



# US CITIES BEST PRACTICES ASSISTING SMALL BUSINESSES DOING THE PANDEMIC

The COVID-19 pandemic has caused millions of small businesses throughout the nation to shutter. Doors closed when local and state governments put social distancing orders in place. Other small businesses chose to temporarily shut down on their own accord to help stop the spread of the deadly coronavirus.

What happens next? Small businesses employ tens of millions of people. Preventing permanent closings of these small businesses requires a federal response. So far, the federal government has allocated more than \$350 billion in emergency lending power to the Small Business Administration (which sounds like a lot, but it's far less than what's needed to meet the scope of the COVID-19 crisis). US cities and states have stepped in to help fill the void and support small businesses and workers.

Many state and local governments have already jumped in to help, provide immediate assistance, and tie over small businesses until relevant federal relief is available.

We are highlighting the US cities that have shown the best practices in assisting small businesses during the COVID-19 pandemic.

## GRANTS & LOANS:

Small businesses need cash, and they need it fast. Financial relief is critical to keep small businesses afloat during the disastrous economic effects of the pandemic. The best programs will give small business owners outright grants to help replace some of their lost profits. Grant money can help cover costs like rent, salary, utilities, and other critical expenses. Naturally, the demand for grants is incredibly high.

The cities below have dispensed some of the best coronavirus relief grants in the United States.

### • New York City, NY

Mayor Bill de Blasio created a relief plan to give up to \$75,000 in interest-free loans to small businesses in New York City with fewer than 100 employees and have experienced at least a 25% drop in sales. NYC also has a grant in place for micro-businesses (a business with fewer than five employees) where the city will offer concessions covering 40% of the payroll fees for two months.

### • Boston, MA

The city of Boston established the Small Business Financial Relief Fund to help those most impacted by the COVID-19 pandemic. The municipality provided three types of grants ranging from \$2,500 relief grant to \$10,000 relief grant. The grant money can be used to help pay off debts, payroll, and cover lost revenue and other working capital expenses.

### • Lakewood, OH

The City of Lakewood, Ohio, was quick to the punch and launched a Small Business Rent Relief Fund on March 23. Grants are up to \$3,000 and intended to reimburse rent payments.

### • Hillsboro, OR

Hillsboro set up two rounds of funding, totaling \$1,000,000 in relief funds through its Small Business Emergency Relief Program. The Hillsboro program gave priority to small businesses that serve larger groups of people. Bars and restaurants were among the highest recipients. Both rounds of funding were depleted on the day applications opened.

## HALTING OR DEFERRING FINANCIAL BURDENS:

Some small businesses are currently generating little to no revenue. The prospect of paying taxes, utility bills, and licensing fees pose a threat to their ability to keep their doors open and pay their workers. Some cities have legislation in place to help lessen financial burdens and responsibilities.

### • Seattle, WA

On March 13, Seattle's Office of Finance and Administrative Services postponed business and occupation tax filing and payment.

### • Phoenix, AZ

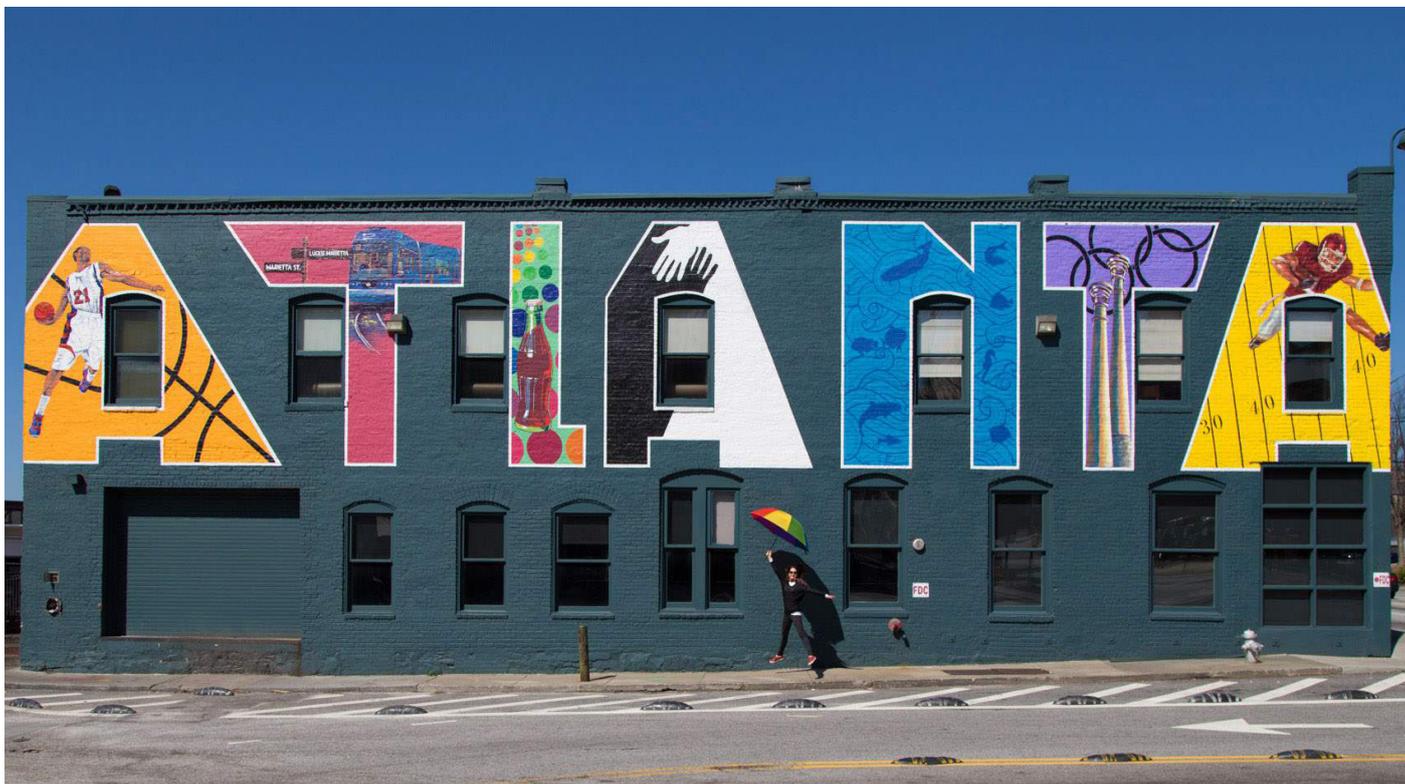
Phoenix ordered utility companies to keep businesses' lights on and water running while the pandemic persists. Other cities around the US, including New Orleans and St. Louis, followed suit as the public health crisis continued.

### • Atlanta, GA

Atlanta Mayor, Keisha Lance Bottoms, signed a bill sponsored by Atlanta City Council Members that let the city temporarily suspend rent for concessions and car rental companies for four months. Instead of paying rent, companies used the money to provide financial relief to employees who experienced pay cuts and fewer hours.

## CREATING RESOURCES AND INFORMATION:

Of course, small businesses are in dire need of financial relief; however, there is a lot of information available for small businesses online that can also provide another kind of support. Cities across the nation are building simple, easy-to-use websites where small business owners



can find essential resources and tools. The top city-run sites are updated frequently with news relating to small businesses and give step-by-step guidance on how to apply for SBA loans, contact local SBA-approved lenders, and local business support organizations.

Below are the cities that created the most useful information websites for their local business owners.

📍 **Boston, MA**

Boston created a resource page for small businesses that includes a guide on how to smoothly transition from a brick & mortar business to a takeout and delivery business.

📍 **Birmingham, AL**

Birmingham's small business resources site shares information and sources with small businesses. The site also measured local interest in creating a 'meal preparation network' for Birmingham restaurant owners.

📍 **Oakland, CA**

The city of Oakland created a web portal where local business owners can instantly learn about the local, state, and federal support available to them during the pandemic.

📍 **TAX DEFERRALS:**

The IRS did approve deferral on income tax payments until July 15, which of course helped small business owners. But is that enough relief? Cities and states are also letting businesses delay tax payments to help decrease the monetary burden during the pandemic. For example,

Connecticut, Iowa, and Maryland granted deferral of tax payments and offered folding deadline extensions for business-related taxes.

📍 **San Francisco, CA**

Business owners in San Francisco can delay their first-quarter business tax fees for 2020 until February 2021. The city is also suspending its collection of business licenses and annual permit fees.

📍 **Seattle, WA**

The city of Seattle allowed companies with \$5 million or less of taxable income to defer payment of city business license taxes.

📍 **EVICTION & FORECLOSURE:**

So many small businesses are unsure of how or when they will have the means to pay rent. Several cities have taken measures to prevent small businesses from facing eviction as the COVID-19 crisis continues. Kansas, Iowa, Pennsylvania, Rhode Island, and New York have implemented state-wide legislation limiting or suspending commercial evictions and foreclosures. In Kansas, Governor Laura Kelly issued an order

that demanded banks halt foreclosures.

📍 **Seattle, WA**

The Seattle Mayor halted the evictions of small businesses and banned late rent fees for two months amid the outbreak. The mayor also asked landlords to negotiate payment plans with their commercial tenants undergoing the backlash of city-wide shutdowns.

📍 **San Francisco, Los Angeles, Rancho Cucamonga, & Marin County, CA**

All four of these cities in Ventura Country have decided to halt evictions to help save as many small businesses as possible. Of course, landlords won't be able to wait forever for payments, but it was proven to have helped a number of small businesses stay afloat.

Local authorities around the US are diving into their "rainy day" funds. Creating benefit packages for businesses hurt by COVID-19 is crucial to ensuring the well-being and financial freedom of so many Americans. Cities and states continue to help relieve the financial, emotional, and physical burdens of the pandemic - but what happens when the funds run out?



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