

COVID-19 Business Resource and Assistance Coordination Call

Wednesday, April 8, 2020

11:00 AM

Call Notes

- The purpose of this weekly coordination call is to share COVID-19 information, news, and resources with Union County's business community.
- Links to the programs and resourced discussed during the call are available on the COVID-19 Business Resource Portal: <https://www.growunioncountyohio.com/covid>.

Richwood Bank

Chad Hoffman, CEO

- The SBA's Paycheck Protection Program (PPP) is now available at any bank or financial institution. Richwood Bank has received over 500 applications so far.
- The overall goal of the program is to keep people employed.
- The total amount of funding available is based on a specific calculation. A business may receive up to 2.5-times its average monthly payroll as of February 15, 2020.
- Businesses receiving funds must spend at least 75% of the amount received on payroll expenses. The remaining 25% can be spent on rent, mortgage interest, or utilities.
- The SBA may forgive the loan if the business meets all the program's requirements and conditions. The SBA may choose to call the loan immediately if conditions are not met.
- If an employee refuses to return to work, it is considered a voluntary termination and the employee will lose their unemployment benefits.
- The SBA's Economic Injury Disaster Loan is also available. Up to \$10,000 of the loan may be forgiven.

US Bank

Bryan Drope, Branch Manager

- Financial institutions are working together to quickly implement the PPP.
- Nationwide, US Bank has received 37,000 applications so far.
- The bank is immediately focusing on single owner businesses and will soon begin processing applications from partner businesses, 1099 individuals, and more complex businesses. Existing clients are being given priority in the short-term due to capacity constraints.
- Applicants are asked to be patient as the applications are processed in the order in which they are received.

Q&A:

Question: What size businesses are eligible for PPP?

Answer: Businesses with less than 500 are eligible. Affiliations (e.g. multiple stores) count toward employment numbers. The SBA offers some exceptions.

Question: What are the rules and regulations for the payback period? How do businesses count employees who have already been furloughed?

Answer: There isn't guidance yet on payback requirements. However, the SBA has been very clear that businesses must have the same number of employees as they did on February 15, 2020. Businesses can still pay employees who aren't necessarily working on-site.

Question: What if a business is seasonal and plans to or has already hired employees after February 15th? Will these new employees count toward eligibility?

Answer: The SBA has additional guidance for seasonal employers. Businesses are encouraged to include employment data from 2019.

Question: Are there any implications for 1099 contractors who changed to W-2 employees after February 15th?

Answer: New businesses can also include an average of March and April 2020 payroll data.

Question: Do the EIDL and PPP work together?

Answer: The PPP formula only includes funding for payroll. The EIDL can and should be used for other business expenses. In general, the SBA does not want a business to use PPP and EIDL together to pay payroll expenses.

Question: Can a business include temporary workers in its eligibility calculations?

Answer: The SBA is developing guidance on this issue. In general, only the business that issues the employees' tax returns can claim the employees.

Question: Are foreign subsidiaries eligible for assistance?

Answer: Generally, no, but the SBA is developing additional guidance. Businesses with HQ addresses in foreign countries are not eligible for assistance. For PPP eligibility, employees must have principal residency in the United States.

Question: The EIDL application does not include a specific request for funding. How will businesses know how much funding they will receive?

Answer: Applicants will be contacted by an SBA representative. The SBA will use a specific formula that remains to be determined.

Union County Health Department

Jason Orcena, Health Commissioner

- New modelling has indicated a potential slower and lower rise of COVID-19 cases in Ohio. It appears that the Stay-at-Home Order and social distancing are working.
- Union County currently has 8 lab confirmed cases of COVID-19 and more are expected.
- There is still a need for donations of Personal Protection Equipment (PPE).
- More information is available on the Health Department's new COVID-19 website: <https://unioncountycovid.org>.

Union County Emergency Management Agency

Brad Gilbert, Director

- The Union County Emergency Operations Center continues to function and is currently preparing for a potential medical surge.
- Donations of PPE is needed, especially gowns and surgical masks.
- Contingency plans are in place if severe weather strikes the community. The EOC is equipped to handle multiple events.
- The EMA is deeply appreciate of everyone's sacrifices.

Union County

Steve Stolte, County Commissioner

- The Commissioners thank local businesses for bearing the economic impacts of the pandemic and response.
- The EMA and the Health Department are doing excellent work collaborating and responding to the pandemic.
- County services are still available. County offices are operating although most employees are teleworking.
- The County is in the process of estimating impacts to revenue; a substantial loss is expected. The Commissioners have instructed all departments to delay or eliminate discretionary and capital expenditures, new positions, and programs. No layoffs are anticipated at this time.

City of Marysville

Terry Emery, City Manager

- Construction and development projects continue. The Avalon Theatre is moving forward with its \$1.7 million renovation project and construction of the Woodside development is on-going.
- The City remains fully functional while offices are closed to the public. City Council, commissions, and board meetings are now occurring virtually. The public is welcome to join

any meeting via video or conference call.

- The City is planning for a swift adjustment back to normal.

Union County-Marysville Economic Development

Eric Phillips, Executive Director

- Weekly calls with Union County's financial institutions began on Tuesday. The calls are designed to monitor our financial community's response to SBA programming and other relief efforts. The notes from these calls will be available online.
- The Chamber of Commerce continues to release a COVID-19 Business Resource e-newsletter every Friday afternoon. There are over 1,200 subscribers. Anyone interested in receiving the newsletter should email twoodruff@unioncounty.org.
- The Ohio Development Services Agency has created the Office of Small Business Relief to help coordinate statewide efforts: <https://businesshelp.ohio.gov>.

Participants Comments/Updates

- None