

### City of Dunsmuir's Response to Covid 19

- The City is working with the State to set-up a microenterprise loan program using CDBG funds as a backstop: grants of up to \$10k as well as small business loans.
- The City is providing support for small businesses that desire it on city website (e.g. order forms, who's still operating take-out, others)
- The City has suspended ticketing of cars and enforcement of distressed building ordinance until stay at home orders are lifted
- The City has suspended late fees and shut off for non-payment of water bills (balance will still accrue)
- Staff has sent emails to EDBG Loan recipients notifying them that they can choose to discontinue making monthly EDBG payments until the stay at home orders have been lifted, though interest accrues
- The City has contracted with a new IT and phone provider to allow better remote communications and to allow more efficient remote workflow among staff. The system will also allow citizen complaints to be forwarded to specific employees more efficiently
- Adopted a City Ordinance to prevent evictions
- Adopted a resolution declaring a local emergency due to impacts of Corona Virus

State: All links found on the website:

<https://www.covid19.ca.gov>

- Governor issued an executive order which allows the California Department of Tax and Fee Administration (CDTFA) to offer a 90-day extension for tax returns and tax payments for all businesses filing a return for less than \$1 million in taxes. That means small businesses will have until the end of July to file their first-quarter returns.
- Governor issued an executive order banning the enforcement of evictions for renters affected by COVID-19 through May 31, 2020. The order prohibits landlords from evicting tenants for nonpayment of rent and prohibits enforcement of evictions by law enforcement or courts.
- 90 day mortgage payment relief: the Governor secured support from Citigroup, JPMorgan Chase, U.S. Bank, and Wells Fargo and nearly 200 state-chartered banks, credit unions, and servicers to protect homeowners and consumers.
- Relief from fees and charges for 90 days: For at least 90 days, [financial institutions](#) will waive or refund mortgage-related late fees and other fees including early CD withdrawals
- **No new foreclosures for 60 days:** [Financial institutions](#) will not start any foreclosure sales or evictions
- Executive order providing one-year reprieve for businesses from paying sales tax to state. Businesses can take up to \$50k as a bridge loan against sales tax collected. No penalties, no interest.
- Disaster relief. All businesses are eligible for \$10k loan up front as applications for disaster assistance are being processed. Assume you are qualified. Pay back over 30 years at 3.75%, for non-profits the rate is 2.75%

- As of Wednesday April 1<sup>st</sup>, the State has made \$50m available today in their infrastructure bank for microenterprise loans for very small businesses
- The State has ramped up hiring many additional personnel to speed up processing of new unemployment claims

#### Federal Response: CARES ACT

<https://www.sbc.senate.gov/public/index.cfm/guide-to-the-cares-act>

- The U.S. Small Business Administration offering low-interest federal disaster loans for working capital to small businesses as a result of the Coronavirus (COVID-19).
- The SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.  
<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>
- Paycheck Protection Act: Is an SBA loan program specifically designed to help small businesses continue to make payroll at their staff's current pay rate, as well as to cover key expenses that help keep the lights on-aka pay utilities

<https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>