

COVID-19 Impacts to Small Business Weekly Webinar

Wednesday, April 29, 2020 | 11am-12am

Moderator: Sarah Domondon, Office of Economic Development



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Agenda

I. Intros + housekeeping

II. COVID-19 Public Health update

III. Updates from the Office of Economic Development

IV. Updates from the Office of Labor Standards

V. Q&A



Housekeeping items

- Today's webinar is being recorded and is scheduled to last 1 hour, including Q & A
- All participants will be muted to enable the speakers to present without interruption
- Questions can be submitted any time via the 'Questions' screen on the GoToWebinar control panel; *please only use chat box for logistical purposes.*
- Slides and a recording of this presentation will be available 1-2 days after the webinar on bottomline.seattle.gov
- Calls will be scheduled weekly for the next 5 weeks 11am-12pm



COVID-19 Public Health Updates

Seattle King County Public Health

Kirsten Wyses, Seattle King County Public Health



Washington



Deaths per day ⓘ

22 days

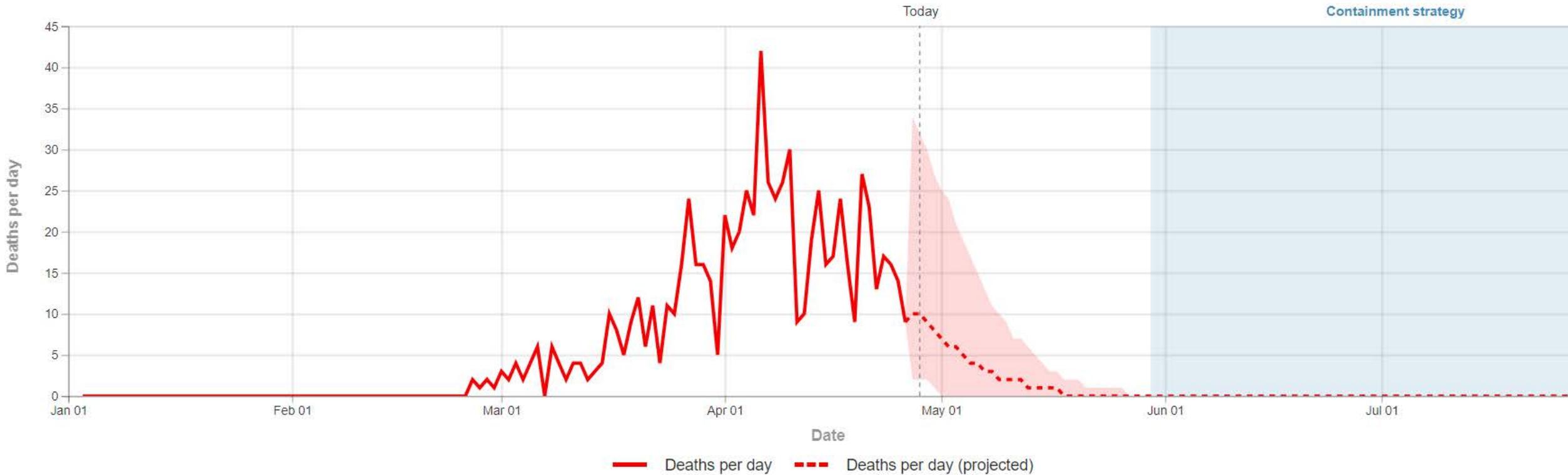
since projected peak in daily deaths

42 COVID-19 deaths

projected on April 6, 2020

Containment strategy ⓘ

After May 30, 2020, relaxing social distancing may be possible with containment strategies that include testing, contact tracing, isolation, and limiting gathering size.



Monday, April 26, 2020

Cases overview

King County

Confirmed

5,945

Recovered

-

Deaths

416

Washington

Confirmed

13,686

Recovered

-

Deaths

765

United States

Confirmed

1.03M

Recovered

118K

Deaths

58,947

Worldwide

Confirmed

3.08M

Recovered

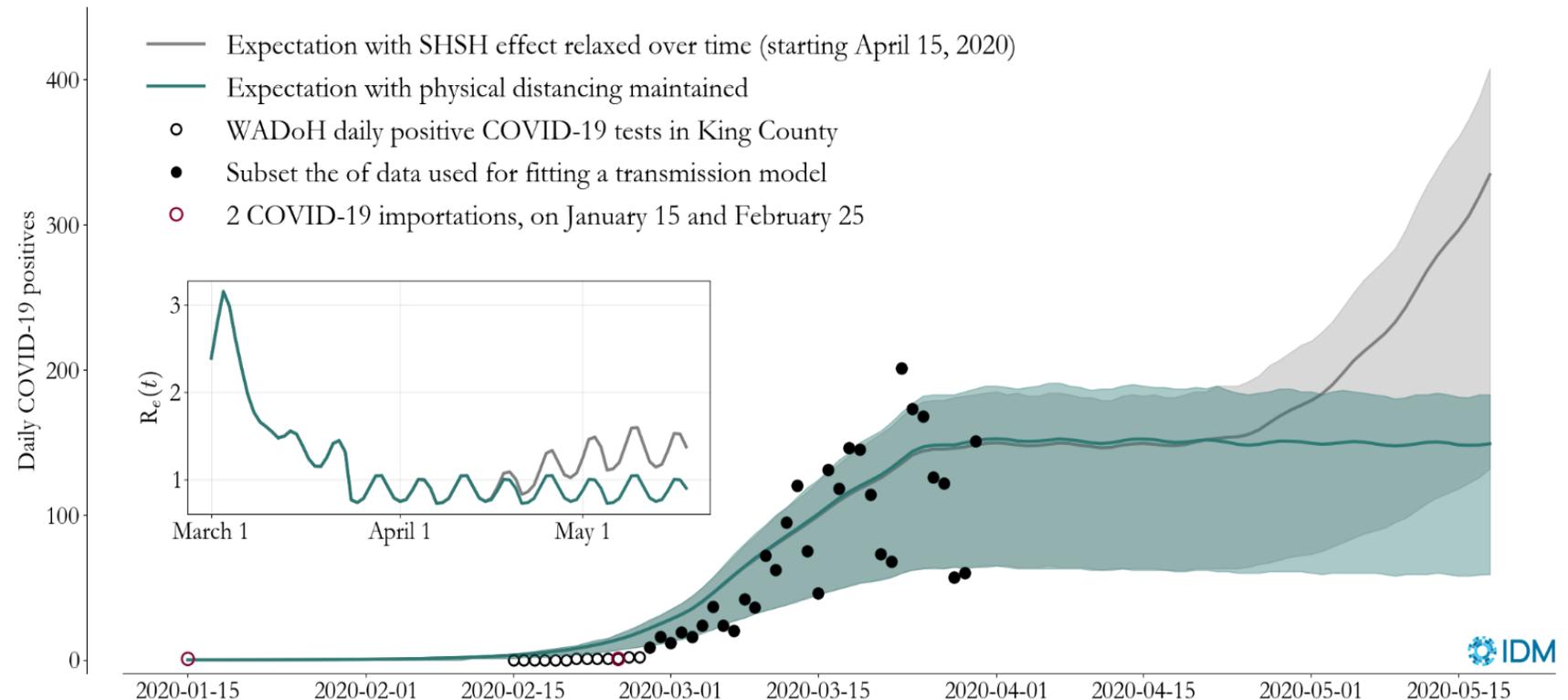
916K

Deaths

214K

Inslee: WA Must Take Actions to Have a Safe Return to Public Life

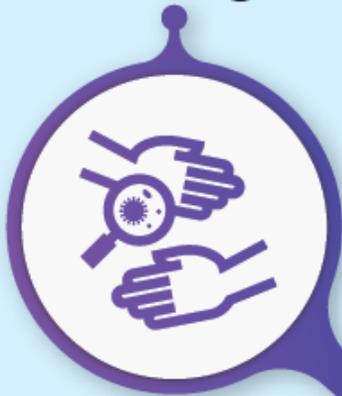
- Need to take deliberate steps to continue to decrease COVID-19 cases
- Continue to protect the health of Washingtonians
- Bend of the curve



Recovery in Washington state will be gradual, data-driven, and health-focused.

The safe, healthy path back to normal requires:

more testing



PPE for everyone who needs it



a vaccine

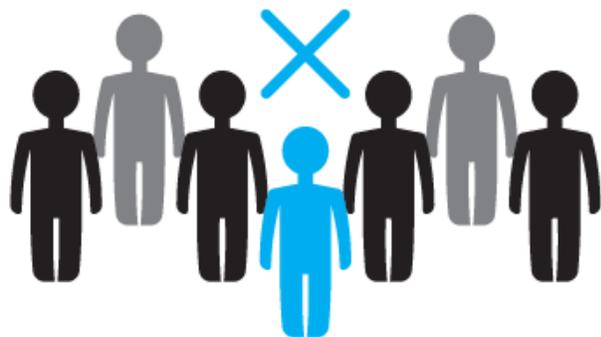


contact identification capabilities

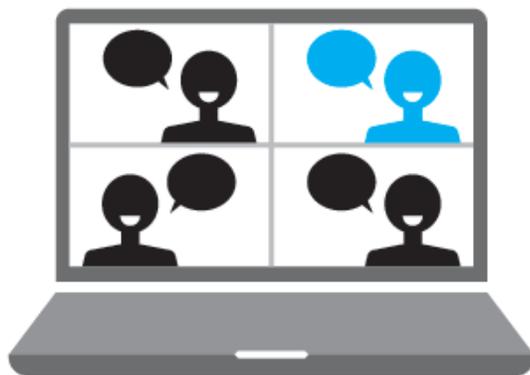


adequate capacity in our health care system

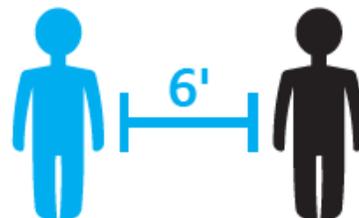
Until then, preventing another outbreak is our priority.



Most large gatherings will remain prohibited.



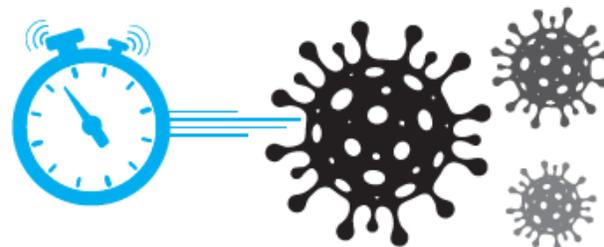
Teleworking and distance learning will continue.



Physical distancing will continue.



Some industries will open faster than others – we'll provide guidance.



If another outbreak occurs, restrictions could go back into place.

Test, Identify, Treat

- ***Provide wide-scale, rapid testing capabilities across the state:*** have testing supplies and capacity available so we can rapidly test everyone with COVID-19 symptoms and identify people who are infected.
- ***Identify those who have been exposed:*** quickly identify and reach out to the close contacts of those infected with COVID-19 so they can take care of themselves and protect others.
- ***Isolate and quarantine:*** ensure that people who have been exposed have a safe place to recover while being treated and don't put others at risk.
- ***Treat those who have COVID-19:*** our strong health care system must continue to care for those who have contracted the virus and provide needed treatment for their recovery.

Move Forward to Stay Healthy

- ***Ensure access to protective supplies for the public:*** make sure there are ample supplies of prevention materials, such as COVID testing, masks or cloth face coverings, protective and cleaning supplies, and hand sanitizer for all needing it.
- ***Support a resilient health care system:*** maintain a strong workforce and surge capacity capable of meeting the needs of a second wave of infections.
- ***Use data and information:*** collect data across our communities to monitor and model the COVID-19 situation in real time to make recovery decisions. Develop health technology capabilities to enhance connections between public health and health care.
- ***Prepare for treatments and vaccination:*** be prepared to distribute proven treatments to help curb the onset and severity of COVID-19. Prepare for the distribution of a vaccine when it becomes available.

Getting Back to Work

- ***Implement a phased-in approach:*** businesses should prepare for interventions to be rolled back slowly and deliberately; develop a phased-in approach for when certain industries and venues will reopen based on their ability to address health risks. Develop specific science-based guidance around the phases of return to public life for employers, employees, customers, and the general public.
- ***Maintain smart physical distancing and other public health requirements:*** businesses and public spaces will need to maintain physical distancing, prevent touching of surfaces, construct barriers, and make modifications, as necessary, to keep employees, customers and the public safe.
- ***Implement requirements for employers and workers:*** keep the workforce healthy and allow businesses to reopen and stay open by: frequent handwashing and worksite cleaning; screening and clear plans if an employee becomes ill, including contact tracing/notification to other workers in close proximity; worker training; adequate supplies available for worker protection; and continuing teleworking policies, wherever possible.

CUSTOMER FACING

Grocery stores
Restaurants
Child care centers
Apartment buildings

13 languages

WE'RE PROTECTING OUR CUSTOMERS FROM COVID-19 

In response to Public Health direction, we:

- Screen employees daily for fever, cough, and shortness of breath. 
- Ensure sick employees stay home. 
- Make hand washing and hand sanitizer available. 
- Clean and sanitize surfaces frequently. 

Please help in protecting our community:

- Stay home if you're feeling sick.
- Keep social distance while in the store (two arms-length from other shoppers). 
- Use "tap and pay" if possible to limit handling of cash. 

Public Health
Seattle & King County 

Poster for grocery store shoppers

- Amharic
- Samoan

FOR STAFF

STEPS TO MINIMIZE RISK OF COVID-19 

In response to Public Health direction, take these steps:

- Screen employees daily for fever, cough, and shortness of breath. 
- Send sick employees home. 
- Allow high risk employees to stay home (people over 60, pregnant people, medical conditions). 
- Make hand washing and hand sanitizer available. 
- Clean and sanitize surfaces frequently. 

Ask employees to read this information sheet.

Public Health
Seattle & King County 

Poster for grocery store staff

- Amharic
- Samoan

Stay Home—Stay Healthy

Learn more about the statewide order to help slow the spread of COVID-19

Viruses Don't Discriminate and Neither Should We

Check out our anti-stigma resources

Stay Informed

Read our latest updates and press releases

30 languages www.kingcounty.gov/covid



[Symptoms, testing, and care](#)



[Schools and childcare](#)



[Workplaces and residential communities](#)



[Community and faith-based organizations](#)



[For healthcare and service providers](#)



[COVID-19 Data Dashboard](#)



[Frequently Asked Questions](#)



[Community support resources](#)

COVID-19 questions?



Weekly Updates

Office of Economic Development

AJ Cari, Small Business Advocate, Office of Economic Development

Nancy Yamamoto, Workforce Director, Office of Economic Development

Sarah Domondon, Small Business Advocate, Office of Economic Development



Updates

1. SBA updates
2. ESD updates
3. New Emergency Order restricting food delivery commission fees
4. New Legislation restricting increases in rents for small businesses



OED Provides SBA Technical Assistance

We help small businesses understand the resources and how to apply

The screenshot shows the Seattle.gov website header with the logo, Mayor Jenny A. Durkan's name, a language selection dropdown, a search bar, and a menu icon. The main navigation menu on the left includes: About Us, > Our Work, Stories and Successes, Contact Us, Staff Directory List, Employment Opportunities, and Office of Film + Music. The main content area features a large black banner with the text "SBA Disaster Loan Technical Assistance". Below the banner is an update dated 4/27: "*Update 4/27" followed by a paragraph: "An additional \$484B relief package was approved Friday which includes \$320B to replenish the Paycheck Protection Program (PPP) and \$60B to replenish the SBA Economic Injury Disaster Loan and Loan Advance program (EIDL). This Monday 4/27, the SBA will begin taking applications on the PPP. EIDL application is pending and may open based on processing existing applications. We are anticipating that the funds will not last long so we are urging businesses to review the PPP and EIDL resources below and apply as soon as possible." Below the text is a row of language selection buttons: English, English (Hmong), English (Cantonese), English (Simplified Chinese), English (Korean), English (Soomaali), English (Español), and English (Tiếng Việt). Below the language buttons is a section titled "Need help with these SBA resources?" followed by a photograph of a group of people in a meeting and a text block: "OED provides technical assistance to businesses applying for SBA loans and understanding the CARES Act (Coronavirus Aids, Relief & Security). This includes helping businesses navigate the application process and documentation. For general inquiries, please email OED@seattle.gov or call 206-684-8090."

SBA Technical Assistance Offered

- Explain the SBA resources available to small businesses, sole-proprietors, and non-profit organizations
- Provide an understanding of the requirements for applying and a step-by-step walk-through of the application, if needed
- Help people understand the processes involved and what to expect
- We also provide “in-language” support to these resources in several languages



SBA Technical Assistance Team

- OED has convened and trained a team of 20 people
- The team is working all-day, in 2-hour shifts of 2 people per shift
- We are providing “In-language” support in several languages
 - Including Spanish, Chinese, Vietnamese, Amharic, and Korean
- We have partnered with the GSBA, other city departments, the NDC, and, of course, the SBA



SBA Loan Resource Options

- There are two main SBA Loan Resources we would like to promote:
- The **Paycheck Protection Program (PPP)** is probably the most popular loan product, as it is a “forgivable” loan if certain criteria are met.
- The **Economic Injury Disaster Loan (EIDL)** and Advance is also popular due to the no-cost advance of up to \$10k that doesn’t need to be paid back, and very low interest rate for the loan.



Paycheck Protection Program

- Currently taking applications!
- This is a forgivable loan
- Loan amount up to 2.5 times average monthly payroll costs, up to \$10M.
- Payroll costs include salary, wage, commission and tips capped at \$100K annual, plus benefits, leave, state/local taxes.
- If no payroll, a single person can utilize commissions, income, or net earnings from self-employment, also capped at \$100K annual.
- Payments deferred for 6 months



Paycheck Protection Program

The loan is forgiven if:

- At least 75% of loan proceeds are used to cover payroll costs over an 8-week period once funds are received.
- Up to 25% of the funds can be used for non-payroll costs including mortgage interest, rent, and utility costs
- Rehire to pre-COVID staffing levels prior to June 30th
- Amounts that don't qualify for forgiveness remain a loan at 1.0% over 2 years.



Paycheck Protection Program

Key application information needed:

- Apply with participating SBA lender
- Average monthly payroll
- Number of jobs
- Individual SBA lenders will have different intake processes
- City/National Development Council partnership to take PPP applications for businesses with employees, that are POC owned or located in a high displacement neighborhood.



Economic Injury and Disaster Loan and Advance

The Basics:

- Application not open, currently working through previously submitted applications
- Loan amount up to \$2M
- SBA providing a loan advance of \$1K per employee up to \$10K. This does not have to be repaid and can be direct deposited within 3 days. Anyone who applies receives this, regardless of outcome of the SBA application.
- Interest rate 3.75% for small business, 2.75% for non-profit
- Loan term up to 30 years
- Collateral is not required but for loans >\$25K it must be reported if it is available.
- Payments deferred for 6 months



Next steps

- If you are thinking about applying, please consider doing it quickly! (These loan funds will run out and we can help you through the application process.)
- If you already applied for PPP with a lender, please check-in with your lender on the status. You may need to reapply.
- If you have not applied for PPP you can apply with the NDC if you are businesses with employees and are POC business or located in a high displacement neighborhood.



Questions?

Please contact the SBA Technical Assistance Team at OED@Seattle.gov or (206) 684-8090 with any questions.

Check out our website at: <http://www.seattle.gov/office-of-economic-development/covid-19-business-and-worker-resources/sba-disaster-loan-assistance>



Paycheck Protection Program

Calculating Average Monthly Payroll

Payroll costs include the following costs for all part and full time employees:

- Salary, wages, commissions, tips or similar compensation (capped at \$100,000 on an annualized basis for each employee);
- Payment of vacation, parental, family, medical, or sick leave;
- Allowance for separation or dismissal;
- Payments required for the provisions of group health care benefits including insurance premiums;
- Payment of retirement benefits;
- Payment of employer paid state and local taxes assessed on compensation;
- For a sole proprietor or independent contractor wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee count as payroll.



Paycheck Protection Program

Calculating Average Monthly Payroll

- Add these costs to calculate total payroll for the year
- Divide by 12 = average monthly payroll (enter this in the intake app)

- You can also get this number from your IRS 941 form line 5E. (Employer's Quarterly Federal Tax Return)
- Add total in line 5E from previous 4 quarters before crisis, and divide by 12 = average monthly payroll (enter this in the intake app)



Paycheck Protection Program

NDC PPP Intake Application Process

- Once the business submits, they will receive an email to invite them to set up an Sparks account with NDC.
- After this point staff cannot provide any direct guidance.
- Sparks account is where the business uploads documentation required by NDC.
- Sparks is the platform the business uses to manages the loan once it is funded.
- NDC will check for complete applications and then submit to SBA.



Q&A

Please use the 'Questions' section in the side bar.





New Unemployment Benefits Under CARES ACT

- Federal Pandemic Unemployment Assistance
- Pandemic Emergency Unemployment Compensation
- Pandemic Unemployment Assistance





Federal Pandemic Unemployment Assistance

- Provides \$600 of additional benefit to weekly unemployment benefit check from April 4 to July 25
- Automatic eligibility to file to anyone receiving unemployment benefits
- Continue to file weekly claims





Pandemic Emergency Unemployment Compensation

- Adds 13 weeks to the end of a regular unemployment claim
- Eligible to anyone who's exhausted a regular unemployment claim since July 1, 2019
- Apply when the regular claim is exhausted or close to exhausting your regular claim





Pandemic Unemployment Assistance

- Provides up to 39 weeks of benefits to individuals who have not been eligible for unemployment (independent contractors, self-employed, those under 680 hours worked min)
- Eligible for those who applied for and denied a regular unemployment claim and cannot work because of COVID-19
- Apply for and be denied a regular claim, then apply for Pandemic Unemployment Assistance





Resources

- Start at WWW.ESD.WA.GOV to resolve questions and for step by step instructions on how to apply for unemployment benefits – whether regular or expanded.
- Phone numbers
 - Have questions (after you've checked the website first): 833-572-8400
 - Filing your weekly claim over the phone : 800-318-6022
 - Claims inquiries that can't be answered online : 800-318-6022
- Virtual Chat
 - <https://www.worksourcewa.com/>
- Recording of April 24 Webinar with Scott Michael, ESD Legal Services Coordination Manager
<https://register.gotowebinar.com/recording/viewRecording/2889584034468047117/1771300444674224911/Nancy.Yamamoto@Seattle.gov?registrantKey=4166965857293149708&type=ATTENDEEMAILRECORDINGLINK>





Emergency order restricting delivery commission fees

A new Emergency Order was announced on 4/24 which imposes a 15 percent commission cap on third-party delivery services.

- Announced Mayor Jenny A. Durkan, Council President M. Lorena González, and Councilmember Lisa Herbold
- Effective immediately, cap will remain in place until restaurants are allowed to offer unrestricted dine-in service in the City of Seattle
- Also requires that 100% of tips go to drivers to further protect independent contractors
- Includes provisions to make clear that it is illegal for a third-party platform to reduce driver compensation rates as a result of this order going into effect for the duration of the order.





Emergency order restricting delivery commission fees

- Violating the 15 percent commission cap is a misdemeanor offense and would be prosecuted by the Seattle City Attorney's Office.
- Restaurants who wish to report a violation of the commission cap should call the Seattle Police Department's non-emergency line at 206-625-5011.



CB 119766: Legislation restricting increases in rents for small businesses

New legislation was passed 4/13 which temporarily restricts increases in commercial rents for small businesses and nonprofits.

- Small Business defined by 50 employees or less
- It would also place a moratorium on increases in rent under a new or renewed lease.
- During the state of emergency and for the first six months after the end of the emergency
- If a small business or nonprofit is not able to pay its rent on time, the bill provides that the business/nonprofit and landlord shall negotiate a payment plan





CB 119766: Legislation restricting increases in rents for small businesses

- Payment plan not require that the 1/3 of the past-due rent be due in any single month. (Ex: If monthly rent was \$3,000; the repayment plan may not require the tenant to pay more than \$4,000 each month)
- Requires that the payment plan provide for complete repayment of past due rent within one year



Updates from the Office of Labor Standards: Paid Sick and Safe Time

Darius Foster, Outreach Manager, Office of Labor Standards





Seattle Office of Labor Standards

Oversee Seattle's labor standards laws

Our services:

Outreach and education

Answer worker and employer questions

Investigate/resolve violations of law

(206) 256-5297

business.laborstandards@seattle.gov

seattle.gov/laborstandards





Seattle
Office of Labor Standards

Paid Sick and Safe Time (PSST) Ordinance

More information:
(206) 256-5297

business.laborstandards@seattle.gov

Find resources in other languages online
seattle.gov/laborstandards

Employers and employees can play a part in keeping the community safe and healthy by ensuring employees use their Paid Sick and Safe Time!

Paid sick and safe time is employer-paid time off that employees can use:

To care for themselves or a family member for an illness or health condition, including doctor's appointments

When individuals are recommended by public health officials to self-quarantine

When their family member's school or place of care is closed

When their workplace (all sizes) is closed by a public official for health reasons

When their workplace (of 250+ employees worldwide) is closed or their hours are reduced because of a health or safety reason



Q&A

Please use the 'Questions' section in the side bar.



Thank you

Next call scheduled for Wednesday 4/15, 11am-12pm

Register for any/all weekly webinars here: <https://attendee.gotowebinar.com/rt/7410890196738798861>

