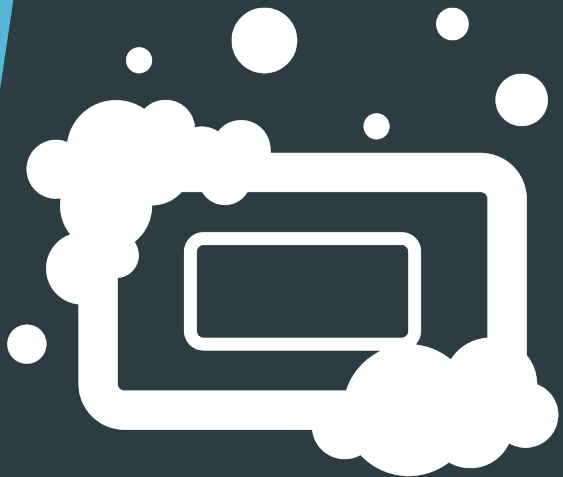




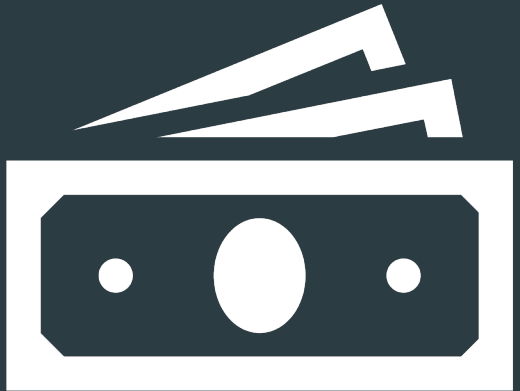
COVID-19 Impact on Main Street

Hosted by:
The Georgia Main Street Program

Keep Calm and
Wash Your Hands

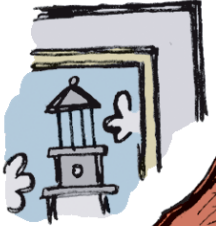
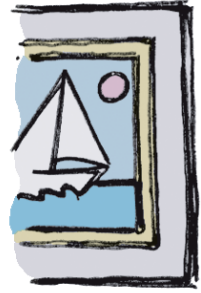


The Small Business Impact



HEDGEYE

B. Rich



MY,
AREN'T
WE FEELING
CONFIDENT
TODAY?



“The majority of travel-based businesses, retailers, restaurants, event producers and providers, sports teams, and millions of businesses will lose perhaps 50% (or more) in sales between March and June (4 months).”



Small Business Impact

- ▶ Reduced foot traffic
- ▶ Cash flow issues
- ▶ Furlough or reduction in staff
- ▶ Reduction in store hours
- ▶ Shipping and receiving delays
- ▶ Rebuilding consumer confidence

What DCA is doing

- ▶ For small business borrowers, on a case-by-case basis, the Department will consider requests for loan deferral payments or interest only payments for up to three (3) months. These requests should come from the lender on SSBCI loans and the borrower on DD RLF loans. These measures are being taken in order to offer a period of relief for our many small businesses currently using one of these programs.
- ▶ As part of the review of these requests, the Department will take into consideration the payment history of the borrower and current loan balance. We recognize there will need to be ongoing interaction with the SSBCI lender and the senior lender on the DD RLF loans during the relief period.



SBA – Disaster Assistance Loan

- ▶ For loans to be available, governors need to request that the SBA issue an economic injury disaster loan declaration.
 - ▶ Georgia has received a statewide disaster declaration from SBA, making all small businesses in the state eligible for funding.
 - ▶ Check to see if your state qualifies: <https://disasterloan.sba.gov/ela/>
- ▶ SBDC offices will offer one on one consulting to prepare for SBA disaster assistance loan. Unlike traditional disasters like a hurricane, SBA's Disaster Recovery Center will be virtual through this, no physical location.
- ▶ SBDC will be available to help businesses prepare financial documentation.

What Small Businesses need to do to prepare to apply for Disaster Assistance

- ▶ If a business anticipates utilizing the fund, they will be required to outline and show that they have experienced severe financial impact
- ▶ Must provide:
 - ▶ 3 years tax returns
 - ▶ Business interruption insurance claims and payments
 - ▶ Copies of balance sheet; P&L, Operation income and expenses from Jan 31, 2020 to present day AND same time period previous year.

SBA – Disaster Assistance Loan



- ▶ Loan can be used to help with fixed debts, payroll, accounts payable and other bills.
- ▶ SBA will offer interest rates of 3.75 percent for small businesses without credit available elsewhere — businesses with credit available elsewhere are not eligible — and 2.75 percent for nonprofits. Loan terms are determined on a case-by-case basis depending on the borrower's ability to repay.
- ▶ There is no limit on the number of loans available in each area, but a \$2 million limit applies to each eligible business.

Facebook Small Business Grant Program

- ▶ Facebook is offering \$100M in cash grants and ad credits for up to 30,000 eligible small businesses in over 30 countries where we operate. We'll share more details as they become available.
- ▶ How this program can help:
 - ▶ Keep your workforce going strong
 - ▶ Help with your rent costs
 - ▶ Connect with more customers
 - ▶ Cover operational costs

They will begin taking applications in the coming weeks. In the meantime, you can sign up to receive more information when it becomes available.

<https://www.facebook.com/business/boost/grants>



Tips from a Banker

“The most important thing to remember is to keep an open line of communication with your Banker and don’t put your head in the sand thinking the problem will go away. The sooner you have the conversation the better, as there’s more time to come up with a solution. Remember we are all in this together.”

Tips from a Banker

- ▶ A deferral of loan payments.
 - ▶ SBA will allow a 90-day deferral of payments without prior approval.
 - ▶ Banks may also be willing to make the same considerations.
 - ▶ A deferral of payments for 3-6 months could be a major help.
- ▶ Modification of loan to interest only for 3-6 months. Some people want to keep paying on the loan and this would keep accrued interest from building up.
- ▶ Short term line of credit to help with expenses during this crisis.
 - ▶ For many a \$50,000 - \$100,000 limit could really help.

Small Business Take-aways

- ▶ Do not be afraid to call financial institutions and credit card companies to ask for help.
- ▶ Use downtime wisely:
 - ▶ Complete deferred maintenance on your property
 - ▶ Deep clean
 - ▶ Plan for the coming months, and consider how you plan to recover
 - ▶ Learn skills that will help in your business that you have not had time to focus on before. Social media, Marketing, Quickbooks, etc. (online classes, webinars, books)