



OC Community Services

ORANGE COUNTY RAPID RESPONSE RESOURCES FOR BUSINESSES

Orange County Community Services is committed to providing support to businesses who have been impacted by COVID-19. We understand how stressful uncertainty may be and we would like to help you navigate through this period. There are a variety of programs and services available to help. This guide is designed to help Orange County businesses with identifying and securing resources.

WARN NOTICE

On March 4, Governor Gavin Newsom signed Executive Order N-31-20 to ease the regulatory burden on employers who had to close before being able to provide employees advanced notice related to the Worker Adjustment and Retraining Notification (WARN).

The 60-day notice requirement in the California WARN Act is temporarily suspended for employers that satisfy the Executive Order's specific conditions:

1. The employer's mass layoff, relocation, or termination must be caused by COVID-19 related, "business circumstances that were not reasonably foreseeable at the time that notice would have been required."
2. The employer must provide written notices to: affected employees and their representatives (e.g. unions), the California Employment Development Department, Orange County Workforce Development (OCWD), and the chief elected official of each city and county government within which the mass layoff, relocation, or termination occurs.

All WARN notices must include the following:

- Name and address of the employment site where the plant closing, or mass layoff will occur.
- Name and phone number of a company official to contact for further information.
- Statement as to whether the planned action is expected to be permanent or temporary and, if the entire plant is to be closed.
- Expected date of the first separation, and the anticipated schedule for subsequent separations.

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- Job titles of positions to be affected, and the number of employees to be laid off in each job classification.
 - For multiple lay-off locations, provide a breakdown of the number of affected employees and their job titles by each lay-off location.
 - Indication as to whether or not bumping rights exist.
 - Name of each union representing affected employees.
 - Name and address of the chief elected officer of each union.

Whether your businesses is required to submit a WARN or not, employers are encouraged to immediately submit layoff notices via email to Carma.Lacy@occr.ocgov.com for employees, and help us understand the broader impact to businesses and employees in Orange County.

Please be sure to email the following as cc:

State of California Employment Development Department - eddwarnnotice@edd.ca.gov

Orange County Board of Supervisor Chair - Michelle.Steel@ocgov.com

Orange County First District Supervisor - Andrew.Do@ocgov.com

Orange County Second District Supervisor - Michelle.Steel@ocgov.com

Orange County Third District Supervisor - Donald.Wagner@ocgov.com

Orange County Fourth District Supervisor - Fourth.District@ocgov.com

Orange County Fifth District Supervisor - Lisa.Bartlett@ocgov.com

WARN NOTICE

The Work Sharing program helps employers and employees avoid some of the burdens that accompany a layoff situation. For instance, if employees are retained during a temporary slowdown, employers can quickly gear up when business conditions improve. Employers are then spared the expense of recruiting, hiring and training new employees. In turn, employees are spared the hardship of full unemployment.

For employers who must reduce their work force permanently, the Work Sharing program can be used as a means to avoid layoff.

Work Sharing is flexible. Employees may be rotated so different employees have reduced hours and wages each week. The flexibility of the Work Sharing program allows the employer to determine which employees will participate in Work Sharing. In addition, the employer determines which week(s) will have hour and wage reductions.



A Work Sharing plan is approved for a 12-month period. If the employer continues to require Work Sharing in order to avoid layoffs, an application may be submitted for a subsequent plan. Such a plan may be approved immediately after a prior plan expires if the application is received timely.

A Work Sharing plan is not intended to be used for total layoffs during holiday periods. This would be in conflict with Unemployment Insurance Code Section 1279.5, which limits participation in the program to those employers who plan to reduce employees' hours of work, in lieu of layoff, to stabilize their work force by a sharing of the remaining work.

Employees participating in the Work Sharing program, if otherwise eligible, will receive the percentage of their weekly Unemployment Insurance benefit amount that equals to the percentage of the reduction in normal hours and wages for that week due to Work Sharing. If the percentage of wage reduction differs from the percentage of hour reduction, the amount payable is based on the lesser percentage.

Any additional wages earned during the week in the employment of an employer(s) other than the Work Sharing employer will be deducted dollar for-dollar from the Work Sharing benefits. The Work Sharing employer is required to maintain health and retirement benefits at the same level as prior to the reduction in hours and wages or to the same extent as employees not participating in the plan unless the reduction in benefits is applied equally to employees not participating in the Work Sharing program during the duration of the plan.

To Apply or Learn about the Work Sharing Program

https://www.edd.ca.gov/pdf_pub_ctr/de8684.pdf

https://www.edd.ca.gov/unemployment/Work_Sharing_Program.htm

CALIFORNIA TAX ASSISTANCE

State and federal tax filing deadlines have been extended. As shared by the State Franchise Tax Board, tax file and pay deadlines have been extended to July 15, 2020.

Learn About State Postpones Tax Deadlines

<https://www.ftb.ca.gov/about-ftb/newsroom/news-releases/2020-3-state-postpones-tax-deadlines-until-july-15-due-to-the-covid-19-pandemic.html>

COVID-19 updates from the California Franchise Tax Board

<https://www.ftb.ca.gov/about-ftb/newsroom/covid-19/index.html>



California Department of Tax and Fee Administration

Visit the California Department of Tax and Fee Administration website to apply for special assistance, including filing and payment extensions, and/or relief from interest and penalties.

<https://www.cdtfa.ca.gov/services/covid19.htm>

California Employment Development Department

Employers experiencing a hardship may request up to a 60-day extension from the Employment Development Department to file their state payroll reports and/or deposit state payroll taxes without penalty or interest.

https://www.edd.ca.gov/about_edd/coronavirus-2019.htm

2020 CALIFORNIA EMPLOYER'S GUIDE

On January 1, 2020, the California Employment Development Department published the 2020 California Employer's Guide, to help taxpayers understand their rights and responsibilities as an employer.

The guide provides information on:

1. Employer, employee, wages, payroll taxes, and registration procedures;
2. The 2020 forms, due dates, withholding schedules, payroll tax rates;
3. Employers subject to individual income taxes;
4. Electronic filing and payment requirements; and
5. Unemployment insurance benefits and the State Disability Insurance program.

2020 California Employer's Guide

https://www.edd.ca.gov/pdf_pub_ctr/de44.pdf

ORANGE COUNTY SMALL BUSINESS DEVELOPMENT CENTER

Orange County Small Business Development Center (SBDC) is a no cost resource to small business owners and entrepreneurs. SBDC offers consulting services, training, programs, resources, workshops and access to funding as well as SBA loan application assistance. Orange County businesses may utilize SBDC services to apply for COVID-19 related funding offered through SBA and a network of more than 100 funding institutions.



Economic Injury Disaster Loan (SBA)

The U.S. SBA's COVID-19 Economic Injury Disaster Loan program is a direct loan by the SBA for up to \$2 million at a rate of 3.75 percent for small businesses and 2.75 percent for nonprofits. California businesses have access to this program through the SBA or the Orange County Small Business Development Center.

Advance on Economic Injury Disaster Loan (SBA)

SBA applicants can get an Advance on that Economic Injury Disaster Loan of up to \$10,000 within 3 days of a successful application. Any advance money received does not have to be repaid.

7(a) Loan Program (SBA)

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.

SBA Express Loan (SBA)

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 permitted use is the same as the standard 7(a) loan.

Community Advantage Loan (SBA)

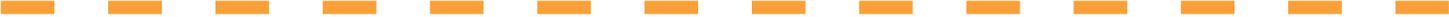
Community Advantage loan pilot program allows mission-based lenders to assist small businesses in underserved markets with a maximum loan size of \$250,000. The permitted use is the same as the standard 7(a) loan.

504 Loan Program (SBA)

504 loan program is designed to foster economic development and job creation and/or retention. The eligible use of funding is limited to the acquisition or eligible refinance of fixed assets.

Microloan (SBA)

The 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 (real estate excluded). The maximum loan amount is \$50,000 with the average loan size of \$14,000.



Paycheck Protection Program

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating in the program.

The following entities affected by Coronavirus (COVID-19) may be eligible:

- Any small business concern that meets SBA's size standards (either the industry based sized standard or the alternative size standard)
- Any business, 501(c)(3) non-profit organization, 501(c)(19) veterans organization, or Tribal business concern (sec. 31(b)(2)(C) of the Small Business Act) with the greater of:
 - » 500 employees, or
 - » That meets the SBA industry size standard if more than 500
- Any business with a NAICS Code that begins with 72 (Accommodations and Food Services) that has more than one physical location and employs less than 500 per location
- Sole proprietors, independent contractors, and self-employed persons

Learn about Paycheck Protection Program

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

Small Business Debt Relief (SBA)

Small Business Debt Relief – if you are a current borrower under SBA 7(a), 504 loan program or a microloan, you are eligible for debt relief and SBA will cover all loan payments for 6 months. The SBA will also automatically pay the principal, interest, and fees of new 7(a), 504, and microloans issued prior to September 27, 2020.

For current SBA Service Disaster (Home and Business) Loans: If your disaster loan was in, “regular servicing,” status on March 1, 2020, the SBA is providing automatic deferments through **December 31, 2020**.

What does an “automatic deferral” mean to borrowers?

- Interest will continue to accrue on the loan.
- 1201 monthly payment notices will continue to be mailed out which will reflect the loan is deferred and no payment is due.

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- The deferment will NOT cancel any established Preauthorized Debit (PAD) or recurring payments on your loan.
Borrowers that have established a PAD through Pay.Gov or an OnLine Bill Pay Service are responsible for canceling these recurring payments. Borrowers that had SBA establish a PAD through Pay.gov will have to contact their SBA servicing office to cancel the PAD.
 - Borrowers preferring to continue making regular payments during the deferment period may continue remitting payments during the deferment period. SBA will apply those payments normally as if there was no deferment.
 - After this automatic deferment period, borrowers will be required to resume making regular principal and interest payments. Borrowers that cancelled recurring payments will need to reestablish the recurring payment.

If you have questions about your current loan and whether or not your loan is automatically deferred, please contact your Loan Servicing Office:

- Birmingham Disaster Loan Servicing Center:
 - » Phone: 800-736-6048
 - » Email: BirminghamDLSC@sba.gov
- El Paso Disaster Loan Servicing Center:
 - » Phone: 800-487-6019
 - » Email: ElPasoDLSC@sba.gov

Contact Orange County Small Business Development Center

<https://orangecountysbdc.org/contact-us/>

Telephone (714) 564-5200

Contact SBA

disastercustomerservice@sba.gov

SBA 24-hour Customer Service Center at: 1-800-659-2955 / 1-800-877-8339 (TTY)

CA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK) FINANCE PROGRAMS

The State of California is allocating \$50 million to the Small Business Finance Center at California's IBank to mitigate barriers to capital for those small businesses (1-750 employees) that may not qualify for federal funds (including businesses in low-wealth and immigrant communities). The \$50 million allocation will be used to recapitalize the IBank Small Business Loan Guarantee Program.



What to Know

- Disaster Relief Loan Guarantee Program: This disaster program provides guarantees for loans of up to \$50,000 for small business borrowers in declared disaster areas.

IBank Small Business Disaster Relief Loan Guarantee Program

<https://www.ibank.ca.gov/small-business-finance-center/>

How to contact IBank California Small Business Finance Center

IBank@IBank.ca.gov

CALIFORNIA CAPITAL ACCESS PROGRAM (CALCAP)

California Capital Access Program (CalCAP) (1-500 employees) is a loan loss reserve program that may provide applicants up to 100 percent coverage on losses as a result of certain loan defaults. Individual borrowers are limited to a maximum of \$2.5 million enrolled over a 3-year period. Contact a participating lender to enroll.

Learn about CalCAP for Small Business

<https://www.treasurer.ca.gov/cpcfca/calcap/sb/brochure.pdf>

Contact Participating Lenders

<https://www.treasurer.ca.gov/cpcfca/calcap/sb/institutions.pdf>

Contact the California State Treasurer's Office

<https://www.treasurer.ca.gov/cpcfca/calcap/sb/index.asp>

CALIFORNIA-OSBA - SMALL BUSINESS ASSISTANCE & RESOURCES

California's network of small business support centers assist businesses with determining which loans are best for them, develop resiliency strategies, and find other resources.

Learn about California Small Business Assistance & Resources in Orange County

<https://business.ca.gov/advantages/small-business-innovation-and-entrepreneurship/how-we-can-help/covid-19-resources-map/>



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT (GO-BIZ)

The Governor's Office of Business and Economic Development (GO-Biz) serves as the State of California's leader for job growth, economic development, and business assistance efforts. The GO-Biz teams is comprised of experts that span industries, geographies and business backgrounds. GO-Biz offers a range of no-cost consultation services to business owners including: attraction, retention and expansion services, site selection, permit assistance, regulatory guidance, small business assistance, international trade development, assistance with state government, and much more.

Learn About GO-Biz External Resources

<https://static.business.ca.gov/wp-content/uploads/2020/04/Technology-Products-and-Telework-Tips-Businesses-Final.pdf>

Contact GO-Biz

<https://gobiz.zendesk.com/hc/en-us/requests/new>

INTERNAL REVENUE SERVICE

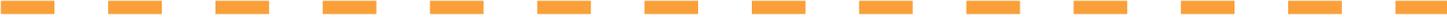
The IRS has established a special section focused on steps to help taxpayers, businesses and others affected by the coronavirus.

What to Know:

- Several legislative and regulatory tax measures have been undertaken to mitigate the effects on businesses as a result of the COVID-19 outbreak.
- Businesses may have additional time to pay and file their taxes.
- Businesses who are employers may be eligible for credits related to workforce.
- Businesses will have opportunities to reduce their 2019 and 2020 income tax liability, and possibly claim refunds for prior tax years.

Employee Retention Credit available for many businesses financially impacted by COVID-19

The Employee Retention Credit is a fully refundable tax credit for employers equal to 50 percent of qualified wages (including allocable qualified health plan expenses) that Eligible Employers pay their employees. This Employee Retention Credit applies to qualified wages paid after March 12, 2020, and before January 1, 2021. The maximum amount of qualified wages taken into account with respect to each employee for all calendar quarters is \$10,000, the maximum credit for an Eligible Employer for qualified wages paid to any employee is \$5,000.



Learn About Employee Retention Credit

<https://www.irs.gov/newsroom/faqs-employee-retention-credit-under-the-cares-act>

COVID-19-Related Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses

The Families First Coronavirus Response Act (the FFCRA), signed by President Trump on March 18, 2020, provides small and midsize employers refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19.

The FFCRA gives businesses with fewer than 500 employees (referred to throughout these FAQs as Eligible Employers) funds to provide employees with paid sick and family and medical leave for reasons related to COVID-19, either for the employee's own health needs or to care for family members. Workers may receive up to 80 hours of paid sick leave for their own health needs or to care for others and up to an additional 10 weeks of paid family leave to care for a child whose school or place of care is closed or child care provider is closed or unavailable due to COVID-19 precautions. The FFCRA covers the costs of this paid leave by providing small businesses with refundable tax credits. Certain self-employed individuals in similar circumstances are entitled to similar credits.

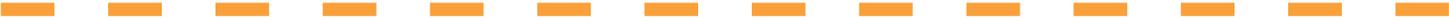
Learn About IRS Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses

<https://www.irs.gov/newsroom/covid-19-related-tax-credits-for-required-paid-leave-provided-by-small-and-midsize-businesses-faqs>

Tax Credit for Qualified Family Leave Wages

The Family and Medical Leave Act (FMLA) generally entitles eligible employees of covered employers to unpaid, job-protected leave for specified family and medical reasons. The FFCRA amended the FMLA (these FAQs refer this portion of the FFCRA as "the Expanded FMLA") to require an Eligible Employer to provide qualified family leave wages when an employee is unable to work or telework due to a need for leave to care for a child of the employee if the child's school or place of care has been closed, or because the child care provider of the child is unavailable, for reasons related to COVID-19.

Qualified family leave wages are wages (as defined in section 3121(a) of the Internal Revenue Code for social security and Medicare tax purposes) that Eligible Employers must pay eligible employees for periods of leave during which they are unable to work or telework due to a need for leave to care for a child of such employee if the child's school or place of care has been closed, or because the child care provider of the child is unavailable, due to COVID-19 related reasons. The first 10 days for which an employee takes leave for this reason may be unpaid. However, during that 10-day period, an employee may be entitled to receive qualified sick leave wages as provided under the ESPLA or may receive other forms of paid leave, such as accrued sick leave, annual leave, or other paid time off under the Eligible Employer's policy. After an employee takes leave for 10 days, the Eligible Employer must provide the employee with qualified family leave wages for up to ten weeks.



An Eligible Employer may claim a fully refundable tax credit equal to 100 percent of the qualified family leave wages (and allocable qualified health plan expenses and the Eligible Employer's share of Medicare tax on the qualified family leave wages) it pays.

Learn About Tax Credit for Qualified Family Leave Wages

<https://www.irs.gov/newsroom/covid-19-related-tax-credits-for-required-paid-leave-provided-by-small-and-midsize-businesses-faqs>

ORANGE COUNTY GRANTS / PROGRAMS

The OC Community Resilience Fund is a collaborative response by the Orange County philanthropic community seeking to strengthen and support community-based organizations who serve vulnerable communities most impacted by the COVID-19 pandemic.

What to know

- The OC Community Resilience Fund will provide three types of grants to community providers:
 - » Funding to support community clinic operations for the purpose of providing preventative and medical services to those affected by COVID-19.
 - » Funding to support emergency grants to individuals affected by COVID-19 due to quarantine, business closures and/or lay-offs, school or other community program closures and/or lay-offs.
 - » Funding to support community-based organization operations for nonprofits serving vulnerable populations and who can present a clear case of direct impact due to the medical or economic effects impact of the pandemic. Support may also be given to nonprofits who have seen detrimental impacts to their fiscal and administrative operation as a result of a loss of revenue, fundraising, or staffing.

Learn About the OC Community Resilience Fund

<https://charitableventuresoc.org/oc-community-resilience-fund-application/>

ORANGE COUNTY ONE-STOP CENTERS

Orange County offers two comprehensive One-Stop centers to assist businesses in finding and keeping workers with free postings of your employment opportunities, pre-screening of qualified candidates, and customized employee training sessions. The One-Stop center offers job listings, up-to-date economic and labor market information, skill assessments, information about local education and training providers, and assistance with filing claims for Unemployment Insurance. The center, also have resource centers with phones, fax machines, computers, and copy machines for use, free of charge. Business owners can also access the Internet and preview video training courses.

In efforts to help prevent the spread of Novel Coronavirus (COVID-19), OC One-Stop Centers are seeing clients by appointment only. Call your local center for more information.

Orange County Business Solutions staff work with businesses that are downsizing to coordinate services and job placements for employees affected by layoffs. In addition, the Business Solutions team can help businesses access financial resources and services.

Find an Orange County One-Stop Center

<https://www.oconestop.com/locations>

Contact Orange County Business Solutions

714-480-6500

