

Business Oregon

Oregon House Interim Committee on Economic Development

September 2020



CORONAVIRUS RESPONSE

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/// SMALL BUSINESS NAVIGATOR - COVID 19 & WILDFIRES

In the face of a global **pandemic** and significant **wildfires** Oregon is resilient. We are resilient because we work together, standing up resources as soon as possible to help our fellow Oregonians. This page contains resources for businesses in the face of COVID-19.

Over at wildfire.oregon.gov, you'll find additional resources and information related specifically to wildfire recovery. Our **phone hotline below can help navigate business owners through both wildfire and COVID-19 questions**, as we work through both emergencies, together.



Small Business Navigator Hotline 833-604-0880

Resources for Business Owners/Employers

Financial Assistance +

Workforce Assistance +

Other Business Assistance +

Reopening Guidance +

Resources for Employees and Others

For Employees

Other Resources

PPP and EIDL Loans in Oregon

- Paycheck Protection Program (PPP)

- 66,350 loans
- 620,366 jobs retained
- 85% of loans are <\$150K
- Loan Total: \$5.3B - \$8.7B

Loan \$ Range	# Loans	Jobs Retained
\$5-10 million	53	16,279
\$2 - 5 million	333	60,797
\$1 - 2 million	666	68,311
\$350,000 - 1 million	2,808	119,777
\$150,000 - 350,000	5,446	108,486
<\$150,000	57,044	246,716
Total	66,350	620,366

- Economic Injury Disaster Loan (EIDL)

- 35,730 loans totaling \$1.97B

Business Oregon Funding

- Forbearance for 54 current business and municipal borrowers
- Oregon Growth Board
 - Community Development Financial Institutions (CDFIs) loan forgiveness
 - \$700K investment into Oregon Community Foundation Fund
- Small Business Relief Fund
- CARES Act Coronavirus Relief Fund (CRF)...

E-Board Allocations of CAREs Act Funds

Oregon legislature directed Business Oregon to stand up 6 programs using **\$131.5m** in Coronavirus Relief Funds:

- **\$22.5m** – Emergency Grants for Small Businesses
- **\$3m** – Technical Assistance Providers Grants, with an emphasis on underrepresented businesses
- **\$50m** – Rural Hospital Stabilization Grant Program
- **\$20m** – Broadband Capacity
- **\$25.98m** – Grants for Cultural Venues and Organizations
- **\$10m** – Masks and Gloves for Small Businesses

Emergency Grants for Small Businesses

- Legislative Requirements:

- Provide grants to small businesses impacted by COVID-19
- For businesses with less than 25 employees
- Businesses have not received EIDL or PPP

- Legislative Guidance:

- Target sole proprietors and rural small businesses
- Incorporate geographic and demographic equity targets

Emergency Grants for Small Businesses

- Funded through two E Board actions for a **total of \$32.5M** (combination of General Funds, Other Funds, and CRF)
- Per E Board guidance, funding is passed through intermediaries who make the awards to businesses.
 - Intermediaries include cities, counties, economic development districts (EDDs), and community development financial institutions (CDFIs).
- Through 3 funding rounds, we have made **94 awards** to intermediaries totaling \$12.6M, resulting in more than **2,100 awards to small businesses**
- Remaining funds will be awarded in a 4th round beginning in early October.

Technical Assistance for Underserved Small Businesses

- Grants to organizations that focus on small businesses owned by underserved populations, including BIPOC and rural.
- **\$3m to 23** organizations. [Awards announced 8/7](#). Now in contract process.
- Examples of technical assistance awardees will provide for small businesses include, but are not limited to:
 - Business plan review and assistance
 - Helping access capital, loan application support
 - Mentoring / cohort business coaching
 - Referrals / training
 - Financial literacy / credit counseling
 - Specialized help – accounting, legal, HR
 - Technology services – web development, e-commerce

Rural Hospital Stabilization Grant Program

- Grant program for stabilizing rural Type A and Type B Hospital operations.
 - Type A: rural hospital with 50 or fewer beds located more than 30 miles from another hospital.
 - Type B: rural hospital with 50 or fewer beds located within 30 miles of another hospital.
- **\$50m to 20** rural hospitals.
- Awards announced 8/7. Contracts are complete and are with the hospitals for review.

Broadband Development

- Broadband grant program to address impacts of COVID-19.
- **\$10m to 28 projects in 24 counties.**
- **Awards announced 8/11.** Contracts now in place with almost all.
- Additional **26 awards** totaling **\$1.6m for schools** to assist with distance learning (WiFi hotspots, tablets, etc.)

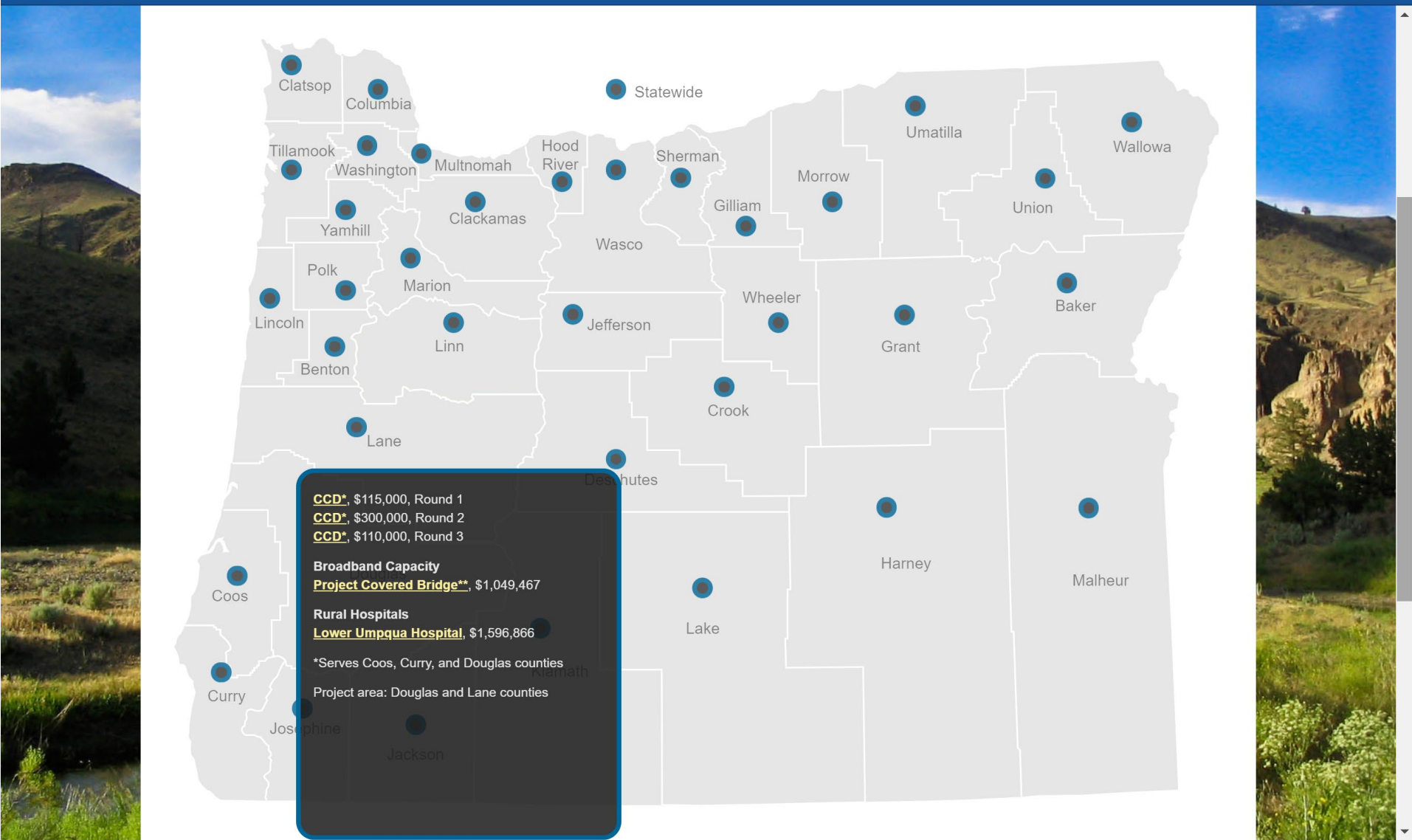
Support for Arts and Culture Organizations

- Assist venues that have lost revenue with canceled or delayed programming.
- **\$25,984,872** to Business Oregon for distribution to Cultural Coalitions.
- Application went live 8/12, closed 8/24.
- **Reviewed 900+** applications, of which **645 were eligible**, requesting \$56m.
- Contracts have been sent to coalitions. They will disburse funds to venues by **Sept. 30** or funds revert back to Business Oregon.

Masks and Gloves for Small Businesses

- Funds to purchase face masks and gloves, and distribute to small businesses in need of it, free of charge.
- **\$10m** for supply purchase.
- Program announced and launched 9/14.
- Small business fills out form, info goes to us and DAS, DAS pulls boxes from inventory, delivers.
- ~8,000 orders in first few days of program.

Online Map with Awards



What it Takes // Pre-Award

With each new program, comes required steps to get the funds out the door and into the hands of businesses.

1. Obtain guidance from leadership regarding intent
2. Obtain input from stakeholders
3. Develop program requirements
4. Develop application and application process
5. Clear program requirements, application and program process with DOJ
6. Develop post-award reporting process
7. Outreach to potential awardees
8. Host informational webinar and Q&A for potential awardees
9. Translate application materials to multiple languages
10. Announce program and solicit applications
11. Review applications
12. Finalize awardees, considering criteria
13. Announce recipients

What it Takes // Post-Award

With each new program, comes required steps to get the funds out the door and into the hands of businesses.

1. Host webinars to offer program guidance, best practice, and offer Q&A to Awardees
2. Develop a contract with each awardee
3. Execute contract and issue funds
4. Field ongoing program eligibility support and guidance
5. For multi-round projects, solicit input from stakeholders regarding program enhancements, changes, etc. and compile recommendations to legislative leadership for consideration
6. Review contract modifications and extensions on a case-by-case basis
7. Monitor contracts for deliverables and interim reporting necessary prior to drawing down funds
8. Solicit final reports, supporting documentation, to close out contract
9. Review final reports and narratives for completion
10. Return incomplete final reports and narratives and follow up with instructions to complete
11. Review revised reports and close out when complete

Summary

- **\$131.5M** in federal funding.
- **Six entirely new programs** stood up since March.
- We have developed and executed **682 contracts** to date, already more than our total amount in all of 2019. **250 contracts** specific to COVID-19.

What to be thinking about moving forward

- Avoiding permanent, traded-sector job loss.
 - Traded-sector businesses are those that sell goods outside of Oregon, or compete with firms outside the state. They bring new money into the state economy, versus retail trade that recirculates existing dollars. High tech, food processors, outdoor gear, bio tech, wood products, metals manufacturing, are all examples of traded sector industries.
 - Labor market moving from temporary furloughs to permanent job loss.
 - Losses in retail trade, non-traded-sector are temporary.
- Virtual schools and limited child care can create barriers for those looking to work and enter labor market.
 - Can become more of a problem as employment increases from the record declines due to COVID-19.

