

# Coronavirus FAQs

## For Businesses:

### **Do I have to close my business?**

As of March 19, 2019, the County of Los Angeles Department of Public Health issued an order by the Health Officer to immediately close all non-essential businesses through April 19.

- 1) Bars and Nightclubs that do not serve food
- 2) Gyms and Fitness Centers
- 3) Movie Theaters, Live Performance Theaters, Bowling Alleys, and Arcades

For current updates and guidance on business closures, visit the Department of Public Health at [publichealth.lacounty.gov/media/Coronavirus/](http://publichealth.lacounty.gov/media/Coronavirus/).

### **Is there financial assistance available to my business?**

A new bipartisan spending package was passed in the US House of Representatives and the Senate. This package, when it is implemented, will provide \$7 billion in federal funds to assist small businesses that suffer economic harm from the coronavirus outbreak. New information will be released once available.

The **California Governor's Office of Business and Economic Development (GO-Biz)** provides IBank loans (there are a few types) for businesses from one to 750 employees (small businesses). [CLICK HERE](#)

Many businesses have business interruption insurance. Now is the time to contact your insurance agent to review your policy to understand precisely what you are and are not covered for in the event of an extended incident.

The Small Business Association (SBA) has developed [Lender Match](#), a free online referral tool that connects small businesses with participating SBA-approved lenders within 48 hours.

- The **federal Small Business Administration (SBA)** is offering Disaster Loans for businesses, private nonprofits, homeowners and renters. The application link is [now open](#) for any California business wishing to apply for a disaster loan related to economic damage from the COVID-19 health crisis. [CLICK HERE](#)
- **7(a) program** offers loan amounts up to \$5,000,000 and is an all-inclusive loan program deployed by lending partners for eligible small businesses within the U.S. States and its territories. The uses of proceeds include: working capital; expansion/renovation; new construction; purchase of land or buildings; purchase of equipment, fixtures; lease-hold improvements; refinancing debt for compelling reasons; seasonal line of credit; inventory; or starting a business.

- **Express** loan program provides loans up to \$350,000 for no more than 7 years with an option to revolve. There is a turnaround time of 36 hours for approval or denial of a completed application. The uses of proceeds are the same as the standard 7(a) loan.
- **Community Advantage** loan pilot program allows mission-based lenders to assist small businesses in underserved markets with a maximum loan size of \$250,000. The uses of proceeds are the same as the standard 7(a) loan.
- **504** loan program is designed to foster economic development and job creation and/or retention. The eligible use of proceeds is limited to the acquisition or eligible refinance of fixed assets.
- **Microloan** program involves making loans through nonprofit lending organizations to underserved markets. Authorized use of loan proceeds includes working capital, supplies, machinery & equipment, and fixtures (does not include real estate). The maximum loan amount is \$50,000 with the average loan size of \$14,000.

## What if I have to lay off employees to avoid closing by business?

Is your business facing the possibility of laying off employees or even closing? The Los Angeles County America's Jobs Centers of California (AJCCs) can help you get your business back on track. Specialized Business Service Representatives can work with you and your employees to minimize losses and improve morale. We can also assist your business with strategic planning to ensure that your business does not face a similar situation in the future. Contact your local Business Service Representative at an America's Job Center of California (AJCC) for more information by emailing [bizdev@wdacs.lacounty.gov](mailto:bizdev@wdacs.lacounty.gov) or calling (213) 810-1641.

LAEDC, the County's provider for Layoff Aversion services, can work with businesses one-on-one to see if they qualify for other **non-traditional loan programs**. Please [email LAEDC for details](#). Include a business name and city where the business is located so LAEDC can assign a regional manager to follow up with you.

Employers can apply for the **Unemployment Insurance (UI) Work Sharing Program** if reduced production, services, or other conditions cause them to seek an alternative to layoffs.

The Work Sharing Program helps employees whose hours and wages have been reduced:

- Receive UI benefits.
- Keep their current job.
- Avoid financial hardships.

The Work Sharing Program helps employers:

- Minimize or eliminate the need for layoffs.
- Keep trained employees and quickly prepare when business conditions improve.
- Avoid the cost of recruiting, hiring, and training new employees.

[https://www.edd.ca.gov/unemployment/Work\\_Sharing\\_Program.htm](https://www.edd.ca.gov/unemployment/Work_Sharing_Program.htm)

## Can I increase prices for my services and products?

Price gouging is the act of a business raising prices of needed products and services over 10% during a declared emergency. Price gouging is prohibited and is governed by California Penal Code 396 and the Los Angeles County Price Gouging Ordinance. For 30 days following the declaration of emergency, it is illegal for a person, contractor, or business to sell or offer to sell any food items or goods or service for a price of more than 10 percent above the price charged by that person or business immediately before the declaration of emergency was issued.

Typically, this statute applies for 30 days after an emergency declaration. However, the statute applies for 180 days for reconstruction services and emergency cleanup services. State and local municipalities may extend the effective period of the statute beyond these timeframes. If you believe that you have been a victim of price gouging or you suspect a business is price gouging, contact the Los Angeles County Department of Consumer and Business Affairs at (800) 593-8222.

## What if I can't afford to pay my rent or utilities?

Governor Gavin Newsom issued an executive order that authorizes local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19. The order does not relieve a tenant from the obligation to pay rent, or restrict the landlord's ability to recover rent that is due. The protections are in effect through May 31, 2020, unless extended. The order also requests banks and other financial institutions to halt foreclosures and related evictions during this time period. The full Executive Order can be found [here](#).

Los Angeles County utilities are providing resources and relief to eligible residents. Please visit this web page for future updates.

- Public Works will not shut off or stop services for customers who are delinquent or behind in service or permit payments until this order is lifted. This includes water, sewer and trash pick-up services. For any inquires, Public Works' 24 hour/7 day dispatch number is **800-675-4357**.
  - Southern California Edison is implementing the following provisions immediately: Suspension of Disconnections for Non-Payment
  - Eligibility: All Residential and Commercial Customers
  - Effective immediately, SCE will suspend disconnections for non-payment
  - Flexible Payment Plans to Impacted Customers
  - Eligibility: Customers who contact SCE and self-identify as being impacted financially by the COVID-19 emergency
  - Customers with current accounts – Will be offered a one-time, up to 60-day, extension
  - Customers with past due amounts – Will be offered up to 6-month payment arrangement
  - SCE will work with the customer to accommodate a customer's unique situation that may result in a payment arrangement for up to 12 months.
  - Visit [Southern California Edison](#) or [Clean Power Alliance](#) for more information.

## What can I do as a business to help in this situation?

Do your part to slow the spread:

- Avoid social gatherings of 10 people or more
- Work or engage from home
- o If necessary, working on location or place of business make sure to conduct regular environmental cleaning i.e. wipe down with cleaning solution, sanitize workspace and make sure employees are washing hands on a regular basis.
- o Staff should wear and use appropriate Personal Protective Equipment according to your existing policies and procedures.
- o Have soap and paper towels in bathrooms at all times.
- Avoid unnecessary travel
  - California EDD has issued updated guidance on issues beyond unemployment insurance (e.g. caregiving for ill family members). [CLICK HERE for that updated guidance.](#)
  - California's Department of Industrial Relations has issued updated guidance on what employers are expected to do to help promote hygiene/safety in the workplace. [CLICK HERE for that updated guidance.](#)
  - **Marketing** – It's critical to communicate openly with your customers about the status of your operations, what protective measures you've implemented, and how they (as customers) will be protected when they visit your business. Promotions may also help incentivize customers who may be reluctant to patronize your business.
  - **Consider providing in-home services** i.e. provide free delivery, etc.

Share best practices with other businesses in your communities (especially those in your supply chain), chambers of commerce, and associations to improve community response efforts.

## Are there other markets I can reach to increase my business during this time?

### Consider Government Contracting

Become a vendor with Los Angeles County

Also, SBA is focused on assisting with the continuity of operations for small business contracting programs and small businesses with federal contracts. For more information on federal contracting, visit <https://www.sba.gov/federal-contracting/contracting-guide>

More specifically:

- [8\(a\) Business Development](#) program serves to help provide a level playing field for small businesses owned by socially and economically disadvantaged people or entities, and the government limits competition for certain contracts to businesses that participate. The 8(a) program offer and acceptance process is available nationwide, and the SBA continues to work with federal agencies to

ensure maximum practicable opportunity to small businesses. 8(a) program participants should stay in touch with their Business Opportunity Specialist (BOS).

- **HUBZone** program offers eligibility assistance every Thursday from 2:00-3:00 p.m. ET at 1-202-765-1264; access code 63068189#. Members of the HUBZone team answer questions to help firms navigate the certification process. For specific questions regarding an application, please contact the HUBZone Help Desk at [hubzone@sba.gov](mailto:hubzone@sba.gov).
- **Women-owned Small Business** firms who have questions, please visit [www.sba.gov/wosbready](http://www.sba.gov/wosbready) or write to [wosb@sba.gov](mailto:wosb@sba.gov).

**Exporting Assistance:** SBA provides export loans to help small businesses achieve sales through exports and can help these businesses respond to opportunities and challenges associated with trade, such as COVID-19. The loans are available to U.S. small businesses that export directly overseas, or those that export indirectly by selling to a customer that then exports their products.

- **Export Express** loan program allows access to capital quickly for businesses that need financing up to \$500,000. Businesses can apply for a line of credit or term note prior to finalizing an export sale or while pursuing opportunities overseas, such as identifying a new overseas customer should an export sale be lost due to COVID-19.
- **Export Working Capital** program enables small businesses to fulfill export orders and finance international sales by providing revolving lines of credit or transaction-based financing of up to \$5 million. Businesses could use a loan to obtain or retain overseas customers by offering attractive payment terms.
- **International Trade** loan program helps small businesses engaged in international trade to retool or expand to better compete and react to changing business conditions. It can also help exporting firms to expand their sales to new markets or to re-shore operations back to the U.S.

## **What are additional best practices I should be considering?**

**TRACK LOSSES-** During moments of disruption it is important to track any loss your business may have incurred as programs designed to assist cash flow needs and access to capital depend on accurate counts of economic injury or production loss.

**Inventory and Supply Chain Shortfalls** – While the possibility could be remote, it is a prudent preparedness measure to ensure you have either adequate supplies of inventory for a sustained period and/or diversify your distributor sources in the event one supplier cannot meet an order request.

## **ADDITIONAL RESOURCES:**

[http://smallbizla.org/wp-content/uploads/2020/03/COVID-19-BUSINESS-RESOURCE-GUIDE\\_3.16.2020\\_3pm.pdf](http://smallbizla.org/wp-content/uploads/2020/03/COVID-19-BUSINESS-RESOURCE-GUIDE_3.16.2020_3pm.pdf)

<https://wdacs.lacounty.gov/covid-19/>

<https://laedc.org/coronavirus/>

[https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html?utm\\_content=&utm\\_medium=email&utm\\_name=&utm\\_source=govdelivery&utm\\_term=](https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=)

<https://lacounty.gov/covid19/>

<http://www.publichealth.lacounty.gov/media/Coronavirus/>