STIMULUS CHECKS & TAX CREDITS + COVID-19

FACEBOOK.COM/LEGALSERVICESOFEASTERNMISSOURI/LIVE

STREAMED MONDAY, APRIL 6 @ 6:30-7:30PM

- SSI Recipients get automatic payments.
- Non-tax filers can use IRS portal.

HOUSING + COVID-19

FACEBOOK.COM/LEGALSERVICESOFEASTERNMISSOURI/LIVE

STREAMED MONDAY, APRIL 13 @ 6:30-7:30PM

- Court proceedings suspended until May 15, 2020.
Money Monday Presentation

What Small Business Owners And Independent Contractors Need to Know About the Paycheck Protection Program And Economic Injury Disaster Loans
Speakers

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Attorney
Banking
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Road Map

• Federal Economic Relief for Small Businesses
  – Economic Injury Disaster Loan program (EIDL)
  – Paycheck Protection Program (PPP)

• Grants for Neighborhood Groups

• Regional Grants

• Other Grants
Overview of CARES Act

• Coronavirus Aid, Relief, and Economic Security Act

• For individuals and families, cash from IRS of up to $1,200 per person and $2,400 per married couple, and up to $500 per child

• The CARES Act also included $349 billion for lending programs for small business that maintain their payroll levels

• $349 billion recently ran out on April 16, but Congress is trying to add another $250 billion
Economic Relief for Small Businesses

- Economic Injury Disaster Loans (EIDL)
- Payroll Protection Program
- Program for Deferring Payroll Taxes*
- Employee Retention Tax Credit*

*Note: If taking part in PPP, you cannot participate in these two programs.
Economic Injury Disaster Loans (EIDL)

- Small Business Administration (SBA) disaster loan program
- Expanded to recognize Coronavirus
- Up to $2 million loan
- $10,000 advance is a grant under the program
- Application made to SBA
- Currently not accepting applications
Payroll Protection Program

• Really a grant program

• Two parts:
  • Apply for loan with a participating lender
  • Apply for loan forgiveness with lender
Payroll Protection Program

• Eligibility for program:
  • Generally must be under 500 employees (exceptions for hotels/restaurants and franchises)
  • Sole proprietors
  • Independent Contractors

• Must **prove** payroll costs with good records:
  (1) to establish the maximum loan amount, **AND**
  (2) later to apply for and establish a right to loan forgiveness.

• Good accounting is key.
Payroll Protection Program

What you need to apply:

• Maximum loan amount: 2.5 x average monthly “payroll costs” calculated over 12 months

• “Payroll costs” include:
  – gross pay up to 100k per employee per year
  – Healthcare benefits paid by employer
  – Retirement benefits paid by employer

What if you have money left over?

• Two-year loan term (payments deferred for six months) at 1%; no prepayment penalties or fees.
Payroll Protection Program

• Simple loan application:
  – Must certify “economic uncertainty” has led to need

• Backup documentation:
  – tax returns
  – payroll verification

• Work with lender to provide good, clear records
Payroll Protection Program

• Simple loan application:
  – Must certify “economic uncertainty” has led to need

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• Work with lender to provide good, clear records
Payroll Protection Program (PPP) Loan Application

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**Average Monthly Payroll:** $ X 2.5 equals Loan Amount: $ Number of Jobs:

Purpose of the loan (select more than one):
- Payroll
- Rent/Mortgage Interest
- Utilities
- Other (explain):

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**Applicant Ownership:**
List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

<table>
<thead>
<tr>
<th>Owner Name</th>
<th>Title</th>
<th>Ownership %</th>
<th>TIN (EIN, SSN)</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

1. Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?
   - Yes
   - No

2. Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA, or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?
   - Yes
   - No

3. Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.
   - Yes
   - No

4. Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.
   - Yes
   - No

If questions (5), (6), or (7) are answered "Yes," the loan will not be approved.

5. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole?
   - Yes
   - No

6. Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded guilty; 3) pleaded no contest; 4) been placed on probation; or 5) been placed on any form of parole or probation (including probation before judgment)?
   - Yes
   - No

7. I am a U.S. Citizen: [ ] Yes [ ] I have Lawful Permanent Resident status: [ ] Yes
   - Initial here to confirm your response to question 6:

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Payroll Protection Program (PPP)

• What is “forgivable”?
  – Eligible expenses in first eight weeks of loan:
    • Payroll Costs (defined in law)
    • Business Rent
    • Business Utilities
    • Business Mortgage interest
What if you have money left over?

- Two-year loan term (payments deferred for six months) at 1%; no prepayment penalties or fees.
Forgiveness may be reduced if staff are laid off or payroll is reduced (though employees can be hired back by June 30, 2020 to prevent forgiveness reduction).

Must spend 75% of proceeds on payroll costs.

After June 30, you can apply for loan forgiveness with your lender.

Borrower has burden to show it met the criteria for loan forgiveness. Keep good, detailed records.
Payroll Protection Program (PPP) Loan Application

Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.

Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than twenty-five percent (25%) of the forgiven amount may be for non-payroll costs.
Payroll Protection Program (PPP)

Helpful Links:

• Main Treasury site (with further links to key documents and applications): https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses


COVID-19 Relief for Neighborhoods
Grants for Neighborhood Groups

Neighborhood Innovations in Connectivity Application

If you are unable to complete the application using the web-based form, please call SLACO at 314-361-9406.

- The Neighborhood Innovations in Connectivity grant is available for formal and informal neighborhood associations and similar organizations to support organizing, connecting and communicating while upholding physical distancing guidelines.

- Grantees can use funds to implement a solution to connect to their neighbors in this time.
Grants for Neighborhood Associations

- The **CDC Stability** grant is available for neighborhood-focused community development organizations to maintain core operations, staff and healthy work environments. Grantees may also use the funds to provide additional emergency services or financial support to the neighbors they serve.

- To apply please complete the **CDC Stability Application**

- If you are unable to complete the application using the web-based form, please call **CBN at 314-730-5449 to complete the application by phone.**
Apply for funds that reduce the strain COVID-19 has placed on Black families in our region.

- FLOURISH St. Louis’ collective impact approach relies on the whole community to play a part in solving our infant mortality crisis.
- Grants for programs that support the health and well-being of Black families during the COVID-19 pandemic.
• Delivery of supplies, such as food and toiletries, to homes.
• Providing formula and diapers, the items most families are in greatest need of.
• Covering utility and Internet bills for families (note: even though utilities have announced there will be no late fees for bills during this time, the expectation is that families will still have to pay them eventually – a challenge for those who are out of work.)
• Connecting families with hotspots, data minutes and subscriptions to virtual platforms that can enable them to have virtual visits with doctors and home visiting providers.
• Addressing transportation challenges and assisting families with access to essential items like groceries and baby supplies.
How to Apply for Funding

- Applications are due by noon each Wednesday, and those selected for funding will be notified by that Friday afternoon.
- Please contact Brian at bwashington@generatehealthstl.org or 636-362-6241 with any additional questions.
St. Louis Community Foundation is seeking partners currently implementing or planning emergency response to the COVID-19 crisis.

- Homebound Services
- Basic Needs
- Pregnant & Parenting Families
- Food Insecurity
- Health Care Safety Net
- Housing & Homelessness
- Mental & Behavioral Health
- Justice Involved Individuals
- Immigrants & Refugees
COVID-19 Regional Response Fund

- COVID-19 Regional Response Fund Community Grants
- Request for Proposals due by 3:00 pm Central Time on April 21, 2020
- The COVID-19 Regional Response Fund ("the Fund") will direct resources to regional nonprofits that are serving local communities disproportionately affected by the coronavirus crisis and its economic fallout.
Timeline

Monday, April 13, 2020 – Request for Proposals released

Tuesday, April 21, 2020 – Proposals due by 3pm

Friday, May 1, 2020 – Grants announced

Week of May 4, 2020 – Funds disbursed
CLICK HERE TO ACCESS GRANT APPLICATION

https://www.grantinterface.com/Home/Logon?urlkey=stlgives

Copy of PROJECT BUDGET

(template can be found here)
COVID-19 SMALL BUSINESS LOANS & GRANTS AVAILABLE NOW
Grants for Small Business

• The **Neighborhood Small Business Lift** grant is available for neighborhood-serving small businesses to maintain staff, facilities and other essential costs. Grantees may also use funds to adapt to remote operations where possible.

• Award amount is determined by the monthly operating expenses of each business. The application for the Neighborhood Small Business Lift grant will be available on **Monday April 20, 2020**.
Grants for Small Business

• Save Small Business (Source: U.S. Chamber of Commerce Foundation)
  • Provides $5,000 grants to as many small employers as they can.
  • Employ between 3 and 20 people
  • Be located in an economically vulnerable community
  • Have been harmed financially by the COVID-19 pandemic
Verizon Wireless Grant – Up to $10,000

- Businesses facing immediate financial pressure because of Covid-19 - especially entrepreneurs of color, women-owned businesses and other enterprises in historically underserved communities who don’t have access to flexible, affordable capital.

- **What it can be used for?**
  - Paying rent and utilities
  - Meeting payroll
  - Paying outstanding debt to vendors
  - Other immediate operational costs
Verizon Wireless Grant – Up to $10,000

- The application period for Round 1 is now closed. Please register here to stay updated about another round beginning mid-April.
Other Great COVID-19 Resources


- https://stlresponse.org/


- **2-1-1** (press #1 for behavior health or just to talk)
Speaker, Lisa Potts

Lisa Potts
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JOIN US FOR FUTURE SESSION.

WATCH OUR PREVIOUS SESSIONS.

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bclplaw.com
Additional COVID-19 updates available online at:
https://lsem.org/covid-19-updates/

314-534-4200
800-444-0514
www.lsem.org