
Updated as of April 23, 2020
Welcome

Powered by Cleary Gottlieb and

Start Small Think Big
ABOUT WE NYC

WE NYC (Women Entrepreneurs NYC) is an initiative run by the NYC Department of Small Business Services that is dedicated to helping women start and grow their businesses.
**OUR PROGRAMS**

WE NYC has developed tailored programs and tools with feedback from women entrepreneurs to connect them with the resources, education, and community they need to thrive.

**WE connect**

**MENTORS**
Successful women entrepreneurs share their expertise and answer your business questions during weekly sessions.

**EVENTS**
Event series featuring networking, small group discussions, and inspiring speakers.

**PORTAL**
A digital one-stop shop for women entrepreneurs featuring how-to-guides, searchable database of courses and professional development events, tools to interact with mentors, and more.

**WE master**

**MONEY: CREDIT**
Learn how to improve your credit and its impact on your business through workshops and one-on-one sessions with a certified financial counselor.

**MONEY: FUNDING**
Learn about financing options for your business, how to talk to investors, and meet representatives from alternative lending sources at our workshops.

**WE fund**

**CROWD**
Helping more women entrepreneurs access affordable capital through crowdfunding.

**GROWTH**
Increasing access to financing from local lending institutions so women entrepreneurs can grow their businesses to the next level.

**WE legal**

**ONE-ON-ONE CONSULTATIONS**
Receive legal advice from NYC’s top firms on a variety of crucial topics.

**Newly announced programs:**

WE Fund Credit
WE Fund Venture

*Free services are available for women entrepreneurs across the five boroughs and in multiple languages.*

we.nyc /groups/wenyc #wenyc
**Today’s Presenters**

**Cleary Gottlieb Steen & Hamilton LLP**
Cleary Gottlieb is a large international law firm that has been committed to legal excellence for more than 70 years. With 1,300 lawyers in 16 offices in major global financial centers, the firm assembles the right teams, across practice areas and jurisdictions, to bring pragmatic, innovative solutions to complex business challenges.

*Cleary Gottlieb attorneys Charles Allen, Hilary Ruffer, Stephanie Charles, Jina Davidovich and Yoni Hassin will be presenting today.*

**Start Small Think Big**
Start Small Think Big helps under-resourced entrepreneurs create thriving businesses in underserved areas so owners can build wealth for themselves, their families and communities. Start Small does this by activating and engaging a top-tier network of professional volunteers who provide high-quality legal, financial and marketing services, at no cost.

*Start Small Legal Program Director Alex Stepick will be presenting today.*
Overview and Status of the Programs

This guide presents an overview of the federal, state and private loan and grant programs that may be available to small businesses.

Please note that the information contained in the presentation will continue to evolve in real time as the situation and legislative and private responses develop. While some of the programs described in this presentation are not currently accepting new applications, additional funding for these programs is likely to be forthcoming and could similarly be distributed on a first-come, first-served basis. Additional rounds of loans or grants may be subject to new or different requirements and applicants should be prepared for some amount of additional delay and uncertainty.

This information is current as of April 23, 2020, and should not be considered comprehensive. This is not a substitute for, and should not be relied upon as, legal or professional advice; we recommend that you consult professional advisors for guidance on your individual circumstances. Nothing contained herein creates an attorney-client relationship with Cleary Gottlieb. This information should not be construed as an endorsement of any specific financial program.
## Overview of Financial Relief Programs

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<th><strong>Federal Loan and CARES Act Programs</strong></th>
<th>Paycheck Protection Program, SBA Grants &amp; Loans, CARES Act Tax Benefits and Expanded Unemployment Insurance</th>
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<tr>
<td><strong>Other Programs</strong></td>
<td>Information about grant and loan programs established by Facebook, GoFundMe, FundRocket and others</td>
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<td><strong>Additional Resources</strong></td>
<td>Guides for approaching loans and grants available for those impacted by COVID-19</td>
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<td><strong>Q&amp;A</strong></td>
<td>Please submit questions through the Zoom chat function and they will be addressed the conclusion of the presentation</td>
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Please note that the webinar is being recorded. A link to the session will be circulated to attendees shortly after the presentation.
CARES Act Overview and Background

— **Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Mar. 6, 2020):** Provided additional funding to the SBA’s Disaster Loan Program Account and deemed the coronavirus to be a disaster in response to which the SBA may make economic injury disaster loans

— **Families First Coronavirus Response Act (Mar. 11, 2020):** Requires small businesses to provide paid sick and family medical leave to employees, to be covered by refundable federal tax credits

— **The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) (Mar. 27, 2020):** Provided a $2 trillion economic relief package to help individuals and businesses affected by COVID-19
  
  • Appropriations for the Small Business Administration (“SBA”) have now been fully committed
  
  • $349 billion to guarantee small business lending via a streamlined process and on more generous terms
  
  • An additional $10 billion for economic injury disaster loans to more types of businesses and on more generous terms

— **The Paycheck Protection Program and Health Care Enhancement Act (April 24, 2020):** $484 billion package including funds to replenish the SBA’s loan and grant programs, among other forms of relief
  
  • $310 billion for the SBA’s Paycheck Protection Program (“PPP”) with $60 billion allocated for loans made by small lenders and community-based institutions
  
  • $50 billion for the SBA’s Economic Injury Disaster Loan (“EIDL”) program
  
  • $10 billion for the SBA’s Emergency Economic Injury Grant program
Relief Programs:
Paycheck Protection Program ("PPP"),
SBA Grants & Loans and Other
CARES Act Programs
Paycheck Protection Program – Key Features

New program under the CARES Act to provide small businesses with support to cover payroll and certain other expenses over an 8-week period

— **Principal Amount:** the lesser of $10 million or 2.5 times the average monthly payroll costs (over the prior 12-month period), in addition to any EIDL obtained between 1/31/20 and 4/3/2020 (less any advance received under the EIDL grant program)

— **Interest Rate & Fees:** 1.00% fixed rate and all customary SBA loan fees are waived

— **Repayment:**
  • Principal, interest and fee payments will be deferred for the first 6 months, but interest accrues during the 6 month deferral
  • No prepayment penalty
  • All or a portion of the loan may be eligible for forgiveness based on number of full time-equivalent employees and salaries maintained on payroll (as described below)

— **Term:** 2 years

— **Use of Proceeds:** Payroll costs for US resident employees (such as employee salaries and benefits), mortgage interest payments, rent, utilities, interest on existing debt and refinancing of EIDLs. **Not more than 25% of loan proceeds may be used for non-payroll costs.** In calculation of payroll, employee salaries are capped at $100,000.

— **Other Terms:** Loans are uncollateralized, do not require a personal guarantee and are nonrecourse to borrower’s shareholders/members/partners

— **Deadline for Applying:** You can apply for loans through June 30, 2020. The initial $349 billion appropriated to the program were depleted, but an additional $310 billion in funds was authorized on April 24, 2020. The additional funds will likely be distributed on a first come, first served basis.

— **How to Apply:** You can apply at a participating bank or platform (such as PayPal, Square and Intuit). To find an eligible lender, the SBA has set up a search tool ([https://www.sba.gov/paycheckprotection/find](https://www.sba.gov/paycheckprotection/find)). Please note that each institution may use its own form ([https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Application-3-30-2020-v3.pdf](https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Application-3-30-2020-v3.pdf))
Paycheck Protection Program – Eligibility

— **Active:** Business must have been in operation on or before 2/15/20

— **Employees:** Business must have either had employees for whom they paid salaries and payroll taxes or paid independent contractors
  • Note: Independent contractors are not counted as employees for purposes of PPP loan calculations for businesses (since they and sole proprietors can apply for PPP loans on their own)

— **Impact:** Current economic uncertainty must make this loan request necessary to support the ongoing operations of the business, and the business must make a good faith certification to this effect

— **Size:** Entities with fewer than 500 employees (including both full time and part time workers). Potentially more than 500 employees if the SBA has established higher size standards for the applicable industry. Moreover, businesses classified under NAICS codes beginning with 72—covering hotels, restaurants and other accommodation and food services—are eligible if they have fewer than 500 employees per physical location
  • Affiliation rule (requiring the business to count all subsidiaries, parent companies and affiliates in determining its size) is waived for:
    (i) businesses classified under NAICS codes beginning with 72 (hotels, restaurants, food services), (ii) Eligible Franchises (https://www.sba.gov/sites/default/files/2020-03/FrnchsTbl_03232020_UPLOAD.pdf) and (iii) Businesses owned by small business investment companies

— **Certifications:** Must certify in good faith that, among other things, the business will use the funds to retain workers and maintain payroll or make mortgage interest payments, lease payments and utility payments, and that not more than 25% of proceeds of the forgiven amount will be used for non-payroll costs

— **Other Loans:**
  • Each business can receive only one PPP loan
  • Borrowers may apply for both PPP loans and other SBA financial assistance (including EIDLs) as long as businesses do not use PPP loans for the same purpose as other SBA loans. If a borrower used an EIDL for payroll, then it must use the proceeds of the PPP to refinance the EIDL
    • *e.g.*, if a business uses PPP to cover payroll for the 8-week covered period, it **cannot** use another SBA loan for the same costs in that period, but **could** use the other loan for payroll in a different period or for different workers
  • Emergency Economic Injury Grant recipients and those who receive payment relief through the Small Business Debt Relief Program may apply for a PPP loan as well (as long as there is no duplication in use of funds)
Paycheck Protection Program – Loan Forgiveness

Loan amounts will be forgiven as long as (1) at least 75% of the loan proceeds are used to cover payroll costs and the remainder is used for mortgage interest, rent and utility costs over the 8 week period after the loan is made, and (2) the number of employees and compensation levels are generally maintained.

— **Formula (calculated over an 8-week period):** Amount Forgiven = Payroll Costs (as defined below) + existing interest payments on mortgages + rent payments + leases + utility service agreements
  
  • Any advance amount received under the Emergency Economic Injury would be subtracted from the amount forgiven
  
  • While businesses can use proceeds of the PPP loans for other business-related expenses, that portion will NOT be forgiven
  
  • No more than 25% of the forgiven amount may be for non-payroll costs

— **Payroll Costs:** Include expenses such as employee compensation, leaves (vacation, family, medical or sick), payment for group health benefits (including insurance premiums), payment for any retirement benefit and state and local taxes (see subsequent slides for steps and examples).
  
  • Certain compensation will be excluded from payroll costs including: (1) an employee’s salary to the extent it exceeds $100,000 (on an annualized basis) during a single period in 2019, (2) compensation paid to employees with a principal residence outside of the U.S., and (3) certain taxes and qualified sick leave wages for which credits are available under the existing SBA law

— **Requirements for Forgiveness:**
  
  • **Reductions in Salaries or Employees:** Borrowers that have reduced their average number of full-time equivalent employees or reduced the salary (in excess of 25%) of any employee whose salary is not more than $100,000 (on an annualized basis) may have their eligibility for forgiveness reduced proportionately
  
  • For reductions made during the period of February 15, 2020 until April 26, 2020, borrowers may rehire workers and eliminate the reductions in salary prior to June 30, 2020 without reducing their eligible forgiveness amount
  
  • **Process:** Businesses must apply through their lenders for forgiveness on the loan. Documentation required to verify employees on payroll, pay rates and other eligible expenses (further guidance from the SBA will be forthcoming)

— **After the Loan is Forgiven:**
  
  • The borrower is not responsible for the interest accrued on the forgiven amount in the 8-week covered period
  
  • Any loan amounts not forgiven are carried forward as an ongoing loan; payments begin 6 months after disbursement of the loan
  
  • Forgiven loan amounts are not taxable to borrowers
  
  • Guidance from the SBA for independent contractors and sole proprietors on calculating their maximum loan amount is available here.
Paycheck Protection Program – Payroll Costs Calculation

—**Step 1:** Aggregate payroll costs from the last 12 months for employees whose principal place of residence is the United States

—**Step 2:** Subtract any compensation paid to an employee in excess of an annual salary of $100,000 or, in the case of an independent contractor or sole proprietor, any amounts paid in excess of $100,000 per year

—**Step 3:** Calculate average monthly payroll costs (divide the amount from Step 2 by 12)

—**Step 4:** Multiply the average monthly payroll costs from Step 3 by 2.5

—**Step 5:** Add the outstanding amount of an Economic Injury Disaster Loan (EIDL) received between January 31, 2020 and April 3, 2020, less the amount of any “advance” under an EIDL COVID-19 loan (because it does not have to be repaid)
Examples of Payroll Costs Calculations (from SBA)

Example 1 (No employees make more than $100,000): Annual payroll: $120,000
Average monthly payroll: $10,000
Multiply by 2.5 = $25,000
Maximum loan amount is $25,000

Example 2 (Some employees make more than $100,000): Annual payroll: $1,500,000
Subtract compensation amounts in excess of an annual salary of $100,000: $1,200,000
Average monthly qualifying payroll: $100,000; Multiply by 2.5 = $250,000
Maximum loan amount is $250,000

Example 3 (No employees make more than $100,000, outstanding EIDL loan of $10,000): Annual payroll: $120,000
Average monthly payroll: $10,000; Multiply by 2.5 = $25,000
Add EIDL loan of $10,000 = $35,000; Maximum loan amount is $35,000

Example 4 (Some employees make more than $100,000, outstanding EIDL loan of $10,000): Annual payroll: $1,500,000
Subtract compensation amounts in excess of an annual salary of $100,000: $1,200,000
Average monthly qualifying payroll: $100,000; Multiply by 2.5 = $250,000
Add EIDL loan of $10,000 = $260,000; Maximum loan amount is $260,000

* Numbers are for illustrative purposes only
The US Small Business Administration ("SBA") is offering Economic Injury Disaster Loans ("EIDL") for small businesses impacted by COVID-19

<table>
<thead>
<tr>
<th><strong>Principal Amount:</strong> Up to $2 million</th>
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<tbody>
<tr>
<td><strong>Term:</strong> Up to 30 years</td>
</tr>
<tr>
<td><strong>Interest Rate:</strong> 3.75% for small businesses (2.75% for nonprofits)</td>
</tr>
<tr>
<td><strong>Collateral requirements:</strong> Collateral may be requested for loans over $25,000</td>
</tr>
<tr>
<td><strong>Use of Proceeds:</strong> Expenses the business would have paid if the disaster had not occurred (e.g., fixed debts, payroll, accounts payable, other bills)</td>
</tr>
<tr>
<td><strong>When does business receive funds:</strong> The SBA generally takes 4-6 weeks to process disaster loans, but it will likely take longer at this time due to substantial demand</td>
</tr>
<tr>
<td><strong>When does repayment start:</strong> On the 12th month of the term (payments are deferred for the first 11 months)</td>
</tr>
</tbody>
</table>
SBA Economic Injury Disaster Loans – Eligibility

To be eligible the business must have the following characteristics:

**Jurisdiction:** Applicant must have physical presence in a state or territory where a declaration has been made. *All 50 states are covered*

**Business Activity:** The primary activity of the business must be eligible as well as the activity for which the loss is being claimed. Generally, business activity is considered “eligible” unless it is in one of the enumerated categories of ineligible businesses (e.g., religious organizations & casinos)

**Size:** Must not exceed the size standard for the applicant’s industry (generally < 500 employees)

The business must be *independently owned and operated*

Employers must be able to show:

**Injury:** The business must have suffered “**substantial economic injury**,” meaning that it is unable to meet its obligations and pay its ordinary and necessary operating expenses

**Impact:** The business must have been directly affected by COVID-19, be engaged in services directly related to COVID-19 and / or have suffered indirect harm related to the business’ industry

**Credit Requirements:** SBA must find credit history acceptable and applicants must demonstrate the ability to repay any loans they incur

**Collateral Requirements:** If the loan requested is for an amount over $25,0000, the applicant must pledge available collateral, and will take real estate (if available). If no real estate is available, the SBA will ask for a security interest in all of the business’s assets


*Note:* Applications submitted before the lapse in appropriations will continue to be processed on a first-come, first-served basis.
SBA Economic Injury Disaster Loans – Grants

Under the CARES Act, if the EIDL applicant is seeking an immediate influx of funds, they can receive a grant of up to $10,000 as emergency advance on their EIDL within 3 days in the form of a grant.

- SBA’s practice has been to limit grants to $1,000 per employee
- To access, business should first apply for an EIDL and then request the advance
- The proceeds of the grant can be used for payroll costs, increased material costs, rent or mortgage payments, or for repaying obligations that cannot be met due to revenue losses
- The grant would not need to be repaid, even if the loan application is subsequently denied
- Borrowers may apply for an EIDL grant in addition to a loan under the Paycheck Protection Program, provided the loans are not used for the same purpose
Comparing the PPP and EIDL

<table>
<thead>
<tr>
<th>Principal Amount / Term</th>
<th>Paycheck Protection Program</th>
<th>Economic Injury Disaster Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to the lesser of $10 million or 2.5 times average monthly payroll costs / 2 years</td>
<td>Up to $2 million / up to 30 years</td>
</tr>
</tbody>
</table>

| Interest Rate | 1.00% fixed rate | 3.75% fixed rate (2.75% for nonprofits) |

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Business operational on or before 2/15/20</th>
<th>Business operational on or before 1/31/20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Small business (generally &lt;500 employees, with some exceptions)</td>
<td>Small business (generally &lt;500 employees, with some exceptions); must be independently owned &amp; operated</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forgiveness</th>
<th>Borrowers may receive forgiveness equal to 8 weeks of payroll costs, mortgage interest, rent and utilities</th>
<th>Applicants may receive an ‘advance’ grant of up to $10,000, which does not need to be repaid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No more than 25% of the forgiven amount may be for non-payroll costs</td>
<td>The rest of the loan is not forgivable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Use of Proceeds</th>
<th>Payroll costs for US resident employees (such as employee salaries and benefits), mortgage interest payments, rent, utilities, interest on existing debt and refinancing of EIDLs</th>
<th>Expenses the business would have paid if the disaster had not occurred (e.g., fixed debts, payroll, accounts payable, other bills)</th>
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<tbody>
<tr>
<td></td>
<td>No more than 25% of the proceeds may be used for non-payroll costs</td>
<td>No more than 25% of the proceeds may be used for non-payroll costs</td>
</tr>
</tbody>
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| Repayment | Principal, interest and fee payments will be deferred for 6 months (however, interest will continue to accrue on unforgiven amount) | Payment is deferred for the first 11 months |

<table>
<thead>
<tr>
<th>Other Terms</th>
<th>Loans are uncollateralized, do not require a personal guarantee and are nonrecourse to borrower’s shareholders/members/partners</th>
<th>Collateral may be requested for loans over $25,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personal guarantee may be required for loans &gt; $200K</td>
<td>Personal guarantee may be required for loans &gt; $200K</td>
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<table>
<thead>
<tr>
<th>Application Process</th>
<th>Apply through any participating lender</th>
<th>Apply through the SBA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Applications opened April 3 (April 10 for independent contractors and self-employed individuals)</td>
<td>Deadline: December 2020</td>
</tr>
<tr>
<td></td>
<td>Link to sample application</td>
<td></td>
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<tr>
<td></td>
<td>Deadline: June 30</td>
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</tbody>
</table>
The Express Bridge Loans program provides expedited bridge loan financing from SBA-authorized lenders on an emergency basis in amounts up to $25,000. These loans are generally intended to support the business while it applies for and waits to receive a disbursement of funds from an EIDL (or other longer-term financing).

— **Eligibility**

- **Jurisdiction**: Applicant must have physical presence in a state or territory where a declaration has been made. All 50 states are covered.

- **Size**: Must qualify as a small business (generally < 500 employees)

- **Existing Relationship**: Applicant must have existing relationship with lender

— **Key Terms**

- **Deadline**: March 13, 2021

- **Term**: Maximum of 7 years

- **Principal Amount**: $25,000

- **Interest Rate**: up to 6.5% over the prime rate

- **Use of Proceeds**: Support the survival and/or reopening of the small business. Lenders may require a borrower to pay down or pay off the Express Bridge Loan if the borrower is approved for an EIDL.

— **Impact**: Applicant must be organized for profit and have had an operating business as of March 13, 2020, and the business must have been adversely impacted by COVID-19

— **Credit Score**: Small Business Scoring Service score for the business will be reviewed

— **Need**: Credit not available elsewhere

— **Additional Information**

- Apply directly through lender

SBA Express Loans

The CARES Act expanded the existing SBA Express Loans program by raising the maximum principal amount to $1 million. SBA Express Loans are business loans that are partially guaranteed by the SBA and feature faster turnaround times than other non-disaster related SBA loans.

— **Eligibility:**
  - **Size:** Must qualify as a small business (generally < 500 employees)
  - **Status:** Must be a for-profit operating business located in the US
  - **Credit requirements:** Credit decisions are made by the lender
  - **Need:** Credit not available elsewhere

— **Key Terms**
  - **Term:** Up to 7 years (with maturity extensions permitted at the outset)
  - **Principal Amount:** Up to $1 million
  - **Interest Rate:** Negotiated with lender, but may not exceed SBA maximum (principal amount < $50,000, prime + 6.5%; principal amount $50,000 <, prime + 4.75%); may be fixed or variable
  - **Collateral:** Lenders are not required to take collateral for loans up to $25,000; may use their existing collateral policies for larger loans
  - **Deadline:** Ongoing program, but on January 1, 2021 the maximum principal amount will decrease to $350,000

— **How to apply:** Apply via a bank that is approved for the SBA 7(a) loan program
  - Lender primarily uses its own forms, plus **SBA Form 1919**

— **Additional information:** SBA Small Business Resource Guide, New York City Edition
## CARES Act Tax Assistance

| Employee Retention Tax Credit | — *What it does:* Provides a refundable payroll tax credit for 50% of wages paid to certain employees (up to $10,000 per eligible employee) through December 31, 2020  
— *Who should consider it:* Small businesses whose operations have been fully or partially suspended due to COVID-19; small businesses who have experienced a greater than 50% reduction in quarterly receipts, measured on a year-over-year basis other than businesses who are receiving assistance under the Paycheck Protection Program |

| Delay of Payment of Employer Portion of Payroll Taxes | — *What it does:* Delays the due date of the employer portion of 2020 payroll taxes (50% due 12/31/2021, 50% due 12/31/2022)  
— *Who should consider it:* All businesses with employees other than businesses who are receiving assistance under the Paycheck Protection Program |

| Increased Flexibility of Tax Deductions | — *What it does:* For 2020 tax year, lifts restriction that net operating loss carryovers could be used to offset a maximum of 80% of a taxpayer’s taxable income. For 2019 and 2020 tax years, limitation on deductibility of interest expense is increased to 50% from 30%. 2018, 2019 and 2020 losses may be carried back five years  
— *Who should consider it:* Owners with business losses in the current year applying those losses to personal income; owners who deduct interest expense; owners with gains to offset in prior years |
Unemployment Insurance: Expanded Benefits

**Pandemic Unemployment Assistance ("PUA"):** Unemployment insurance expanded to cover individuals, including self-employed workers and independent contractors, who are unemployed, partially employed, unable to work or unavailable for work, including due to:
- COVID-19 diagnosis (or symptoms and seeking diagnosis), or a member of household diagnosed
- Primary caregivers for children whose school or care facility has been closed due to COVID-19
- Cannot reach place of employment due to quarantine (or scheduled to start a new job but cannot reach place of employment)
- Becoming primary earner because head of household died of COVID-19
- Quit employment as a direct result of COVID-19
- Had place of employment closed due to COVID-19

**Extended Benefits Period:** All beneficiaries of UI are now eligible for up to 39 weeks of benefits; those who previously exhausted benefits are eligible for 13 additional weeks

**Benefit Amount:** Determined by reference to recent wages; maximum NY rate is $504 per week and PUA recipients receive a minimum of $182 per week as of April 1, 2020

**Additional Benefits:** All beneficiaries of UI will receive an additional $600 per week until July 31, 2020

**Retroactive Benefits:** Benefits apply retroactively to any period of unemployment beginning on or after January 27, 2020
Interaction with other COVID Assistance Programs:
— Small business owners should be able to apply for relief under unemployment insurance and the Paycheck Protection Program (“PPP”) and/or Economic Injury Disaster Loans (“EIDL”), provided they do not use the PPP and/or EIDL to continue to pay their own salary during the same applicable period of time.
— Businesses without employees should calculate the amount of funding available under each program, consider the risks associated with a loan and the timing and duration of each program.
— For some, the amount of funding and ease of paperwork will mean that unemployment insurance may be the best route. However, others may want to use a PPP loan to continue payroll for themselves for 8 weeks, have that loan forgiven, and then use unemployment. Others might combine different programs to cover different expenses.
— The analysis will depend on your individual situation.

Limitations: Benefits not available to workers receiving paid sick leave or who can telecommute.

How to Apply: New applicants for UI in NY should visit: https://unemployment.labor.ny.gov/.
Applicants should apply on the day assigned to the first letter of their last name: A - F on Monday; G - N on Tuesday; O - Z on Wednesday (everyone can file on Thursday, Friday, Saturday or Sunday).

For more Information:
Other Programs*:
Overview of Select Private Loan, Grant and Crowdfunding Initiatives

*Summary presented for information purposes only; this presentation should not be construed as an endorsement of any specific program.
Other Programs

The landscape of COVID-19 relief initiatives for small businesses is relatively new and rapidly evolving. Small businesses should continue to monitor it and consider their alternatives through the following, among others:

- Private loan providers
- Other private companies
- Crowdfunding platforms
- Local chambers of commerce
# Other Programs: A Sampling

<table>
<thead>
<tr>
<th>PROGRAM/RESOURCES</th>
<th>STATUS AS OF APRIL 23</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FundRocket Stimulus 2020 Loan</td>
<td>Accepting applications</td>
<td>No-interest loans of up to $1,000 to qualifying small businesses, including nonprofits. More information available at <a href="https://stimulus2020.com">https://stimulus2020.com</a></td>
</tr>
<tr>
<td>Kiva</td>
<td>Accepting applications</td>
<td>No interest loan of up to $15,000 in to qualifying small businesses, with expanded eligibility and grace period of up to 6 months, in light of COVID-19. More information available at <a href="https://www.kiva.org/borrow">https://www.kiva.org/borrow</a></td>
</tr>
<tr>
<td>GoFundMe Small Business Relief Initiative</td>
<td>Launched and ongoing</td>
<td>Grants of up to $500. Small businesses that have been claimed by the business owner on Yelp automatically have a GoFundMe started on their behalf. Other small businesses may create their fundraisers. Local community members are able to search their favorite businesses on Yelp and click on the “donate” button within the businesses profile to provide their support. More information available at <a href="https://www.gofundme.com/c/small-business-relief-initiative-and-fund-faqs">https://www.gofundme.com/c/small-business-relief-initiative-and-fund-faqs</a></td>
</tr>
<tr>
<td>Wefunder Coronavirus Crisis Loan</td>
<td>Launched and ongoing</td>
<td>Small businesses may access the investment crowdfunding platform to raise from $20,000 to $1M in loaned funds on flexible terms, including via a revenue share program designed by Wefunder. Repayments are based on revenue and deferred until 2021. More information available at <a href="https://wefunder.com/loans">https://wefunder.com/loans</a></td>
</tr>
<tr>
<td>Facebook Small Business Grants Program</td>
<td>Accepting Applications</td>
<td>Cash grants and ad credits for up to 30,000 eligible small businesses (i) with 2 to 50 employees, (ii) in business for over 1 year, (iii) located in a location where Facebook is operating and (iv) that have experienced challenges as a result of COVID-19. More information available at <a href="https://www.facebook.com/business/boost/grants">https://www.facebook.com/business/boost/grants</a>. Join at community.ureeka.biz/registration and use code “WENYC” - Once in the platform your businesses will get one hour of mentorship and assistance in applying for the Facebook and/or Salesforce grants.</td>
</tr>
</tbody>
</table>
### Other Programs: A Sampling

<table>
<thead>
<tr>
<th>PROGRAM/RESOURCES</th>
<th>STATUS AS OF APRIL 23</th>
<th>DETAILS</th>
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</thead>
<tbody>
<tr>
<td>Hello Alice COVID-19 Business for All Emergency Grant</td>
<td>Accepting applications</td>
<td>$10,000 emergency grants and ongoing support for small businesses impacted by COVID-19. Applications, resources and additional information are available at: <a href="https://www.covid19businesscenter.com">https://www.covid19businesscenter.com</a></td>
</tr>
<tr>
<td>Verizon Small Business Recovery Fund</td>
<td>Round 2 of the grant application process set to begin in mid-April (application not currently available on website)</td>
<td>Grants available from $5,000 - $10,000. Applicants must certify that they are promoting the best interests of their communities and have been negative impacted by COVID-19. Priority for grants is given to minority-, women- and veteran-owned businesses. Additional information is available at: <a href="https://www.lisc.org/covid-19/small-business-assistance/small-business-relief-grants/">https://www.lisc.org/covid-19/small-business-assistance/small-business-relief-grants/</a></td>
</tr>
<tr>
<td>Salesforce Care Small Business Grants</td>
<td>Applications for New York businesses open April 24 and close on May 1.</td>
<td>$10,000 grants. Applicants must be for-profit companies that have: (i) 2-50 employees, (ii) been in business for 2 years as of March 2020, (iii) an annual revenue between $250K – $2M and (iv) experienced challenges as a result of COVID-19. For more information and to apply, visit: <a href="https://www.grants.ureeka.biz/salesforce">https://www.grants.ureeka.biz/salesforce</a> Join at <a href="https://community.ureeka.biz/registration">community.ureeka.biz/registration</a> and use code “WENYC” - Once in the platform your businesses will get one hour of mentorship and assistance in applying for the Facebook and/or Salesforce grants.</td>
</tr>
<tr>
<td>Red Backpack Fund</td>
<td>Applications reopening on May 4, 2020</td>
<td>$5,000 grants to majority women-owned businesses and nonprofits with (i) annual revenues less than $5M, (ii) at least one additional paid employee and (iii) fewer than 50 individuals on staff. Sole proprietors are not currently eligible to apply. More information available at <a href="https://www.globalgiving.org/red-backpack-fund-faq/">https://www.globalgiving.org/red-backpack-fund-faq/</a></td>
</tr>
<tr>
<td>Restaurant Workers Community Foundation COVID-19 Relief</td>
<td>Launched and ongoing</td>
<td>No interest loan to restaurants impacted by COVID-19 announced, in addition to assistance to restaurant workers and to nonprofits serving restaurant workers. More information at <a href="https://www.restaurantworkerscf.org/covid19faq">https://www.restaurantworkerscf.org/covid19faq</a></td>
</tr>
</tbody>
</table>
Additional Resources
Information about new programs for grants and loans has been emerging daily, while programs already in place continue to evolve and change at a rapid pace. **Resource and information aggregating sites** can be especially useful for keeping track of evolving landscape and supporting small business owners during this difficult time. We encourage you to consider the following and others you may come across:

- Hello Alice COVID-19 Business Resource Center
- CNN Guide to Helping and Getting Help during the Coronavirus Crisis
- Federal Reserve Bank of New York Coronavirus Resource Center
- Forbes List of Coronavirus (COVID-19) Small Business Loan And Grant Programs
- Facebook Business Resource Hub
- National Employment Law Project Resources to Support Workers during the Pandemic
- NYC SBS Emergency Planning Process Checklist
- Restaurant Workers Community Foundation COVID-19 Resource Page
- Small Business Majority COVID-19 Daily Updates Page
- SSTB COVID-19 Resources Page
- The Small Business Owner’s Guide to the CARES Act
- Ureeka Free One-on-One Mentor Sessions for Entrepreneurs Navigating COVID-19
- U.S. Chamber of Commerce Coronavirus Response & Resources
Start Small Think Big & Cleary Gottlieb: A Collaborative Approach
Working with Cleary and other leading private sector law firms and corporations, Start Small Think Big provides:

Legal Assistance

- Access to legal assistance by referring our clients to firms for pro bono counsel
- Volunteer attorneys to answer your questions on legal issues, including forming a legal structure, contract review, commercial lease review, intellectual property and more

Financial Assistance

- Access to in-house and pro bono financial advisors through a robust program on small business financial management

Marketing Assistance

- Access to pro bono marketing advisors through a referral program and hands-on workshops
- Connections to vending opportunities, including tastings, pop-up shops, street markets/fairs, and business-to-business sales

http://www.startsmallthinkbig.org/
How Can We Help You with COVID-19?

Individual Consultations
• Register for a one-on-one consult on legal or loan/grant assistance questions at https://covid19.startsmallthinkbig.org/request/

Additional Guidance
• Read our guidance materials on how the financial relief programs work at https://www.startsmallthinkbig.org/covid19/2020/4/16/guidance-documents-from-cleary-gottlieb

Helpful Webinars
• Attend a legal webinar
• Upcoming in May 2020: Doing Business Online – IP Best Practices, Terms of Use & Privacy Policies (with Cleary and WE NYC)

Start Small’s Financial and Marketing teams are also offering consults and webinars on a range of topics to help small businesses pivot during the crisis
QUESTIONS?
https://sbsconnect.nyc.gov/contact/

ありがとうございます
Thank you! Gracias! Obrigada! 谢谢