

## COVID-19 Update for SBC Businesses



## County of San Benito COVID-19 Disaster Small Business Relief Grant Program

### Grant Objective:

The purpose of the grant program is to assist small businesses with expenses associated with the effects of the COVID-19 pandemic. To mitigate the impact of COVID-19 on San Benito County businesses and their employees, the County has committed up to \$1,500,000 in one-time funds to create a Small Business Assistance Grant Program. The objective of this program is to offer immediate financial assistance and small businesses located in San Benito County to aid in maintaining their business and workforce.

Grants of up to \$15,000 may be used for expenses associated with re-opening your business in compliance with state and local requirements, payroll, business lease or rent, business telework equipment costs; inventory acquisition (inventory needed to reopen or maintain open status); personal protective equipment (PPE) purchase, Facility Readiness (social distancing preparedness, business modifications, etc.), or other expenses specifically related to helping your business continue to operate.



Grants of  
up to  
**\$15k**

Funding will be limited to business operating within San Benito County. Priority will be given to businesses who were deemed non-essential and rated on three tier criteria. We anticipate more requests for grants than available funds; therefore, meeting the eligibility requirements does not guarantee funding. Prior to filling out the application for up to \$15,000 grants. The grant funds must be solely used for expenditures that occur between March 1, 2020 and December 30, 2020 and fall under one or more of the following categories:

- > Applicants must verify the business has experienced an economic loss of income due to COVID-19 by completing the Estimated Disaster Economic Injury Worksheet and submit a current copy of its W-9.
- > Applicants must have been in operation in the County of San Benito for at least one year as of March 1, 2020 and have under than 100 full-time employees.
- > The business must remain open at least 30 days after receiving grant funding, otherwise business must return the Business Relief Grant funds.
- > Applicants must have an active Business License, a copy is required at submission and be in good standing with the local jurisdiction and State. Applicants who are involved or have been involved in legal or financial issues may not qualify.
- > Prioritizing business that have not received either SBA Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loan (EIDL) or other SBA, government or other grant source related to COVID-19.
- > Applicants operating out of a physical storefront within the County limits of San Benito will be prioritized.
- > Prioritizing locally and independently owned Business.



## How To Apply

Please direct any questions to [SmallBusiness@cosb.us](mailto:SmallBusiness@cosb.us) or call (831) 637-9293. Grant application must be emailed directly to [SmallBusiness@cosb.us](mailto:SmallBusiness@cosb.us); No Earlier than July 6, 2020 at 10:00am to July 20, 2020 at 5:00pm.

**Please share with San Benito Businesses that need Disaster Relief Funding.**

- > [Grant Overview](#)
- > [Application Check List](#)
- > [Small Business Assistance Grant Application San Benito](#)
- > [Economic Injury Worksheet](#)
- > [Payment-Form](#)
- > [W9](#)



# Grow San Benito Loan Fund

**Min/Max Amount:**  
\$5,000 to \$25,000

**Interest Rate:**  
2.44%

**Max Term:**

- 5 years – fully amortized.
- The loans can have an initial payment deferment period of up to 6 months (interest still accrues during the deferment period).

Loan Fees: 2% origination fee and closing costs (e.g. credit report, recording a lien filing, Cal-Cap, etc.). These fees can be financed into the loan.

**Eligible Purposes:**  
Loan proceeds can be used for working capital and may go toward business expenses, such as: Payroll costs, including costs for employee vacation, parental, family, medical, and sick leave, employee related insurance, rent, inventory, supplies/materials, utilities, professional services, and more.

**Geography:**  
San Benito County

**Size of the Business:**  
\$5,000 to \$25,000

**Collateral:**  
UCC-1 financing statement, personal assets or Cal-Cap on un-collateralized loan portion (Personal guarantee from every business owner that owns more than 20% of the business will be required).

**Other Requirements:**

1. Must be located within San Benito County.
2. Should have between 1-10 employees.
3. Should have annual revenues that do not exceed \$2,000,000.
4. Be an operating business, not a passive real estate entity.
5. Have been in business for a minimum of one year.
6. Must present a feasible plan to recover post-disruption.
7. Be current on federal income taxes with no state, federal tax liens.

# How To Apply

To get started, potential borrowers must submit online loan application on our website at [www.accesspluscapital.com/grow-san-benito/](http://www.accesspluscapital.com/grow-san-benito/), please click on “Our Loans” and select Micro Loan option. For one-on-one assistance in completing a loan application, please give us a call at: (559) 263-1351 | (559) 574-0389 | (559) 361-5710

## Loan Application Requirements

Borrowers will be required to submit a loan application with supporting documents as follows:

- > COVID-19 Disaster Impact Statement: Provide overview of the business, showing that it would be profitable without disaster disruption, and the economic injury of the disaster on the business.
- > Business should explain why they need the loan amount requested and specifically how the working capital funds will be used on application.
- > Most Recent Business Federal Tax Return (all pages).
- > Most Recent Business Debt Schedule (completed within loan application).
- > A Personal Financial Statement (PFS).
- > Additional items as requested (e.g. lease agreements, organizational documents such as fictitious name statement, business license, partnership agreements, articles of incorporation & by-laws, etc.).

Access Plus Capital has other loan products that are available for amounts higher than \$25,000, other rates and terms will apply.



# 5-Week PPP Extension

## Paycheck Protection Program



President Donald Trump signed a bill Saturday **re-opening the application window for the Paycheck Protection Program (PPP) until Aug. 8.**

The five-week extension had been approved last week by both chambers of Congress. The U.S. House of Representatives and the Senate both passed the legislation by unanimous consent.

The House's approval on July 1 came after the Senate passed the extension in a surprise move the night of June 30, just a few hours before the PPP application window was scheduled to close.

The extension keeps a source of funding open to struggling small businesses while Congress works on a second, more targeted funding program. The PPP, which has approximately \$129 billion in funding remaining, was launched in early April as the COVID-19 pandemic battered the U.S. economy and forced many businesses to close. The program provides forgivable loans that small businesses and other qualifying entities can use to cover payroll and other select costs.

As of 5 p.m. ET on June 30, the SBA had approved nearly 4.9 million loans for a total of over \$520 billion.

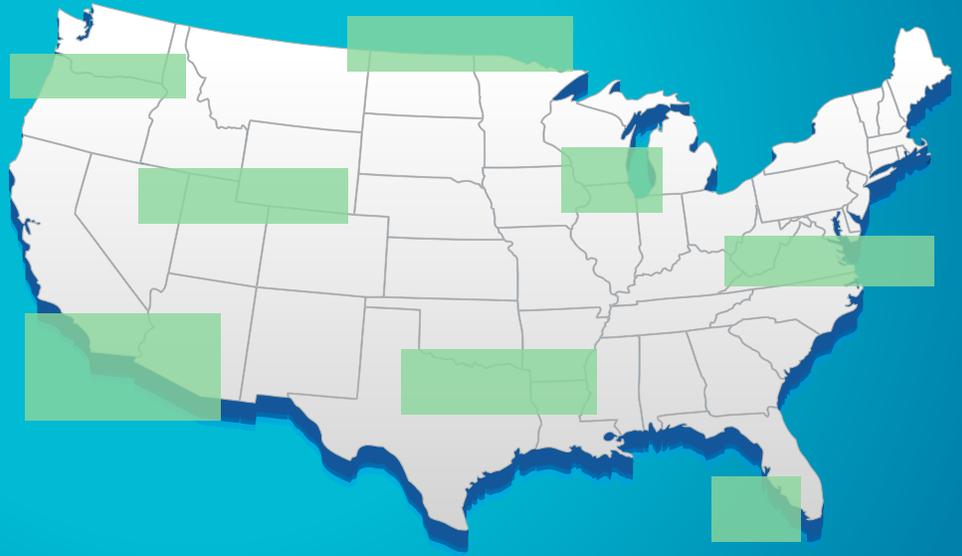
### The PPP in brief

Congress created the PPP as part of the \$2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136. The legislation authorized Treasury to use the SBA's 7(a) small business lending program to fund forgivable loans of up to \$10 million per borrower that qualifying businesses could spend to cover payroll, mortgage interest, rent, and utilities.

The loans are available to small businesses that were in operation on Feb. 15 with 500 or fewer employees, including not-for-profits, veterans' organizations, Tribal concerns, self-employed individuals, sole proprietorships, and independent contractors. Businesses with more than 500 employees in certain industries also can apply for loans.

# Opportunity Zones Investors Get a COVID-19 Lifeline

New federal guidelines give investors more time before they have to deploy their capital into properties in distressed areas



Opportunity Zone investors received an extension from federal government because of COVID-19

The federal government has extended the deadline for [Opportunity Zone](#) investors and developers to deploy capital and begin construction on projects, citing the pandemic as the reason.

The rules had required that twice a year the government check to ensure Opportunity Zone funds and investors had steered 90 percent of their money into designated projects as mandated. Now, the Treasury Department and Internal Revenue Service released modifications allowing those funds and investors to hold their money until June 30, 2021.

The government had also previously given investors and developers 30 months to make improvements to their Opportunity Zone property in order to qualify for the tax benefits. Now, they have an extra nine

months, for a total of 39 months. That doesn't count the April through December 2020 window, created as a grace period, also because of the pandemic.

Investors also now have more time before they have to pour their capital gains into a qualified Opportunity Zone fund. Previously, they would have had to invest capital gains within 180 days in order to be eligible for the tax benefits. Now, investors have until the end of December to steer those gains into an Opportunity Zone fund to qualify for the tax benefits.

The modifications and extensions come at a time when property values have plummeted because of Covid-19 and large [institutional investors](#) are gearing up to pour big money into [distressed assets](#).

The new Opportunity Zones guidelines, there are several in all, came at the request of Republican Sen. Tim Scott of South Carolina and eight other Republican senators. The group — Scott co-authored the original legislation for the Opportunity Zone program — wrote last month to Treasury Secretary Steven Mnuchin and IRS Commissioner Charles Rettig, outlining the need for relief.

“It is critical that we provide the necessary flexibility to these entrepreneurs, community-based organizations, developers, and investors to cope with this pandemic and not wrongfully punish Opportunity Zone businesses and funds alike.”

According to the May 4 letter

Steve Glickman, an architect of the Opportunity Zones program, said many of the funds in the Opportunity Zone space “have dry powder because we are in the beginning of the new real estate market and there has been a big change across a number of asset classes.” The new guidelines “gives funds the time to adjust their strategy” and get more “deals done,” said Glickman of the Opportunity Zone Funds advisory firm of Developer LLC.

The [Opportunity Zones](#) program, tucked into the December 2017 tax overhaul plan, drew early attention because of its lucrative tax breaks to commercial real estate investors and developers who invest in distressed areas. It allowed developers to defer or possibly forgo capital gains taxes if they build a new project or substantially rehabilitate an existing project in one of the 8,700 designated Opportunity Zones, and held the asset for up to 10 years.

The program, however, didn't take off like some projected in part because of a lack of clarity about its rules and regulations. Developers also expressed trouble in finding deals that made financial sense because of the high land costs in many Opportunity Zones.

Regulations have subsequently been issued, intending to clarify the rules. The Treasury and the IRS released the final set of [guidelines in December](#), which industry pros said would open the gates to more investment.

Investment has grown since then. Of more than 600 Opportunity Zone funds analyzed by the accounting firm Novogradac & Company, those funds raised \$10 billion, an increase of 50 percent in a year.

But the Opportunity Zones program has also come [under scrutiny](#) from Congressional Democrats, following media reports earlier this year suggesting it has benefited wealthy developers rather than the low-income communities for which it was intended.

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Article by TRD NATIONAL / Keith Larsent  
<https://therealdeal.com/2020/06/05/opportunity-zones-investors-get-a-covid-19-lifeline/>

# Sell Goods & Contract

with the State of California



With telework and 'virtual' meetings in full swing, Caltrans is looking at new ways to reach and interact with community stakeholders.

Recently, Caltrans joined industry partners to host a series of webinar tutorials for businesses on state and federal certification, how to market your business to state buyers and how to find contract opportunities with Caltrans. All videos are available for viewing at: <https://www.youtube.com/user/CaltransD5>; descriptions and links are below.

### **Part 1: Small Business (SB/DVBE) Certification Overview**

The California Department of General Services (DGS) provides an overview of Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) certification.

### **Part 2: Small Business (SB) Certification Workshop**

DGS shares how to register your business on Cal eProcure so you can bid on state contracts and how to become a preferred bidder by obtaining SB or DVBE certification.

### **Part 3: I'm Certified, Now What?**

DGS provides an overview of state acquisition methods, shares tips on how to improve your Cal eProcure business profile and market your business to state agencies.

### **Contracting with California State Government**

DGS provides an in-depth look at common procurement methods used by the state of California and shares resources for small businesses.

### **How to Navigate the Caltrans Website for Opportunities**

A detailed overview of the Caltrans Contractor's Corner and how to find contract opportunities with the California Department of Transportation.

### **Disadvantaged Business Enterprise Certification Workshop**

The Caltrans Office of Civil Rights shares how to apply for the Disadvantaged Business Enterprise (DBE) certification. This federal certification expands opportunities for minority and women-owned businesses to work with state and local agencies on federally-funded projects.

### **Subcontractor and Supplier Opportunities for the US 101 HOV Lanes Project in Santa Barbara**

Granite Construction, Caltrans, DGS and CPM Logistics share information on upcoming subcontractor and supplier opportunities. More information is available on the project website at <https://www.granitehwy101.com>

For information on the small business program or upcoming events with Caltrans, visit the Office of Civil Rights website at <https://dot.ca.gov/programs/civil-rights>



Please subscribe to the Caltrans District 5 YouTube Channel at:  
<https://www.youtube.com/user/CaltransD5>

For traffic updates on other state highways on the Central Coast motorists may call Caltrans District 5 Public Affairs at (805) 549-3318 or visit the District 5 website at:  
<https://dot.ca.gov/caltrans-near-me/district-5>





PO Box 1265, Hollister, CA, 95024  
831-288-5950 | [info@edcsanbenito.org](mailto:info@edcsanbenito.org)