



CORONAVIRUS AID

RESOURCES FOR BUSINESSES



ORLAND PARK

FEDERAL

The U.S. government recently passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to help businesses, families, and individuals make ends meet during the coronavirus crisis. The bill allocates \$350 billion specifically to assist small businesses, helping them maintain employees and giving them capital to keep things running.

The emergency loans provision of the CARES Act, also known as the Paycheck Protection Program, lets small businesses borrow as much as \$10 million with an interest rate no higher than 4%. These loans, backed by the Small Business Administration (SBA), can be forgiven as long as your company meets certain conditions, including maintaining or restoring your average payroll. This means that, with the right planning, your loan can effectively be a grant.

While there are many potential benefits to getting one of these new loans, how does a small business actually go about applying for one? The U.S. Chamber of Commerce has developed a new step-by-step guide that explains this in detail. https://www.uschamber.com/sites/default/files/023595_comm_corona_virus_smallbiz_loan_final.pdf

Paycheck Protection Program:

The Paycheck Protection Program, one of the largest sections of the CARES Act, is the most important provision in the new stimulus bill for most small businesses. This new program sets aside \$350 billion in government-backed loans from private banks that can, in some cases, be converted to grants, which means that if you meet the requirements you won't need to pay the loan back. These loans will be given out by SBA-approved private lenders. Banks are still getting the program up and running, so check with your local bank to see if they have the program in place. Banks that are already approved SBA lenders may be quicker to get the loan program in place.

Small Business Administration (SBA) Economic Injury Disaster Loans (EIDLs):

Another important aspect of the CARES Act for small businesses is that it expands eligibility for the SBA's Economic Injury Disaster Loans (EIDLs). In early March, the SBA's disaster loan program was extended to all small businesses affected by COVID-19, but the CARES Act opens this program up further and makes it easier to apply. These loans come directly from the SBA and you can apply for one here. <https://covid19relief.sba.gov/#/>

- EIDLs are available to businesses, cooperatives, and employee stock ownership plans (ESOP) with fewer than 500 employees. They are also available to all non-profit

organizations, including 501(c)(6)s, and to individuals operating as sole proprietors or independent contractors.

- EIDLs can be approved by the SBA based solely on an applicant's credit score.
- EIDLs that are smaller than \$200,000 can be approved without a personal guarantee.
- Borrowers can receive a \$10,000 emergency grant cash advance that can be forgiven if spent on paid leave, maintaining payroll, increased costs due to supply chain disruption, mortgage or lease payments or repaying obligations that cannot be met due to revenue losses.

Small businesses can get both an EIDL and a Paycheck Protection Program loan as long as they do not pay for the same expenses. Please check with your financial advisor or lender before taking both types of loans if you are not sure of the specifics.

Resources:

<https://www.uschamber.com/co/small-business-coronavirus>

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

<https://www.coronavirus.gov/smallbusiness/>

<https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html>

Illinois Small Business Emergency Loan Fund:

The Illinois Department of Commerce & Economic Opportunity (DCEO) and the Illinois Department of Financial and Professional Regulation (IDFPR) are establishing the Illinois Small Business Emergency Loan Fund to offer small businesses low-interest loans of up to \$50,000. Businesses located outside of the City of Chicago with fewer than 50 workers and less than \$3 million in revenue in 2019 will be eligible to apply. Successful applicants will owe nothing for six months and will then begin making fixed payments at a below market interest rate for the remainder of a five-year loan term. More information is available at: <https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/IllinoisSmallBusinessEmergencyLoanFund.aspx>



State Treasurer's Small Business COVID-19 Relief Program:

The Business Invest—Illinois Small Business COVID-19 Relief Program is an impact investment loan program under which the State Treasurer has made up to \$250 million in deposits available to financial institutions throughout the State, at near-zero rates, to assist Illinois small business and non-profits negatively affected by the COVID-19 pandemic. More information is available at: https://www.illinoistreasurer.gov/Invest_in_Illinois/Small_Business_COVID-19_Relief_Program

Technical Assistance, Information and Other Relief:

The Illinois Department of Financial and Professional Regulation (IDFPR) Licensing (IDFPR). IDFPR is providing relief from professional licensing requirements, including extensions for licenses due March through July and waivers from certain continuing education requirements. More information is available at:

<https://www.idfpr.com/News/2020/2020%2003%2018%20IDFPR%20Variance%20Press%20Release.pdf>

Resources:

[https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/Coronavirus-Disease-2019-\(COVID-19\)-Information-for-Small-Business.aspx](https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/Coronavirus-Disease-2019-(COVID-19)-Information-for-Small-Business.aspx)

<https://www2.illinois.gov/dceo/SmallBizAssistance/BeginHere/pages/sbdc.aspx>

<https://dceocovid19resources.com/pdf/DCEOCOVID-19EmergencyResourcesforBusiness.pdf>

No one could have predicted the economic crisis we are experiencing in this modern day and age. Resources are available to help you through this situation.

PRIVATE

Facebook announced a [\\$100 million grant](#) for small businesses impacted by COVID-19 and launched the [Business Resource Hub](#), which features recommendations to help small businesses stay connected to customers and stay on track.

Google's pledge to donate [\\$800 million](#) for COVID-19 relief includes efforts to help small and medium-sized businesses gain access to capital.

JPMorgan pledged \$50 million to help struggling customers, and [\\$8 million in aid](#) to small businesses, specifically.

Resources:

<https://www.forbes.com/sites/briannegarrett/2020/03/20/small-business-relief-tracker-funding-grants-and-resources-for-business-owners-grappling-with-coronavirus/#4097484edd4c>

Did we miss any resources?

If we did, send tips to publicinfooffice@orlandpark.org



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