



Small Business Resources, Assistance and Safety During COVID-19

COUNTY OF SANTA CRUZ OFFICE FOR ECONOMIC DEVELOPMENT

APRIL 24, 2020

Webinar Broadcast Options

- Zoom webinar
- CTV YouTube - <https://www.youtube.com/channel/UCGIIdn3uVpcXnvHwwUlhQeew/live>
- County Facebook page - <https://www.facebook.com/countyofsantacruz/>
- CTV – Comcast channel 25 and Charter channel 71, **which will be available for replay.**
- Slides and video links from todays webinar will be posted on www.sccvitality.org

Agenda/Speakers

1. Opening Remarks – Andy Constable, County Economic Development Manager
2. Local Business Support- Doug Erickson, Executive Director, Santa Cruz Works
3. Business Protection Program – Lieutenant Roy Morales, County Sheriff's Office
4. Managing Human Resources in Your Business – Candice Elliot, Fortress & Flourish
5. Unemployment Assistance – Andy Stone, Director, County Workforce Development
6. Small Business Funding Sources – Brandon Napoli, Director, SBDC
7. Questions

Disclaimer

The information provided in this webinar has been obtained from sources we deem reliable and up to date. However, due to ongoing changes in the processes, policies and interpretations of the material presented, we do not represent or warrant the accuracy or completeness of all information. We recommend all parties obtain independent accounting, financial and legal advice before making any final decision or taking action.



SANTA CRUZ
WORKS

Ride Out the Wave...Again!

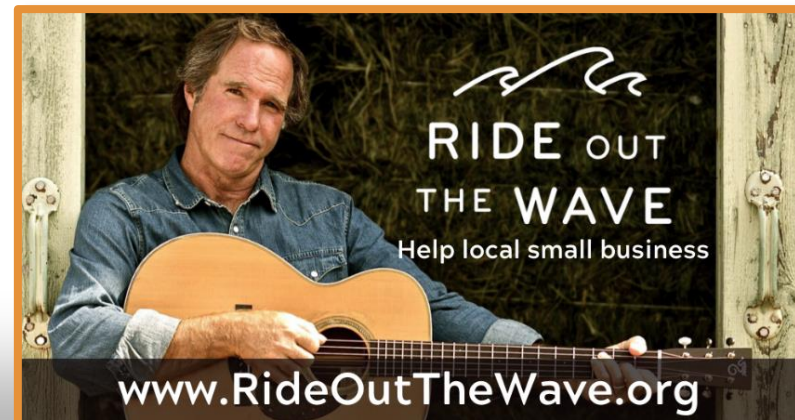
Tech Gives Back...BIG!

Phase 1

- Core team: SCWorks, Amazon
- Date: April 2-4
- Match funds: \$10,000
- Donors: County & City Econ Dev
- Musician: Taylor Rae
- Results
 - 15,000 site visits
 - 5,000 card visits
 - >\$40,000 gift certificates purchased

Phase 2: www.RideOutTheWave.org

- Core team: SCWorks, Amazon
- Date: April 24
- Match funds: \$40,000+
- Donors: Amazon, Looker, MBEP, Community Foundation
- Musician: Keith Greeninger
- Goals
 - Drive \$160k gift certificate purchases





SANTA CRUZ
WORKS

CEO Works

Connecting CEOs in Difficult Times

- Peer-to-peer private group
- SMB, Mid-Size
- Meet once a month
- Max 12 per group
- Chair / moderated by
 - John Marshall
 - John Dicconson
- Sponsors
 - SCC Business Council
 - SC Works





SANTA CRUZ
WORKS

PPE4CC

- Production of
 - Face shields
 - Cloth masks
- Output capability: 1,000 per day
- Contributors
 - Idea Fab Labs
 - Joby Aviation
 - Land Trust Santa Cruz
 - Parallel Flight
 - Santa Cruz Bicycles
- Deliveries (D); Requests (R)
 - D: 1,000 to NYC
 - D: 400 to IN
 - D: 400 to UCSC
 - R: 20,000 to Monterey County Health
 - R: 5,000 to Santa Cruz County Health





SANTA CRUZ
WORKS

Fireside Chat: Guy Kawasaki, UCSC

Webinar

- Date: May 6
- Time: 7pm PT
- Topics
 - UCSC projects
 - Genome browser
 - Testing, vaccine
- Speakers
 - John MacMillan
 - Guy Kawasaki
 - David Haussler
 - Rebecca DuBois



<https://bit.ly/GoSantaCruz>

SHERIFF'S OFFICE BUSINESS PROTECTION PLAN

LIEUTENANT, ROY MORALES

- **Procedure**
 - Identify at-risk businesses
 - Conduct foot patrol
 - Identify security improvements
 - Leave Crime Prevention Card
 - Coordinate with Business owners/managers

DEPUTIES OBTAIN

- Business name and address
- Contact information
- Date and time of our visit
- Suggested security enhancements



PUBLIC SERVICE ANNOUNCEMENT







Santa Cruz County Sheriff's
Office

**Crime Prevention
Home Security Inspections**

Sign up for a free "*Home Security Inspection*" for residents within the Sheriff's Office jurisdiction. Crime Prevention volunteers will use a detailed checklist to perform inspections and provide assistance.

831-454-7689
Crime Prevention Officer
WWW.SCSHERIFF.COM
Jim Hart, Sheriff-Coroner

CARDS

COMMUNITY POLICING TEAM

Provide security
recommendations

Enhanced business security
plan

To date, 56 businesses have
been checked

WHAT HAVE WE SEEN?



COVID-19 and Managing HR in Your Business

Candice Elliott - MPS, SPHR



Rebuilding: Your Staff

Solidify your policies

Refine systems

Consider the changed economy

Connect with past and future employees

Plan Ahead: Leadership in Business



Solidify Your Policies

Recruitment & Onboarding Policy

Terminations & Offboarding Policy

Company Handbook, Job Descriptions

Job Offer Letters

Your company's employer brand



Refine Systems

Time Tracking

Payroll

Time Off Requests

Training

Development



Consider the Changed Economy

What will now serve your clients best?

How do you adjust staffing to meet their needs?

Consider utilizing funding awarded to
your organization to re-hire.



Connect with Past & Future Employees

Understand their needs

Provide resources

Provide education about your business,
brand, or technical skills needed

Issue a re-hire offer letter



Plan Ahead: Leadership in Business

Hold multiple perspectives

Prepare for multiple futures

Develop capacity

Communicate your plan

Build resilience through adversity



Plan Ahead: Leadership in Business

Leaders Eat Last - Simon Sinek

“It is the ability to grow one’s people to do what needs to be done that creates stable, lasting success.”

On Becoming a Leader - Warren Bennis

“It is not in the still calm of life or the repose of a pacific station that great characters are formed. . . Great necessities call out great Virtues.” - Abigail Adams





SANTA CRUZ COUNTY

WORKFORCE
DEVELOPMENT

Pandemic Unemployment Assistance (PUA)

April 24, 2020

Andy Stone, WDB Director

Pandemic Unemployment Assistance

Overview

Part of the federal CARES Act, the new PUA program helps unemployed Californians who are business owners, self-employed, independent contractors, have limited work history, and others not usually eligible for regular state UI benefits who are out of business or services are significantly reduced as a direct result of the pandemic.

Pandemic Unemployment Assistance

Covered Individuals	Amount of Benefits	When Benefits Start	How Long
<ul style="list-style-type: none">· Independent contractors· Self-employed· Individuals without sufficient work history· Individuals who have exhausted their regular and any extended UI benefits· Must self-certify to be able and available to work except are unemployed <u>due to COVID-19 related reason</u>	<p>Minimum weekly benefit amount of \$167 (but weekly amount may be higher and equal the amount provided under regular UI, depending on proof of prior earnings)</p> <p>PLUS \$600 for weeks between March 29, 2020 to July 25, 2020.</p>	<p>Benefits can be retroactive to weeks starting on or after February 2, 2020, depending on your last day of work due to COVID-19 and regardless of when you submitted your claim application. The effective date of your claim will begin the Sunday of the week when you last worked and became unemployed due to reasons directly related to COVID-19.</p>	<p>Up to 39 weeks (minus any weeks of regular UI and certain extended UI benefits).</p> <p>Last week is week ending December 26, 2020.</p>

Pandemic Unemployment Assistance

COVID-19 related reasons for being out of work include the following:

1. You have been diagnosed with COVID-19 or are experiencing symptoms of COVID-19 and are seeking a medical diagnosis.
2. You are unable to work because a health care provider advised you to self-quarantine due to concerns related to COVID-19.
3. A member of your household has been diagnosed with COVID-19.
4. You are providing care for a family member or a member of your household who has been diagnosed with COVID-19.
5. A child or other person in the household for whom you have primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 **and** the school or facility care is required for you to work.
6. You became the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19.
7. You have to quit your job as a direct result of COVID-19.
8. Your place of employment is closed as a direct result of COVID-19.
9. You were scheduled to start a job that is now unavailable as a direct result of the COVID-19 public health emergency.
10. You are unable to reach the place of employment as a direct result of the COVID-19 public health emergency.
11. If you work as an independent contractor with reportable income, you may also qualify for PUA benefits if you are unemployed, partially employed, or unable or unavailable to work because the COVID-19 public health emergency has severely limited your ability to continue performing your customary work activities, and has thereby forced you to stop working.

Pandemic Unemployment Assistance

Other Eligibility

If you are not a citizen of the United States, you cannot be paid PUA benefits unless you were legally permitted to work in the United States at the time such services were performed.

In addition, you must be authorized to work for any week of PUA benefits claimed to be eligible for payments.

Pandemic Unemployment Assistance

When Can I File a Claim?

EDD will begin accepting online applications for this program on Tuesday, April 28.

EDD will share instructions for filing a claim for PUA benefits when details become available. Check <https://edd.ca.gov/> for updates.

If you are unsure if you are an independent contractor or an employee who could be eligible for benefits, [file for regular Unemployment Insurance benefits](#) and EDD will determine your eligibility.

Pandemic Unemployment Assistance

How soon could I receive PUA benefits?

If approved and after certifying, you may be able to receive your first PUA payment within approximately 2 days if you have an existing EDD debit card (and there are no issues that require a further review of eligibility), and within 4 to 7 days when new debit cards and checks are mailed.

Pandemic Unemployment Assistance

For more information

EDD's PUA website:

[https://edd.ca.gov/about edd/coronavirus-2019/pandemic-unemployment-assistance.htm](https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm)

California Labor & Workforce Development
Agency PUA website:

<https://www.labor.ca.gov/pandemic-unemployment-assistance-pua-program/>

Small Business Funding Sources



Brandon Napoli, Director, SBDC

CARES Act – Summary for Businesses

Corona Aid, Relief, and Economic Security Act
(CARES Act)
signed into law on March 27, 2020



Allocates \$2.2 trillion for assistance to
individuals, businesses, and hospitals

\$350 billion for a new Paycheck
Protection Program (PPP)

\$10 billion to expand the
eligibility of the Economic Injury
Disaster Loan (EIDL) program

New Stimulus: CARES ACT 3.5

- Total President Signed \$484B
- EIDL: \$60B
 - \$50B - Loans
 - \$10B - Advance - Forgiveness
- PPP: \$310 Billion
 - PPP: \$250B
 - Open to all lenders
 - PPP: \$60B
 - \$30B Community based lenders, small banks & credit unions
 - \$30B for mid-sized banks and credit unions
- Healthcare and Hospitals: \$78B
 - Testing: \$75B

SBA Products

Funding Options

In addition to traditional SBA funding programs, the CARES Act established several new temporary programs to address the COVID-19 outbreak.



Paycheck Protection Program

This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.

[Learn more](#)



EIDL Loan Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.

[Learn more](#)



SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.

[Learn more](#)



SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.

[Learn more](#)

Paycheck Protection Program (PPP)

- Administered under SBA's 7(a) Loan Program
- 100% federally-guaranteed loan with the following goals:
 - Help employers to retain employees
 - Cover near-term operating expenses between February 15, 2020 and June 30, 2020
- Eligibility
 - Small businesses with fewer than 500 employees
 - 501(c)(3) with fewer than 500 employees
 - Sole proprietors
 - Independent contractors
 - Tribal businesses
 - 501(c)(19) Veterans Organizations that meet SBA requirements
 - Business must have been operating before February 15, 2020 and had paid employees or contractors

Paycheck Protection Program (PPP) (cont.)

- No loans larger than \$10 million
- 2.5 times a month's payroll, based on average monthly payments during the last year period before the loan was issued.
- Sole Proprietors need to look at line 31 on Schedule C to calculate the following:
 - Loan Amount: Line 31 divide by 12 and multiple by 2.5
 - Forgiveness: Line 31 divide by 52 and multiply by 8
- Compensation/payroll-related costs to employees
- Group healthcare benefits during periods of paid sick, medical, or family leave, and insurance premiums
- Payments of interest on mortgage obligations
- Rent/lease payments
- Utilities
- Interest on other debt obligations incurred before the covered period

Paycheck Protection Program (PPP) (cont.)

- Fees – No borrower or lender fees for participation
- Term – 2 years
- Payment Deferral – Up to 6 months
- Interest Rate – 1.00 percent
- Collateral – No collateral or personal guarantees required
- Loan Forgiveness - 8 Weeks from time of getting money
 - 75% or More spent on payroll costs & 25% or less spent on rent/utilities/interest payments
 - Don't have to hire all employees back
 - To find an eligible lender: www.sba.gov/paycheckprotection/find

Economic Injury Disaster Loan (EIDL)

- Temporary expanded eligibility and provides an emergency grant advance of up to \$10,000, equating to \$1,000 per employee. Will be deducted from PPP.
- Eligibility
 - In operations since 1/1/2020
 - Must be a Small Business under the [SBA Table of Size Standards](#)
 - Sole proprietors
 - Tribal businesses
 - Cooperatives and employee-owned businesses
 - 501(c)(3) with fewer than 750 employees
 - Must have been in business as of January 31, 2020
 - Expanded eligibility criteria and emergency advance are only available between January 31, 2020 and December 31, 2020

Economic Injury Disaster Loan (EIDL) (cont.)

- Maximum size of the loan – Up to \$2 million
- Use of loan proceeds – Economic loss caused by COVID-19
- Fees – No borrower or lender fees for participation
- Term – 30 years
- Payment Deferral – 11th month
- Interest Rate
 - 3.75 percent for For-Profit
 - 2.75 percent for Non-Profit
- Collateral – None required up to \$25,000. Available collateral considered and owners 20 percent or more of the company will guarantee
- Personal Guarantees – Not required up to \$200,000

Other SBA Programs

- SBA Express Bridge Loans
 - Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.
- SBA Debt Relief
 - SBA will automatically pay principal, interest, and fees of current 7(a), 504, and microloans for a period of six months.
 - SBA will automatically pay the principal, interest, and fees of new 7(a), 504, and microloans issued prior to September 27, 2020.

California Small Business Support

- California IBank support small businesses not eligible for EIDL or PPP
 - \$50 million loan fund for loans up to \$50,000
 - \$1Mill Loans
 - Eligibility = have to be disqualified with PPP & EIDL to qualify for IBank
 - Terms: Up to Prime plus 1%
 - Santa Cruz Community Credit Union
 - Heritage Bank
 - Pinnacle Bank
 - Pacific Valley Bank
 - California FarmLink
- Sales tax deferral
 - Allows small businesses with less than \$5 million in taxable annual sales, to take advantage of a 12-month interest-free, payment plan for up to \$50,000 of sales and use tax liability only. For more information www.cdtfa.ca.gov

Verizon Small Business Recovery Fund

Grants of up to \$10,000 to businesses facing immediate financial pressure because of Covid-19—especially entrepreneurs of color, women-owned businesses and other enterprises in historically underserved communities who don't have access to flexible, affordable capital.



Questions
