


3/24/20

Item #5




**City Council Meeting**

**Item #5: Report and Possible Action on City Small Business Relief Program in Response to COVID-19 and Related Budget Amendment**

**March 24, 2020**

1



**City of Santa Clara**  
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## **Agenda**

1. Background
2. Federal, State and Local Resources
3. City Relief Programs
4. Recommendation

2

2

**POST MEETING MATERIAL**

1



## **Background**

- **March 17** – County of Santa Clara issues shelter-in-place to all residents and closure of non-essential businesses
- **March 17** – Santa Clara City Council ratifies local state of emergency declared by City Manager on March 11, 2020
- **March 19** – Governor Newsom issued Executive Order N-33-20 for residents to stay at home

3

3



## **Federal Resources**

- **U.S. Small Business Administration (SBA)** – Economic Injury Disaster Loan program
- **Federal Income Tax Payment Extension** – deadline extended for tax payment until July 15, 2020 (returns must still be filed by April 15, 2020)

4

4



## State Resources

- **Comprehensive state website** ([www.covid19.ca.gov](http://www.covid19.ca.gov)) with information for both employers and employees impacted by COVID-19
- **CA Capital Access Program for Small Business (CalCAP)** – loan loss revenue program
- **Small Business Finance Center (SBFC)** – partnerships to provide loan guarantees and direct loans
- **Work Sharing Program** – allows employees to receive unemployment benefits while still keeping their job
- **Employment and Taxes** – waived waiting periods for unemployment and disability insurance for those impacted by COVID-19

5

5



## Local Resources

- The City has **suspended service disconnections** for utility (electric and water) nonpayment, both for resident and commercial customers
- The City offers **flexible payment plans** to utility customers who have been impacted by COVID-19
- Find more resources at  
[SantaClaraCA.gov/CoronavirusUpdates](http://SantaClaraCA.gov/CoronavirusUpdates)

6

6





## City Relief Programs

- **City of Milpitas** – exploring small business assistance options
- **City of San Jose** – established Silicon Valley Strong Fund, a partnership between San Jose and Silicon Valley Community Foundation to address the economic impacts of COVID-19 across Silicon Valley
- **City of Sacramento** – committed up to \$1M in one-time funds to Small Business Emergency Economic Relief Fund to provide zero-interest loans to impacted businesses
- **City of Berkley** – committed up to \$3M to provide gap resources in the form of grants for renters, small businesses and arts organizations; also established special fund for private donations

7



## City Relief Programs

- **City and County of San Francisco** – initial commitment of \$1M to create Small Business Resiliency Fund for microbusinesses (5 or fewer employees)
- **City of Oakland** – waiving late payment penalties for tax filing and surveying local businesses on impacts from COVID-19
- **City of Los Angeles** – established Small Business Emergency Microloan Program for businesses and microenterprises responsible for providing low-income jobs

8

8



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## Recommendation

1. Direct the City Manager to develop a COVID-19 Small Business Relief Program for Council consideration.
2. Approve the related FY2019/20 budget amendment in the General Fund to increase the City Manager's Office budget by \$250,000 and decrease the Budget Stabilization Reserve by \$250,000.

9

9



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10