



## Resources Available to Businesses During the COVID-19 Pandemic

As we work together to maintain the safety and health of our community, EKA continues to relay information regarding the resources that have come available to businesses. Information is changing rapidly and we are doing our best to keep all information up-to-date as quickly as possible. Please also check state and federal government websites for the most recent information.

### FEDERAL

Please view our table on Page 3 that highlights the differences between the loans below.

#### Paycheck Protection Program

- Small Business Administration (SBA) loan program specifically designed to help small businesses keep their workforce employed.
- Designated for eligible businesses, independent contractors, and non-profits with 500 or fewer employees with a maximum loan amount of up to \$10 million.
- Loan forgiveness applied if proceeds used for payroll costs and other designated business operating expenses (mortgage, rent, utilities, etc.) in the 8 weeks following the date of loan origination. Defers payments for 6 to 12 months.

#### Emergency Economic Injury Loans and Grants (EIDL)

- Provides low-interest federal disaster loans up to \$2,000,000 for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).
- This program includes provisions for an up-front payment of a \$10,000 grant for successful applicants.
- Applicants may apply by visiting the Small Business Administration [website](#) or call the SBA at (800) 659-2955.

### STATE

#### CA Postpones Tax Deadlines Until July 15

- The Franchise Tax Board (FTB) announced updated special tax relief for all California taxpayers due to the COVID-19 pandemic.

- FTB is postponing until July 15 the filing and payment deadlines for all individuals and business entities for 2019 tax returns, 2019 tax return payments, 2020 1st and 2nd quarter estimate payments, 2020 LLC taxes and fees, and 2020 Non-wage withholding payments.

### **C.A.'s Disaster Relief Loan Guarantee Program**

- The State of California is allocating \$50 million to the Small Business Finance Center at California's IBank to mitigate barriers to capital for those small businesses (1-750 employees) that may not qualify for federal funds (including businesses in low-wealth and immigrant communities).
- The \$50 million allocations will be used to recapitalize the IBank Small Business Loan Guarantee Program.
- This disaster program provides guarantees for loans of up to \$50,000 for small business borrowers in declared disaster areas.

## **LOCAL**

### **LA County Employer Assistance Grant Fund- Application Opens April 9 (Limited)**

- To assist local businesses during the COVID-19 crisis, L.A. County's Department of Workforce Development, Aging, and Community Services is providing businesses grants of up to \$10,000 to businesses that qualify.
- Qualifications include proof of economic hardship and having between 2-50 full-time employees.
- Funds are limited and will be processed on a first-come, first-serve basis. The application will be available online and will open on Thursday, April 9, at 8 AM and will close once 150 applications are received.

### **L.A. County's Business and Worker Disaster Help Center**

- COVID-19 is having a significant impact on businesses and the economy. The County is working closely with local and statewide partner to centralize important resources for businesses to access that provide further information on the Cares Act, essential businesses, tax FAQs, and the safer at home requirements.

## **PRIVATE**

There are a few private-sector sources of assistance available, including:

### **Facebook Small Business Grants**

The program offers \$100M in cash grants and credits for Facebook advertisements for up to 30,000 eligible small businesses worldwide.

### **Food and Beverage Industry Relief Fund**

Provides emergency funding to restaurant/bar owners and their employees.

### **Verizon-LISC Small Business Recovery Fund**

LISC will provide 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.

## What are the Main Differences Between the Loans?

	<b>PPP</b>	<b>EIDL</b>	<b>EEIG</b>
<b>Maximum Loan</b>	\$10 Million	\$2 Million	\$10,000
<b>Terms</b>	1% and 2 years maturity as of 4/2/2020	Up to 3.75% Up to 30 years	None
<b>Basis of Loan Amount</b>	Monthly Payroll Costs	Demonstrated Need	Request (subset of EIDL)
<b>Funded By</b>	Local Bank	SBA	SBA
<b>Time to Funding</b>	1-2 weeks (expected but uncertain)	3-4 weeks (estimated)	3 days
<b>Forgiveness</b>	Yes (Partial to Full)	No	Yes
<b>Personal Guarantee</b>	No	Yes	No
<b>Collateral Required</b>	No	Yes	No
<b>Application Requirement</b>	Simple	Complex	Simple
<b>Compliance Requirement</b>	Complex	Simple	NA
<b>Appropriate For</b>	Capital to cover the cost of retaining employees, paying rent and utilities, interest on mortgage debt	Payroll and other operating expenses that could have been met had the disaster not occurred	An emergency infusion of cash to cover you right now, an advance against EIDL.

## ADDITIONAL RESOURCES

### **U.S. Small Business Administration**

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

### **California GO-Biz**

<https://business.ca.gov/coronavirus-2019/>

### **L.A. Cares Corp**

<https://ewddlacity.com/index.php/lacarescorps>

### **L.A. County**

<https://covid19.lacounty.gov/covid19-2/consumers-businesses/for-businesses/>

*Information current as of April 10, 2020*

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