



City of Seattle

Mayor Jenny A. Durkan

NEWS RELEASE FROM THE OFFICE OF THE MAYOR

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Mayor Durkan Announces \$1 Million Expansion of Small Business Stabilization Fund & Availability of Federal Small Businesses Loans

\$2.5 Million Total Now Available Through the City's Small Business Stabilization Fund

To Date, Office of Economic Development Has Seen Overwhelming Response, with Approximately 1,800 Eligible Applications

COVID-19 Small Business Recovery Task Force Hosts First Meeting

Seattle (March 18, 2020) – Building on the City's initial Small Business Recovery Package to support small businesses and working people impacted by the COVID-19 pandemic, Mayor Jenny A. Durkan announced today that the City will invest an additional \$1 million in the City's [Small Business Stabilization Fund](#), bringing the total new amount of available funding for small businesses impacted by COVID-19 to \$2.5 million. Eligible small businesses will receive a grant of up to \$10,000 to mitigate revenue lost by COVID-19.

In addition, small businesses in Seattle and King County are now eligible to apply for up to \$2 million in low-interest [Small Business Administration \(SBA\) Economic Injury Disaster Loans \(EIDL\)](#) to offset economic losses because of reduced revenues caused by the impact of the Coronavirus (COVID-19) pandemic. With currently \$1 billion in loan subsidies available from the federal government, the City's Office of Economic Development (OED) will be offering technical assistance and launching resources to help small businesses apply for SBA loans.

The City of Seattle is one of the first cities in the country to operationalize direct investments in small businesses impacted by COVID-19. Since launching the expanded Small Business Stabilization Fund on Thursday, March 12, the City's Office of Economic Development (OED) has seen an unprecedented influx in applications. As of 12 p.m. on March 17, OED received over 3,300 applications, with approximately 1,800 eligible applications currently under review.

"At the City, we're doing everything we can locally to support our small businesses during this unprecedented moment in history," said Mayor Durkan. "We've identified millions of dollars to invest directly in our most vulnerable small businesses, but it's clear the need is far greater than anything the City can meet on our own. We'll be working with our partners across government and in the private sector help so many who are struggling. Ultimately, we need an unprecedented small business and worker relief effort from Congress to truly help people and businesses who already feel the economic consequences of this pandemic."

The \$2.5 million expanded Small Business Stabilization Fund is funded by federal Community Development Block Grants (CDBG). The Mayor previously directed all departments to look to repurpose CDBGs for these critical small business grants. The federal government requires eligible CDBG small business awardees to have five employees or less and for the business owner to be at or below 80 percent of the Area Median Income. In addition, the Mayor has directed OED to focus outreach on historically underserved small businesses who may be overlooked by the federal government's Small Business Administration (SBA) disaster relief program.

To qualify for a grant from the stabilization fund, small businesses must have five employees or less, the owner must be at or below 80 percent of the Area Median Income, the business must have a physical establishment, and the business

must be financially impacted by COVID-19. OED will conduct targeted outreach to small businesses in high displacement areas, as those businesses carry a greater burden in trying to thrive in today's economy. If additional private or federal resources become available, the City will examine if it can expand eligibility.

The Mayor's Office and OED have also been partnering with the State of Washington to ensure small businesses can access federal SBA loans as quickly as possible. Eligible small businesses can receive loans of up to \$2 million to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the impact of COVID-19. Small businesses, private nonprofit organizations of any size, small agricultural cooperatives and small aquaculture enterprises that have been financially impacted as a direct result of COVID-19 are eligible to apply.

Applicants for the federal SBA may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>.

"We know hundreds of applications for the small business stabilization fund were received in just the first day, showing many of our small businesses are already on the brink of financial disaster. The City and federal government must continue to do everything it can, not only to stabilize small business owners and their employees, but to ensure the COVID-19 crisis doesn't cause an economic eviction of Seattle's small businesses," said Councilmember Tammy J. Morales ([District 2, South Seattle and the CID](#)).

"We know the economic impacts of COVID-19 are being felt across the city, especially our small businesses and micro-businesses that have had to close. The City is doing everything it can to help buffer the impacts, which we know will ripple throughout the coming months," said Councilmember [Andrew J. Lewis](#) ([District 7, Pioneer Square to Magnolia](#)). "This \$1 million expansion of the small business stabilization fund, along with the opening of the federal government's SBA loans, will lend some needed support to small businesses during this time, which we know are vital to our communities across Seattle."

Over the past week, Mayor Durkan has implemented a series of actions including:

- [Deferring utility payments for customers impacted by COVID-19](#);
- Implementing a [temporary moratorium on residential evictions](#) to provide relief for working people financially impacted by COVID-19;
- Announcing a small business [relief package](#) that included deferred business taxes and a [stabilization fund](#); and
- Creating a new [Arts Recovery Package](#) to provide immediate financial relief to artists and cultural organizations that have been impacted by COVID-19.

In addition, she continues to advocate for a comprehensive small business and worker relief package from Congress to provide immediate and lasting relief to Seattle communities impacted by COVID-19, and the City is working quickly to scale new programs.

The City has created [a comprehensive resource page](#) for residents and small businesses impacted by COVID-19. This page will be updated as more information becomes available.