistance includes granting extensions for filing returns and making payments, relief from interest and penalties, and filing a claim for refund)
- [PG&E](#) (Moratorium on Customer Shutoffs for Nonpayment during Covid-19 pandemic)
- [Santa Cruz Municipal Water Utility](#) (Offering a hardship declaration form to utility customers)



- [Soquel Creek Water District](#) (Offering temporary water payment options and a moratorium of service termination for nonpayment resulting from the current COVID-19 crisis)

Funding Opportunities and Advice:

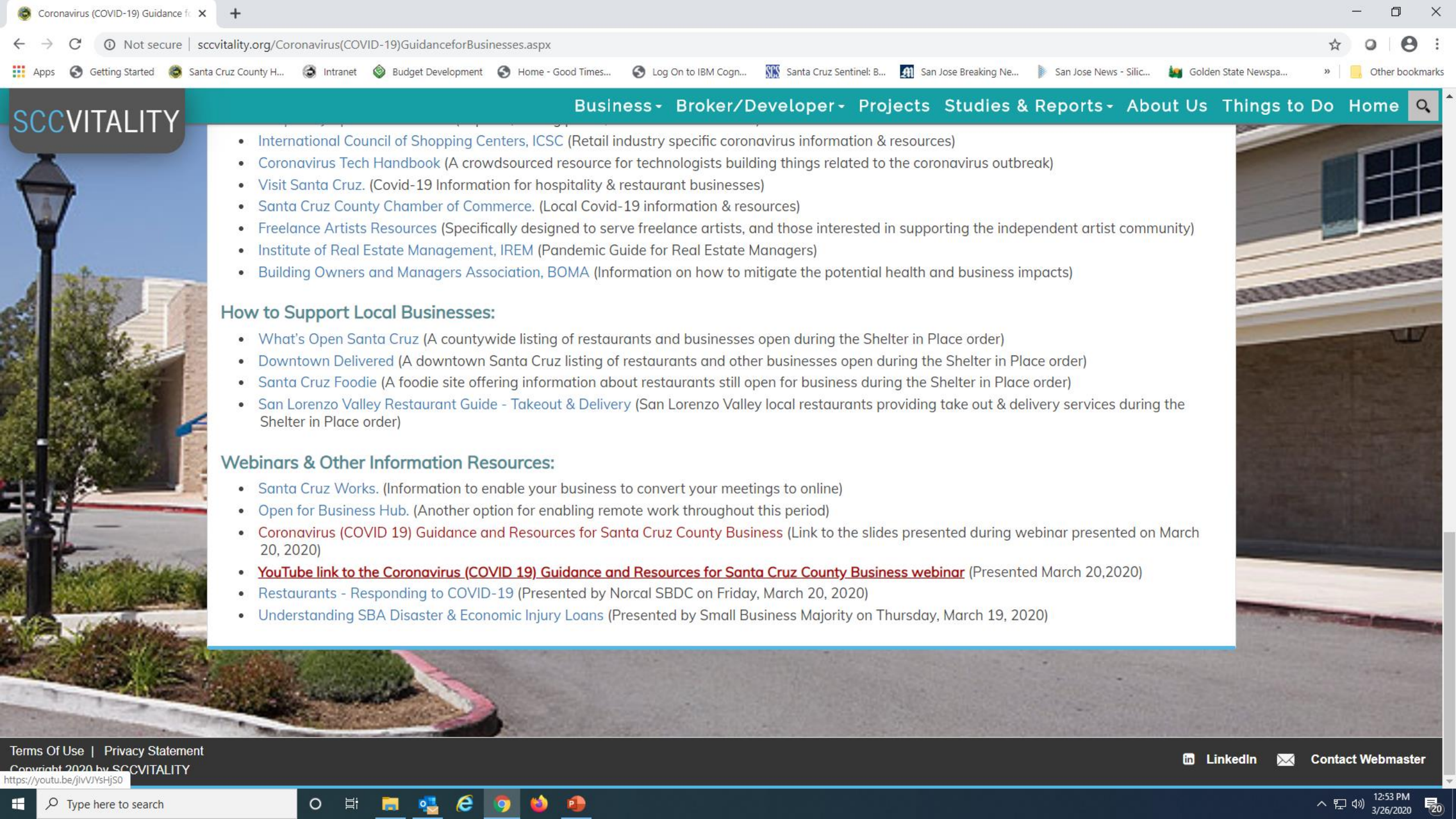
- [The U.S. Small Business Administration](#). (Businesses in Santa Cruz County are eligible to apply now for Economic Injury Disaster Loans and must be sure to select "Economic Injury Application" when they begin the application)
- [State Treasurer's Office: California Capital Access Program, CalCAP](#) (a loan loss reserve program which may provide up to 100% coverage on losses as a result of certain loan defaults. With CalCAP portfolio support, a lender may be more comfortable underwriting small business loans.)
- [CA Infrastructure and Economic Development Bank, IBANK](#) (Offers loan programs for businesses affected by disasters in California.)
- [Facebook](#) (Offering \$100 million in cash grants and advertising credits to help small businesses during this time)
- [Small Business Development Center, SBDC](#): (Available to provide free, individualized and confidential one-on-one advising for financing assistance and building a strategy to plan or recover from impacts to your business. The SBDC is also available to help you understand the financial resources available and prepare applications for funding.)

Employer & Employee Resources:

- [California Department of Labor and Workforce Development](#) (Includes guidance on benefits for workers including paid family leave, disability insurance, unemployment insurance, paid sick leave, worker's compensation.)
- [The CA Employment Development Department](#) (Programs and guidance)
- [County of Santa Cruz Workforce Development Board](#) (Local and regional workforce issues and creative practical solutions)
- [The Governor's Office of Business and Economic Development](#) (Go-Biz Information for employers & employees)

Industry Specific Resources:

- [National Restaurant Association](#) (Industry-specific guidance for restaurant owners and operators regarding the coronavirus)
- [More Restaurant Specific Resources](#) (A List of Relief Funds for Restaurants, Bars, and Food Service Workers)
- [Specific Guidance to ABC Licensees](#) (Updated guidance of what can be sold and how)
- [Hospitality Specific Resources](#) (Impacts, talking points, and media statements)
- [International Council of Shopping Centers, ICSC](#) (Retail industry specific coronavirus information & resources)
- [Coronavirus Tech Handbook](#) (A crowdsourced resource for technologists building things related to the coronavirus outbreak)
- [Visit Santa Cruz](#). (Covid-19 Information for hospitality & restaurant businesses)



- [International Council of Shopping Centers, ICSC](#) (Retail industry specific coronavirus information & resources)
- [Coronavirus Tech Handbook](#) (A crowdsourced resource for technologists building things related to the coronavirus outbreak)
- [Visit Santa Cruz](#). (Covid-19 Information for hospitality & restaurant businesses)
- [Santa Cruz County Chamber of Commerce](#). (Local Covid-19 information & resources)
- [Freelance Artists Resources](#) (Specifically designed to serve freelance artists, and those interested in supporting the independent artist community)
- [Institute of Real Estate Management, IREM](#) (Pandemic Guide for Real Estate Managers)
- [Building Owners and Managers Association, BOMA](#) (Information on how to mitigate the potential health and business impacts)

How to Support Local Businesses:

- [What's Open Santa Cruz](#) (A countywide listing of restaurants and businesses open during the Shelter in Place order)
- [Downtown Delivered](#) (A downtown Santa Cruz listing of restaurants and other businesses open during the Shelter in Place order)
- [Santa Cruz Foodie](#) (A foodie site offering information about restaurants still open for business during the Shelter in Place order)
- [San Lorenzo Valley Restaurant Guide - Takeout & Delivery](#) (San Lorenzo Valley local restaurants providing take out & delivery services during the Shelter in Place order)

Webinars & Other Information Resources:

- [Santa Cruz Works](#). (Information to enable your business to convert your meetings to online)
- [Open for Business Hub](#). (Another option for enabling remote work throughout this period)
- [Coronavirus \(COVID 19\) Guidance and Resources for Santa Cruz County Business](#) (Link to the slides presented during webinar presented on March 20, 2020)
- [YouTube link to the Coronavirus \(COVID 19\) Guidance and Resources for Santa Cruz County Business webinar](#) (Presented March 20,2020)
- [Restaurants - Responding to COVID-19](#) (Presented by Norcal SBDC on Friday, March 20, 2020)
- [Understanding SBA Disaster & Economic Injury Loans](#) (Presented by Small Business Majority on Thursday, March 19, 2020)



Links in Support your local businesses!

- [What's Open Santa Cruz](#)
- [Downtown Delivered](#)
- [Santa Cruz Foodie](#)
- [San Lorenzo Valley Restaurant Guide -
Takeout & Delivery](#)



CITY OF SANTA CRUZ COVID-19 RESPONSE

WHAT THE CITY IS DOING TO SUPPORT BUSINESSES

RESIDENTIAL & COMMERCIAL EVICTION MORATORIUM

- *City Council approved an emergency ordinance on March 24 which is effective now through May 31, 2020, but can be extended by a vote of the City Council.*
- *Ordinance is aimed at protecting residential and commercial tenants who may be at risk of being unable to pay commercial or residential rents due to businesses being closed and employees losing income as a result of the COVID-19 pandemic*

Learn more at cityofsantacruz.com/coronavirus

BUSINESS RESOURCES LANDING PAGE



INDUSTRIES

RESOURCES

CULTURE

PROJECTS

JOURNAL

SHOP



UPDATED DAILY:

INFORMATION FOR
BUSINESSES IN
RESPONSE TO COVID-19

choosesantacruz.com/coronavirus

ADDRESSING FINANCIAL CHALLENGES

Santa Cruz Municipal Utility is committed to:

- *no late charges*
- *no shut offs for non-payment*
- *no deposits or collections*
- *please pay what you can and complete a hardship declaration form if you are not able to pay the full amount*
- *Customers can also reduce or suspend their garbage service online*

Learn more at cityofsantacruz.com/scmu

CITY OF SANTA CRUZ ECONOMIC DEVELOPMENT TEAM



**Point of Contact for
Businesses:**

Rebecca Unitt
Business Liaison
runitt@cityofsantacruz.com



Bonnie Lipscomb



Candice Elliott



Amanda Rotella

INFORMATION AND RESOURCES:

City of Santa Cruz COVID-19 Response:

cityofsantacruz.com/coronavirus

City of Santa Cruz Business Resources:

choosesantacruz.com/coronavirus



**SMALL
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DEVELOPMENT
CENTER**

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Free Services at santacruzsbdc.edu | 831-479-6136 | sbdc@Cabrillo.edu

Where Businesses Start, Grow and Prosper

What is the SBDC?



Santa Cruz County Small Business Development Center is a premier hub of experts experienced in mainstreet, techstreet, and agriculture business. Business owners and aspiring entrepreneurs receive in-depth advising and training to obtain capital, launch businesses, grow sales, and create jobs.

Five Financial Steps You Can Take

1. Make Your Business Model Agile
2. Understand Your Numbers
3. Extend your existing cash flow
4. Work with Banks
5. Apply for the SBA Disaster Relief Loan

Making Your Business Model Agile

PROBLEM <i>List your top 1-3 problems.</i>	SOLUTION <i>Outline a possible solution for each problem.</i>	UNIQUE VALUE PROPOSITION <i>Single, clear, compelling message that states why you are different and worth paying attention.</i>	UNFAIR ADVANTAGE <i>Something that cannot easily be bought or copied.</i>	CUSTOMER SEGMENTS <i>List your target customers and users.</i>
EXISTING ALTERNATIVES <i>List how these problems are solved today.</i>	KEY METRICS <i>List the key numbers that tell you how your business is doing.</i>		CHANNELS <i>List your path to customers (inbound or outbound).</i>	
COST STRUCTURE <i>List your fixed and variable costs.</i>		REVENUE STREAMS <i>List your sources of revenue.</i>		

Extend Your Existing Cash Flow

- Scrutinize your operating expenses and eliminate all non-essential spending.
- Pay the minimum on your credit card debt.
- Call your landlord. Ask for a full or partial rent abatement for the time you're closed
- Only take out what you need from the business to live on.
- If you have a line of credit in place, you have a financial buffer to assist with any shortfall.

Extend Your Existing Cash Flow

- Start to sell online, work on promoting your business to generate revenue.
- The Federal Gov't just announced they have extended the tax payment period from April 15th to July 15th with no penalty or interest.
- Contact vendors you are scheduled to receive merchandise from over the next 3-4 weeks and reschedule the deliveries.
- Contact vendor credit departments and inquire if they will extend the payment period with no penalty, if you own them money.

Working With Lenders

1. For Existing Loans: Ask for deferred payment options, waived fees, interest only, and extended payment dates
2. Applying for New Funding Check Out the [List of Local Lenders](#), including those offering other SBA Products

Apply for the SBA Disaster Relief Loan

Eligibility

- Must be a Small Business under the [SBA Table of Size Standards](#)
- Personal Guarantees Required for any owner of 20% or more
- Separate Entities can apply separately
- No Credit Elsewhere - Business needs to show they are unable to cash flow without hardship. This excludes retirement accounts, personal residence
- If you are declined, you will be told why and can resubmit

Apply for the SBA Disaster Relief Loan

Ineligible Applicants

- Some franchises. Determined on a case by case basis based on control
- Those that have defaulted on federal debt
- Agricultural businesses

Apply for the SBA Disaster Relief Loan

Terms

- **Amounts:** Up to \$2 Million for 30 years at 3.75% for for profits, and 2.75% for non-profits, no fees including prepayment. An Increase can be asked at a later time.
- **Payments:** Deferred for 11 months with the first payment on the 12th. Interest accrues during this the deferment
- **Credit:** Must be worthy credit - not defined.

Apply for the SBA Disaster Relief Loan

Terms

- **Use of Proceeds:** Any working capital needs. The need is what the SBA lends again and the capacity for repayment, not the loss. Cannot be used for refinancing long term debt, paying down (other than regular installment payments) or paying off loans provided, guaranteed, or insured by another Federal agency or a Small Business Investment
- **Collateral:** Nothing for requests under \$25k; for above \$25k - UCC and potentially personal assets, including real estate when available, on a case by case basis. SBA will not decline a loan due to lack of collateral but requires borrowers to pledge what is available.
- **Disbursement of Funds:** Not controlled. Lump sum.

Apply for the SBA Disaster Relief Loan

- **Online:** <https://disasterloan.sba.gov/ela/> **If Online is not working...[Drop Box](#)...Or...**
- **Email** disasterloan@sba.gov
- **Fax:** 202-481-1505
- **Mail:** U.S. Small Business Administration
Processing and Disbursement Center
14925 Kingsport Rd.
Ft. Worth, TX 76155-2243
Loan Process Decision: 30 days but could be longer
 - A loan officer contacts you to make recommendations
 - Information is verified, credit checked, and forecasts are completed to determine the amount
 - You may also contact customer service at 1.800.659.2955 or disastercustomerservice@sba.gov to find out the status of your application before you are assigned to a loan officer.
- **Loan Closes and Funds Disbursed**
 - Initial disbursement of \$25k within 5 days
 - A case manager is assigned to that will help you with the rest
 - Electronically transferred to bank account

Documentation Requirements

- Complete Application Sole Prop: ([SBA Form 5C](#)) All Others ([SBA Form 5](#))
 - Section 1: Select “Economic Injury”
- Tax Returns (only required if loan is greater than \$500K)
- If the most recent Federal Tax Return has not been filed, A Year End Profit and Loss Statement and Balance Sheet for the most recent year
- A current year to date profit and loss
- Additional Filing Requirements ([SBA Form 1368](#)) providing *monthly* sales figures will generally be required when requesting an increase in the amount of economic injury.
- Fee Disclosure Form and Compensation Agreement ([SBA Form 159D](#))

Documentation Requirements

- Tax Information Authorization ([IRS Form 4506T](#)) for the applicant (business), principles, and affiliates.
 - For Owner, each principle that owns 20% or more, each general partner or managing member, each owner who owns more than 50% of an affiliate business
- Personal Financial Statement ([SBA Form 413D](#))
 - Only personal assets and liabilities, not business
- Schedule of Liabilities ([SBA Form 2202](#))

SBA Disaster Assistance Application Step-by-Step

English

<https://vimeo.com/399334577>

Spanish

<https://vimeo.com/400409300/2ef790c766>



SANTA CRUZ COUNTY

WORKFORCE
DEVELOPMENT

COVID-19

Resources for Businesses and Workers

March 27, 2020

Andy Stone, WDB Director

The WDB

The **Workforce Development Board** creates programs & strategies that provide residents with a pathway to better wages and meaningful work.

COVID-19 Resources

For Businesses

Workplace Health and Safety

For information on protecting workers from COVID-19, refer to the [Cal/OSHA Guidance on Coronavirus](#). Businesses and employers can visit the [Centers for Disease Control and Prevention website](#) for help with planning and responding to COVID-19.

Reduced Work Hours

Employers experiencing a slowdown in their businesses or services as a result of the coronavirus impact on the economy may apply for the UI Work Sharing Program. This program allows employers to seek an alternative to layoffs — retaining their trained employees by reducing their hours and wages that can be partially offset with UI benefits. Visit EDD's [Work Sharing Program](#) website to learn more about its benefits for employers and employees, and how to apply.

COVID-19 Resources

Potential Closure or Layoffs

Employers planning a closure or major layoffs as a result of the coronavirus can get help through the Rapid Response program. Rapid Response teams will meet with you to discuss your needs, help avert potential layoffs, and provide immediate on-site services to assist workers facing job losses.

For more information, contact Belinda Barr at **831-763-8872** or Belinda.Barr@santacruzcounty.us.

Tax Assistance

Employers experiencing a hardship may request up to a 60-day extension of time from the EDD to file their state payroll reports and/or deposit state payroll taxes without penalty or interest.

For questions, please call the EDD Taxpayer Assistance Center.

Toll-free from the U.S. or Canada: **1-888-745-3886**

Hearing impaired (TTY): 1-800-547-9565

COVID-19 Resources

For Workers

[Disability Insurance benefits](#) may be available for individuals that have experienced wage loss due to COVID-19 exposure;

[Paid Family Leave](#) to care for an ill or quarantined family member;

[Unemployment Insurance](#), if your child's school is closed and you have to miss work to be there for them;

[Unemployment Insurance](#), if your hours have been reduced as a result of COVID-19.

Several essential businesses are hiring, e.g.:

US Census, Safeway, Target, CVS, Walgreens, Dollar Tree, Instacart, & DoorDash

COVID-19 Resources

There are multiple ways to file a UI claim:

Online: <https://www.edd.ca.gov>

By-phone: Representatives are available at the following toll-free numbers, Monday through Friday from **8 a.m. to noon** Pacific time.

English 1-800-300-5616

Spanish 1-800-326-8937

TTY 1-800-815-9387

By Mail or by Fax: File your UI claim by accessing the paper [Unemployment Insurance Application](#) (under Fill-in Forms). For faster and secure processing, fax the completed application to the number listed on the form. If you mail your application, use the address on the form and allow additional time for processing.

How to Apply for UI Benefits (File a Claim) (YouTube)

[English](#) / [Spanish](#) / [Cantonese](#) / [Vietnamese](#) / [Mandarin](#)

COVID-19 Resources

For Self-Employed/Independent Contractor

If you are self-employed and unable to work or have had your hours reduced due to COVID-19, you may be eligible for Unemployment Insurance (UI) benefits under a few different scenarios:

1. You chose to contribute to UI Elective Coverage and paid the required contributions to be considered potentially eligible for benefits.
2. Your past employer made contributions on your behalf over the past 5 to 18 months.
3. You may have been misclassified as an independent contractor instead of an employee.

Workforce Reduction

Candice Elliott - MPS, SPHR



Types of Workforce Reduction

Reduction in Hours

Furlough

Lay Off



Reduction in Hours

Retain employees, reduce hours

Convert salaried, exempt employees to hourly,
non-exempt

Provide DE 2063 Weekly

“Notice of Reduced Earnings”



Furlough

You will have work for your employee

Convert to Inactive Employee, 0 hours

Retain Benefits and Benefit Contributions

Employee Qualifies for Unemployment



Lay Off

You may not have work for your employee

You cannot maintain benefits

Employee qualifies for Unemployment and
COBRA



Best Practices in Workforce Reduction

Adverse Employment Decision

Use Objective Criteria such as:

All employees in a class

Length of employment

Provide Notice of Change in Employment



Unemployment Insurance

Administered by Employment Development Dept.

Online Application

2 - 3 Weeks for First Payment

edd.ca.gov



COBRA

Continuation of Medical Benefits

Administered by the Company

Effective at the time of termination



Families First Coronavirus Response Act

Candice Elliott - MPS, SPHR



Families First Coronavirus Response Act

Federal Legislation

Also called H.R. 6201

Introduced March 11, 2020

Became Law March 18, 2020

Effective April 1 - December 31, 2020



Families First Coronavirus Response Act

Family and Medical Leave Expansion (FMLA)

Emergency Paid Sick Leave

Tax Credits for Leave Paid



Family and Medical Leave Expansion

Coverage

Reasons for Leave

Pay, Benefits and Reinstatement

Exceptions



FMLA Expansion: Coverage

Employers with less than 500 employees

Employees with at least 30 calendar days of
employment



FMLA Expansion: Reasons for Leave

Sick or must be isolated

Care for a family member who is sick or needs to be isolated

Care for a child under 18 whose school is closed



FMLA Expansion: First 14 Days

May be unpaid

Employee may use sick or vacation leave

Employers may not require the use of such
leave



FMLA Expansion: Remaining 10 Weeks

$\frac{2}{3}$ the regular rate of pay

Prorated for part time based on average hours

Cap of \$200/day and total of \$10,000

Continued medical coverage

Guaranteed reinstatement



FMLA Expansion: Exceptions

Employers with less than 50 employees

- if this law jeopardizes the validity of the business

Employers with less than 25 employees

- Reinstatement exclusion



Emergency Paid Sick Leave

Coverage

Reasons for Leave

Entitlement

Other Provisions



Paid Sick Leave: Coverage

Employers with less than 500 employees

All employees

No employment length requirement



Paid Sick Leave: Reasons for Leave

Quarantine and/or Isolation Orders

Federal

State

Local



Paid Sick Leave: Reasons for Leave

Sick or must be isolated (Full-Pay)

Care for a family member who is sick or needs to be isolated ($\frac{2}{3}$ Pay)

Care for a child under 18 whose school is closed ($\frac{2}{3}$ Pay)

Other “substantially similar” conditions



Paid Sick Leave: Entitlement

Full-Time Employees: 80 hours

Prorated for part time based on average hours

Does not carry over to 2021

Must issue this leave before any
previously accrued sick leave



Paid Sick Leave: Entitlement

Caps on entitlement:

Full-Time: \$511/day and total of \$5110

For Self

$\frac{2}{3}$ Pay: \$200/day and total of \$2000

To care for family member or child



Paid Sick Leave: Other Provisions

Unlawful to discharge, discipline or discriminate against:

Someone who takes leave in accordance with
this act

Files a complaint related to this act





Landlord/Tenant Agreements - Post COVID-19

Commercial Tenants

Impacts of COVID-19

- Shelter in Place for Small Businesses
 - Loss of Revenue
 - Loss of Employees (still on hook for payroll)
 - Delays in Capital, heavy risk for borrowing
- Commercial landlords
 - Loss of Rent Payment
 - Loss of Tenants
 - Decline in Underlying Asset Value

Moratorium on Commercial Evictions

County of Santa Cruz,
Incorporated Cities

“No enforcement of evictions for nonpayment of rent”: does not mean rent is waived.

County/Cities have very limited resources available for commercial tenants

County and City(s) Emergency Resolutions

- County is not exercising its police power to enforce commercial/residential evictions through May 31st, 2020 (likely to be extended) - State of Emergency Declared on March 10th
 - All unlawful detainer trials suspended until May 4th, 2020
- Must have documented loss of income due to medical expenses and/or compliance with government orders affecting business.
- Board of Supervisors to revisit financial assistance on April 14th
- **Does not absolve tenant from payment of rent**
- Watsonville differs slightly - Tenant is order to pay back rent within 6 months of the end of public emergency (as defined by Council)
 - Tenant "must" pay what they can - clear documentation needed
- Santa Cruz is largely in line with County (May 31st), but explicitly specifies 6 months repayment period
 - Tenant "must" pay what they can - clear documentation needed

What should you do if you can't pay rent?

Or your tenant can't pay you?

- Signed Statement of Loss for both parties
- Scenario Evaluation
 - 2 month versus 6 month and beyond
- Negotiate Deferment, Temporary Reduction, Forgiveness

Joint Statement of Loss

1. Clearly Articulate how the COVID-19 Virus has affected your Business/Organisation, e.g. loss of revenue, inability to pay rent, childcare
 - a. If you are a restaurant or other non-essential business cite Emergency Orders, County Public Health Orders, etc.
2. List steps already taken to remedy situation, e.g. temporarily furloughed employees, intention to apply for SBA Disaster Relief, etc.
3. Define intention: What will/can you do in the next 4-6 months
 - a. Preference for rent deferment, reduction, etc. "I am seeking a deferment of rent payment for x months, a waiver of late penalties as outlined in the commercial lease signed by X on this date..."

Evaluation Period

1. Define Scenarios based upon worst to best case in terms of
 - a. Expected Assistance, SBA Disaster relief, rent referral terms
 - b. Timeline to normalcy, (best case 4 months? 6 Months? worst case...)
 - c. Is your business seasonal? Hospitality, Business Admin/Support
 - d. Has your market been reduced permanently?
 - e. Has the underlying value of your asset(s) diminished?
2. What is your existing debt ratio?
 - a. How do these scenarios affect your ability to service existing debt?
 - b. Can you feasibly pay back rent in the future under all scenarios?
3. Ownership/Investor Structure - Is Everyone on the same page?

Offer Terms

1. Timeline of Deferment and Payback Period
 - a. Waiving Interest and Penalties is strongly encouraged
 - b. Specific payment timelines from Cities are hard to enforce
2. Are there trigger points for reevaluation?
 - a. What happens should Shelter in Place be extended?
 - b. Medical Emergency?
 - c. If you need to break the lease how will the balance be paid?
 - d. Landlords, what happens if you need to sell the property?
3. Ownership/Investor Structure Revisited

Santa Cruz County Chamber of Commerce

**Preview of COVID-19 Survey
March 18-25, 2020**

Chamber COVID-19 Survey

March 18-25, 2020

This short survey is an opportunity to provide more than anecdotal comments to the public officials in charge. This anonymous survey collects real data and aggregates results so we have a better story to tell about the short and long-term impact to the business community.

Chamber COVID-19 Survey

We collected to date 230 responses - countywide

Responses are from all industry sectors of the County

A Sample of Industries

Lodging
Residential Rentals
Nonprofit
Real Estate and Law
Restaurants and bars
Veterinary Hospital
Im a self employed mobile notary.
Interior Design
Beauty
Professional services
Video and Television Production
Arts

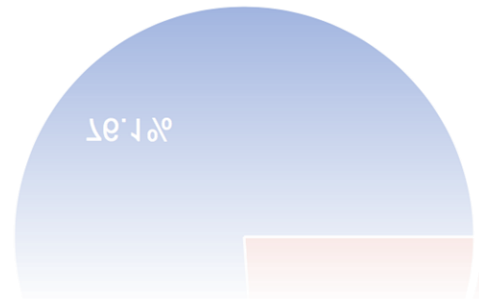
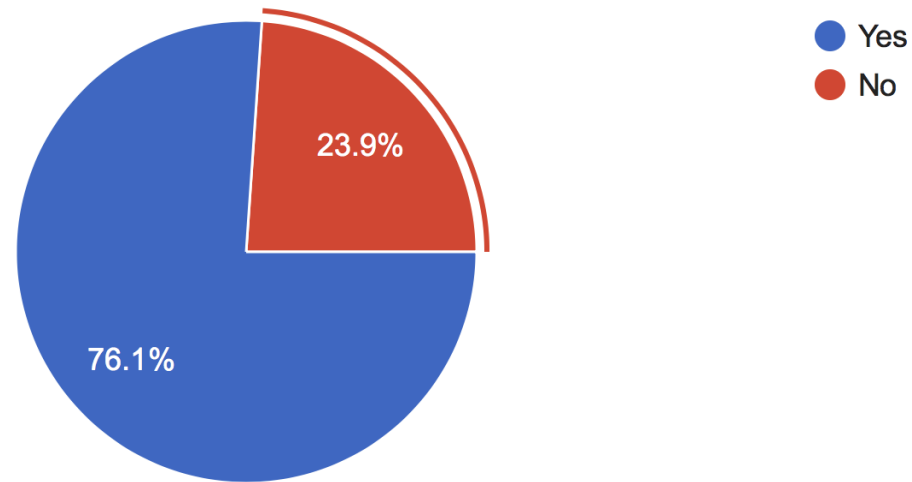
Auto repair
VIP Massage at Capitola Mall (1855 41st Ave.)
Beauty Salon
Cafe/ Food service
Health care (acupuncture)
Computers and Technology Support
Spa
Decorative Apparel & Accessories
legal services
Pet and Service industry
Service - Restaurant

Chamber COVID-19 Survey

Significant Finds (to date)

2) Have you taken any specific steps to collect financial data associated with your business' productivity

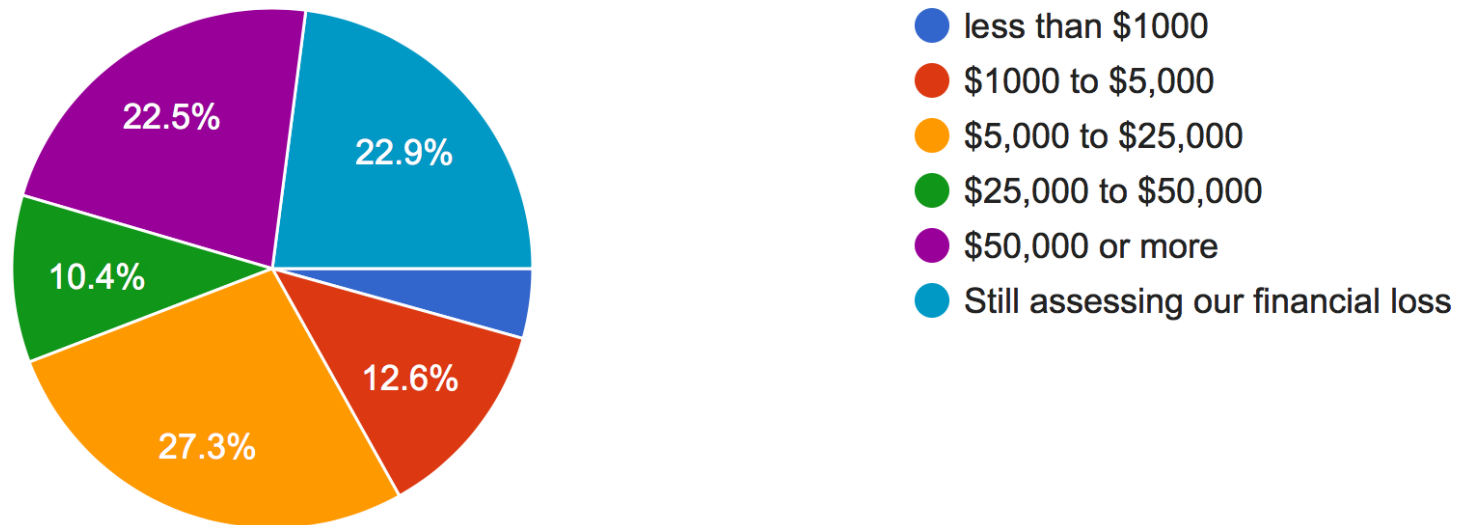
230 responses



Chamber Survey COVID-19

3) If yes to the question: What is your estimated loss of revenue?

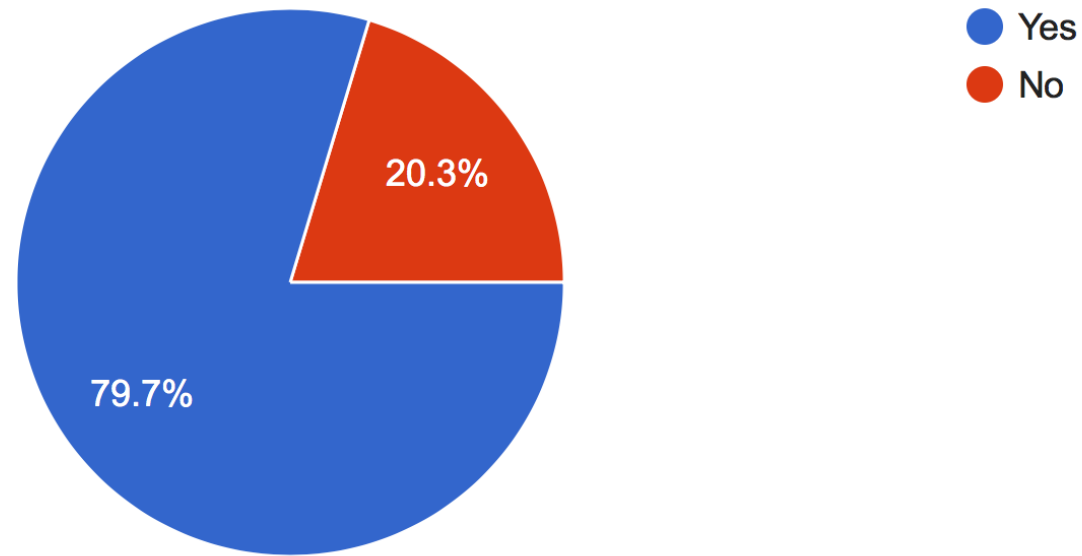
231 responses



Chamber COVID-19 Survey

6) Has your business reduced hours of operation?

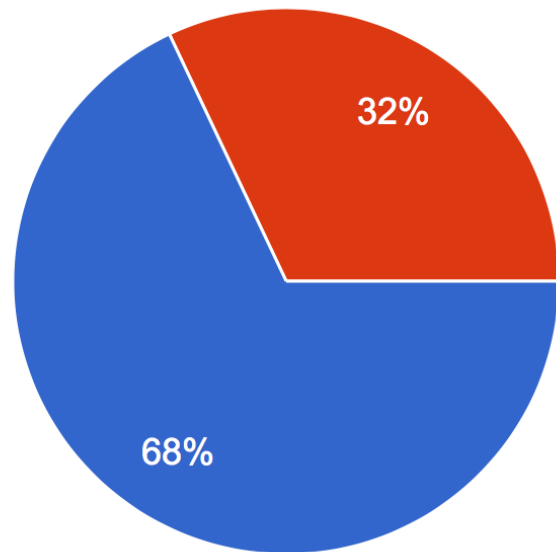
231 responses



Chamber COVID-19 Survey

8) Have you reduced employee hours and/or the number of employees working for you?

231 responses

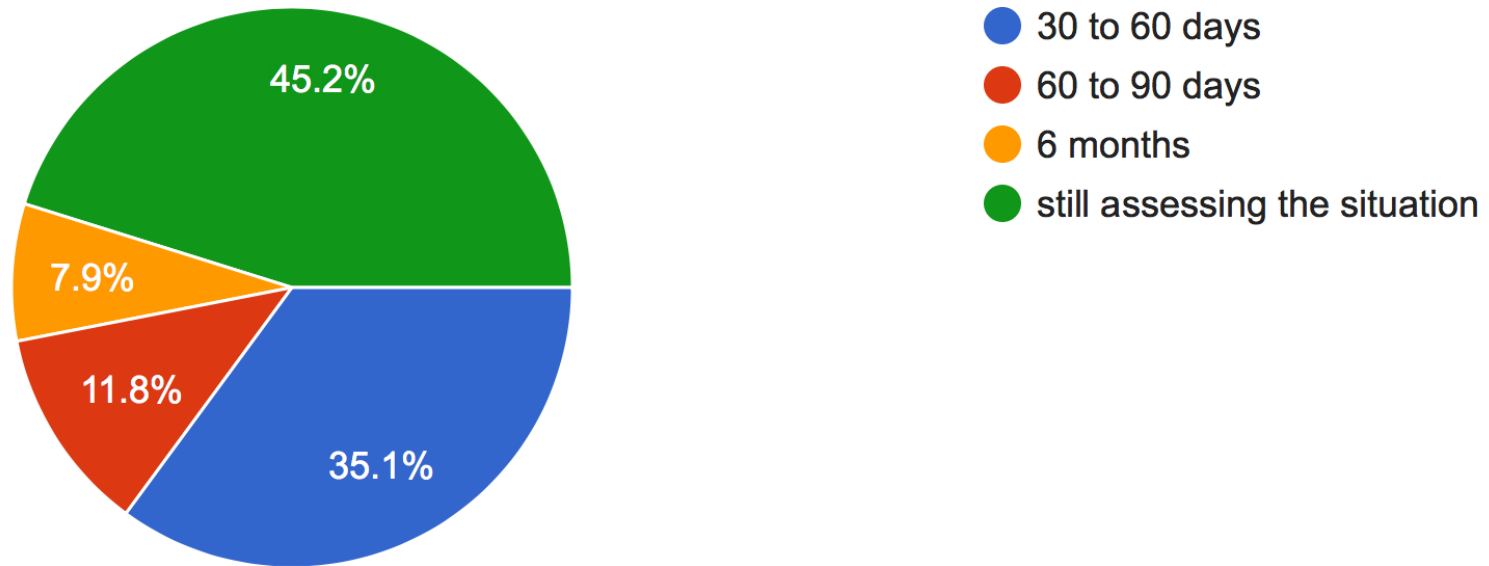


- Yes
- No — We are still assessing your employee situation

Chamber COVID-19 Survey

12) How long can your business continue under the current crisis?

228 responses



Chamber COVID-19 Survey

13) What program would be most helpful to you and your employees (pick all that you feel would assist your company and organization)

231 Responses

Top Four Responses

Tax Relief from Local and State Government 65.8%

Access to SBA Loans at Low Interest Rates 53.2%

Unemployment Insurance for Employees 51.9%

Ability to delay filing State and Federal Taxes 44.6%

Questions