

Pandemic Small Business Assistance

What's Changed? What's New? What's Next?

May 5, 2021



Kat's Disclaimer

Funding programs for pandemic relief change daily, sometimes hourly. Today's information reflects "what we knew to be true in the last 24 hours."

Expect changes!

Just keep swimming!

What's Changed?

Paycheck Protection Program (1 and 2)

Hot Off the Press . . .

After more than a year of operation and serving more than eight million small businesses, funding for the bipartisan Paycheck Protection Program has been exhausted. The SBA will continue funding outstanding approved PPP applications, but new qualifying applications will only be funded through Community Financial Institutions, financial lenders who serve underserved communities. The SBA is committed to delivering economic aid through the many COVID relief programs it is currently administering and beyond.

- Eligible for PPP2 if Gross Revenue is down by 25% (Qtr to Qtr Comparison)
- Extended to May 31st
- Schedule C Filers get to use Gross instead of Net Income!
- Businesses with NAICS 72XXX (Restaurants get 3.5 x Ave. Mo. Payroll)
- No EIDL Advance Deducted from PPP
- Simplified Forgiveness for Loans \$150K or Less
- Can now use ERTCs along with PPP (Talk to Accountants!)

What's Changed?

Economic Injury Disaster Loans (EIDL)

- Available until 12.31.21
- Increased Maximum Loan Amount to \$500 K
 - 24 Months of Operating Capital instead of 6 Months

SBA Debt Relief

- 6 Months of Payments (P&I) on 7a and 504 Loans

What's Changed?

Targeted EIDL Advances

- Invitation ONLY from SBA (sba.gov email addresses)
- Low Income Communities ([Census Tracts](#))
- Difference of \$10K minus amount they were originally granted

Supplemental Targeted EIDL Advances

- Invitation ONLY from SBA (sba.gov email addresses)
- Low Income Communities ([Census Tracts](#))
- Experienced 50% loss in revenue
- Additional \$5,000, total max of \$15,000

What's New?

Oregon Landlord Compensation Fund (Residential)

- Second Round will Open April 29 – May 17, Final in June
- Landlord and Tenant Must Participate
- Rent, Utilities, Late Rent Fees
- 80% Compensation

Oregon Commercial Rent Relief Fund

- Second Round Open April 22 – May 6
- \$42MM in Round 2
- Landlord and Tenant Must Participate
- Base Rent Only
- 80% Compensation – Can't Evict for 6 Months
- Taxable to Both Parties!
- Lottery, not FCFS

What's New?

Shuttered Venue Operator Grants [\(SVOG\)](#)

[Eligible Applicants](#): Live Venue Operator or Promoter, Theatrical Producer, or Live Performing Arts Organization Operator; Motion Picture Theatre Operator; Museum Operator; and/or Talent Representative

- Must have at least 25% Revenue Loss
- SVOG Reduced by any PPP Amount Received
- DUNS and SAM Required (14-21 Days if New)
- Grant amounts up to \$10MM Max
- No Notice of Shortcomings! – One Shot Deal – Get Help (SBDC, SCORE, WBC, VBC)
- This is a Federal Grant – Budget, Detailed Tracking & Reporting
- Priority Phased Roll-Out by Revenue Loss
- Portal to Re-open Soon . . .

[SAM Webinar](#) [DUNS Request Guide](#) [SVOG Grant Portal](#)



What's Next?

Restaurant Revitalization Fund (RRF)

Eligible Applicants: Restaurants, food stand, food truck, caterer, saloon, Inn, tavern, bar, lounge, brewpub, tasting room, taproom, licensed facility. Premise of a beverage alcohol producer where the public may taste, sample or purchase products. Other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink. Independently owned franchises okay!

No chains with more than 20 locations, publicly-traded, non-profits, government operators, SVOG applicants. Cannot be permanently closed.

- \$28.6B
- No SAM or DUNS or Cage Codes
- Grant Amount Calculations
 - Open prior to 2019? $2019 \text{ Gross Revenue} - 2020 \text{ Gross Revenue} - \text{PPP Loan}$ (Max \$10M)
 - Not in business all of 2019? $\text{Use Average Mo. Gross Revenue} \times 12 - 2020 \text{ Gross Revenue} - \text{PPP}$
 - Opened in 2019 or 2020? $\text{Use total of eligible expenses from 2.15.20 to 3.11.21} - 2020/21 \text{ Gross Revenue} - \text{PPP}$
 - Spent money by or on 3.11.21? $\text{Use total of eligible expenses from 2.15.20 to 3.11.21} - 2020 \text{ Gross Revenue} - \text{PPP}$
- Covered Spend Out Period is 2.15.20 – 12.31.23
- Eligible Expenses: Payroll, Rent, Mortgage, Utilities, Maintenance, PPE, COGS, Operating Expenses, Supplies
- 21 Day Priority Application Period (Women, Veterans, Socially & Economically Disadvantaged – Self-Cert)
 - However, everyone should apply right away
- Prep: Tax Returns (2019 & 2020); P&Ls and BS; POS Reports; IRS 1099-Ks; Bank Statements; IRS 4506-T
- Can apply online, via phone & Application Linked to Toast, Square, Clover, Aloha Etc.

What's Next?

RRF Continued . . .

Socially and Economically Disadvantaged Defined

The federal government defines “socially and economically disadvantaged” individuals under the Small Business Act (15 USC 637) as follows:

- Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.
- Economically disadvantaged individuals are those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged. In determining the degree of diminished credit and capital opportunities the Administration shall consider, but not be limited to, the assets and net worth of such socially disadvantaged individual.

What's Next?

EIDL for Drought Declaration

- Primary Counties: Baker, Crook, Deschutes, Jefferson and Klamath
- Bordering Counties: Douglas, Grant, Harney, Jackson, Lake, Lane, Linn, Malheur, Marion, Union, Wallowa, Wasco and Wheeler; Modoc and Siskiyou (CA); Adams and Washington (ID)
- Small nonfarm businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private nonprofit organizations of any size. Businesses dependent on farmers and ranchers that have suffered agricultural production losses caused by the disaster and businesses directly impacted by the disaster
- Loans of up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred.
- 3% Interest Rate for Businesses; 2% for Non-Profits
- Deadline to apply is December 20, 2021

What's Next?

Other American Rescue Plan Act Information

- Localized Funding: Oregon \$2.6B and \$2B Localities
- Pandemic Unemployment Assistance Extended to 79 Weeks Through 8.29.21
- EIDL Advances & Restaurant Revitalization Act
 - Not included as gross income, no deduction denied

Pending Local Extreme Risk County Grants

... *Entre Betty Riley*

Thank You

Kat Rutledge

Director

KCC Small Business Development Center

541.205.5404

Rutledge@klamathcc.edu



Questions?

Visit us online at OregonSBDC.org

