

# CITY *of* BOSTON

## ECONOMIC DEVELOPMENT



### Notes from Call with the Mayor's Office of Economic Development

**Ed Gaskin**  
**Executive Director**  
**Greater Grove Hall Main Streets**

Wednesday, the mayor's office of economic development had a call for small business owners. There were over 11 thousand views and 398 comments. My notes on the call are below. Here is the link to the [Facebook Live video](#) if you have time to watch it.

#### **My Summary**

There are a lot of micro-businesses (Those with five employees or less, including family members,) who are very concerned about their livelihood. In short, they have lost their business income and they don't typically qualify for unemployment because they are classified as self-employed. For some families, their business is their only source of income. These can range from businesses related to travel and tourism or sports. There was a range of people in the arts and entertainment businesses from makeup artists to

performers who are out of work because performances have been canceled. These are often freelancers and independent contractors, those who get a 1099 instead of a W-2. They typically don't qualify for unemployment either. Also, there were people who work part-time who are not covered.

There were people from the personal services industry, e.g. beauty and barbershops, nail salons, and spas. They wondered why there was no guidance from the city for them like there was for bars and restaurants. It is impossible for them to provide services from a safe distance of six feet away. Some services can't be provided while wearing gloves. Some were concerned that without a directive from the city or state, saying they had to shut down because of COVID-19, they might not be able to qualify for unemployment because the regulations say those "laid off as a result of the virus.."

There were those with construction and remodeling businesses that have one to three employees on a job site. They wonder if or why the city's directive to shut down construction sites should apply to them.

With the restrictions on meeting size, weddings, graduation parties, and similar events have been canceled. That is having an impact on our small business such as caterers, tux rental places, photographers and those who service the events and special occasions industry.

While the requirements are being changed to provide telehealth and getting reimbursed. There are those who provide types of mental health care such as counseling, who can't get reimbursed for telehealth services. Those providing physical therapy are in a similar situation as those providing personal care, they can't provide physical therapy from a safe distance.

**Non-Profits** - With the restriction on meeting size, galas, dinners, fundraisers, and other types of events are being canceled. This will have a major impact on the funding for non-profits, which will lead to a decrease in programming and layoffs.

**Sanitizer** - Several businesses asked if the city could provide sanitizer since they can't find it anywhere.

**Loans** - There is strong opposition to taking out loans as many believe they won't be able to repay the loans. They are hoping for some type of grant.

**Commercial Lease/Rent Payments** – Many were asking if these could be paused or prevented or evictions could be stopped until this is over. Could the City stop collecting real estate tax payments in return for stop collecting rent payments from commercial tenants.

### **Action Items for State Officials**

**Unemployment** – Ask elected officials if they can address unemployment eligibility issues. Small business owners are classified as self-employed and thus not eligible for unemployment, There are those who have their own businesses such as Uber drivers or freelancers, who are classified as independent contractors. They get a 1099 instead of a

W-2. They typically don't qualify for unemployment either. There were people who work part-time who are not covered.

**Non-Profits** – Some who work for non-profits are not covered because the non-profit may have made the decision to be exempt from paying into unemployment system, as a way to save money. Some workers may not even know that their Executive Director has made that decision. It might be worth considering making it possible for those who work in such a non-profit to qualify for unemployment.

**Summer Jobs** - Are key for a number of youth and young adults. Small businesses who are laying off employees, reducing hours or closing will not be in a position to hire students for summer jobs. If the City or State wants these young people to be hired, they will have to provide the funds to do so.

### **Action Items for City Officials**

**1. Personal Care Services** – There has been no specific guidance for barbershops, beauty salons, nail salons and Spas on how to practice social distancing. They can't provide services at six feet away. (Physical therapists are in a similar situation.) There is some concern that if they just stop showing up to work or close down without specific guidance, they might not qualify for unemployment as regulations states businesses impacted by COVID-19.

**2. Construction** - There were those with construction and remodeling businesses that have one to three employees on a job site. They wonder if or why the city's directive to shut down construction sites should apply to them. This needs clarification.

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## **Graffito + Commonwealth Kitchen Offer Policy Recommendations To Support Small Businesses In Response To The COVID-19 Crisis EXECUTIVE SUMMARY:**

### [Nothing Less Than A Trillion Dollar Small Business Bailout](#)

Given the scope and scale of the COVID-19 induced small business crisis, Graffito and Commonwealth Kitchen believe **the federal government must immediately pass a trillion dollar Small Business Bailout** in order to appropriately respond with the relief and recovery that millions of Americans will need in the coming weeks, months, and years.

COVID-19 has forced the closing of small businesses in our community and across the country. Restaurants, retail shops, fitness studios, salons, barber shops and everything in between are shuttered at no fault to business owners or their staff. Inventory sits idle (or rotting); vendor, rent, utilities, and loan payments won't be paid; wages and income are all

being lost and savings depleted. Soon, thousands of business owners will have to declare bankruptcy – and those with the fewest resources and least financial wherewithal will disproportionately bear the burden. Along the way, there will be shuttered storefronts in every neighborhood.

An immediate Trillion Dollar Small Business Bailout is the least that should be done and is consistent with the size of the US small business economy and the impacts of this crisis. In a 2019 report, the US Small Business Administration estimated that the total share of US GDP produced by small businesses was 44% – that is equal to approximately \$5.9 trillion.<sup>1</sup> In Massachusetts, small businesses represent 99% of all businesses and 46% of all employees.<sup>2</sup>

For context, the Recovery Act of 2009 is estimated to have eventually cost \$831 billion.<sup>3</sup> The impacts of this current crisis on small businesses will undoubtedly be greater than during the Great Recession. This is not hyperbole.

### **Core Principles Of COVID-19 Small Business Relief Measures**

1. The interests of independent small business owners at the front lines of this crisis and their workers must be the number one priority.

2. Relief to small businesses must come in the form of grants or bailout, not loans.

- Small businesses cannot be asked to take on more debt as a condition of relief programs. Current MA state and SBA assistance programs are loans with interest of 3% and 3.75% - terms that are nearly impossible for most small businesses facing total and indefinite loss of income and closure.

3. Relief efforts must be fast, be long-lasting, and they must meet the scale of the crisis.

- Every small business needs support now but the impacts of this crisis for most business owners will last for years.

4. Grant funds must also be made available to the small business technical support and advocacy organizations working on the front lines to advise and support these businesses and their employees as they navigate this unprecedented crisis.

### **Additional Policy Recommendations**

Graffito and CommonWealth Kitchen have outlined the following are a set of additional policy recommendations that address some of the most pressing issues currently facing small businesses owners and their workers. *More detail on each of these recommendations is provided in the attached document, which can also be found [here](#).*

- Waive State, Local Meals & Sales Tax For Q1 2020 through Q1 2021
- Expand Unemployment Criteria To Cover Currently Ineligible Business Owners
- Require Insurance Companies Pay Business Interruption Claims.
- Expand Federal SNAP Benefits To Allow Purchase Of Prepared Foods From Local Food Businesses
- Institute Anti-Eviction Protections For Both Commercial & Residential Tenants
- Authorize Mortgage and Real Estate Tax Relief For Property Owners Who Can't Make Payments
- Adjust Lending Rules To Protect Small Business Owners Relying On Personal Loans
- Enact Proposals By MA Delegation Members That Ensure Workers Are Supported Immediately + Fully

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## Help for Food Businesses

Toast POS. They're selling gift cards on behalf of restaurants, whether they're Toast customers or not (they do need to be online). <https://rallyforrestaurants.com/>  
They're also matching donations.

They've started a newsletter and blog to help restaurants in this crisis, including how to budget, how to take care of employees, and how to pivot to takeout/delivery.  
<https://pos.toasttab.com/resources/how-to-manage-a-restaurant-during-coronavirus>

### Delivery & Take-out

[\*A Guidebook for Small Businesses and Employees\*](#)

### Licensing Board Advisory for Bars, Restaurants, and Clubs

[Click here to learn more >](#)

### Running a Food Business in the face of COVID-19 Resource Guide

[Click here to learn more >](#)

### Fill Out an Application for a Bartender Emergency Assistance Program Grant?

[Click here to learn more >](#)



### Chicken & Rice Guys: Tips for Handling a Crisis

[Click here to learn more >](#)

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## Temporary Guidance for Construction in the City of Boston

[Click here to learn more >](#)

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# Small Business Owners: What You Should Know About Coronavirus (COVID-19)

[Click here to learn more >](#)

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## Baker-Polito Administration Announces \$10 Million Small Business Recovery Loan Fund

[Small Businesses Impacted by Covid-19 Will Have Access to Capital Assistance](#)

The \$10 million Small Business Recovery Loan Fund will provide emergency capital up to \$75,000 to Massachusetts-based businesses impacted by COVID-19 with under 50 full- and part-time employees, including nonprofits. Loans are immediately available to eligible businesses with no payments due for the first 6 months. [Massachusetts Growth Capital Corporation](#) (MGCC) has capitalized the fund and will administer it.

Due to the availability of EIDL funds, we are no longer accepting applications to the Small Business Recovery Loan Fund at MGCC as of 12:30PM on March 19th, 2020.

[Click here to learn more >](#)



U.S. Small Business  
Administration

## **SBA To Provide Small Businesses Impacted by Coronavirus (COVID-19) Up to \$2 Million in Disaster Assistance Loans**

### [Process for Accessing SBA's Coronavirus \(COVID-19\) Disaster Relief Lending](#)

The U.S. Small Business Administration is offering designated states and territories low interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).

Upon a request received from a state's or territory's Governor, SBA will issue under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.

- Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available to small businesses and private, non-profit organizations in designated areas of a state or territory to help alleviate economic injury caused by the Coronavirus (COVID-19).
- SBA's Office of Disaster Assistance will coordinate with the state's or territory's Governor to submit the request for Economic Injury Disaster Loan assistance.
- Once a declaration is made for designated areas within a state, the information on the application process for Economic Injury Disaster Loan assistance will be made available to all affected communities.
- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses without credit available elsewhere; businesses with credit available elsewhere are not eligible. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable,

up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

- SBA's Economic Injury Disaster Loans are just one piece of the expanded focus of the federal government's coordinated response, and the SBA is strongly committed to providing the most effective and customer-focused response possible.

For additional information, please contact the SBA disaster assistance customer service center. Call 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail

[disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

[Click here to learn more >](#)

## Disaster assistance

*The SBA provides low-interest disaster loans to help businesses and homeowners recover from declared disasters.*

[APPLY FOR ASSISTANCE](#)

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## How Do I Apply for the Coronavirus Small Business Loan?

### *Is a Loan the Right Answer?*

1. What specific items would you purchase with a loan?
2. If you're looking for "working capital," what is happening in the business (new expansion, unexpected losses) that is causing the need?
3. What assets (inventory, equipment, cash) and liabilities (accounts payable, credit cards, loans) does your business currently carry?
4. How much money are you able to contribute to the business from savings and/or home equity?

### *Personal Finances*

1. What are all sources of income into your household?
2. What are all the expenses of your household? Is your household income sufficient to cover all household expenses?
3. If you own a home, what kind of mortgage do you have? Do you have any equity available to use as collateral? If you have a negatively amortizing loan, what are your plans to manage your monthly payment if/when your bill increases?

### *Credit*

1. What is your credit score?
2. What is your impression of your credit score and what are your plans to improve your score over time?
3. Do you have any recent late payments or accounts currently in collection?
4. Have you ever declared bankruptcy? If so, explain what was happening in your life at the time.



5. How much credit card debt do you currently carry? Are you trying to consistently pay down your principal balance?

[Click here to learn more >](#)

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## Coronavirus (COVID-19): Small Business Guidance & Loan Resources

[Click here to learn more >](#)

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## Please Check Out This New Coronavirus Special Topic Conference Call Series

### Coronavirus Special Topic Conference Call Series

#### Conference Call Topics

**Force Majeure, Cyber Risks in Teleworking, SBA Disaster Loan Available, HR Considerations in Teleworking, ThomasNet Manufacturing Survey Results, Aerospace/Defense related Issues and more!**

Please join the Small Business Administration and the U.S. Department of Commerce for our special topic conference call series. This series of conference calls will run throughout the Spring 2020.

Registration for this series is FREE. Please register using the button below, you only have to register once as the conference call details will be identical for every topic.

#### *Schedule:*

**Wednesday, March 18, 2020 (1pm-2pm Eastern)**

**Force Majeure both for Contracts/Suppliers, Cancellation of Trade Shows**

Robinson& Cole LLP partners [Jeff White](#) and [Taylor Shea](#) will discuss the impact that coronavirus is having or may have on commercial transactions, including in the supply chain. They will discuss some of the basics surrounding “force majeure” clauses and how companies can plan for and react to the current health emergency.

**Thursday, March 19, 2020 (1pm-2pm Eastern)**

**ThomasNet Survey and How Business are Coping**

Thomas, North America's leading industrial sourcing and marketing platform, surveyed over 1,000 manufacturing companies to understand coronavirus' immediate impacts on North American manufacturing. Listen to their results and discussion.

**Speaker:** [Tony Uphoff, CEO, ThomasNet](#)

**Tuesday, March 24, 2020 (1pm-2pm Eastern)**

**SBA Disaster Loan**

The SBA will be providing to small businesses Impacted by Coronavirus (COVID-19) Up to \$2 Million in Disaster Assistance Loans. Wendell Davis, Regional Administrator, SBA will discuss the SBA's Economic Injury Disaster Loan program and how eligible companies can benefit from the program.

**Wednesday , March 25, 2020 (11am - 12pm Eastern)**

**Aerospace/Defense Supply Chain Firms—Evolving Business Practices and Business Development Strategies Amidst COVID-19**

Hear from the Midlands Aerospace Alliance and Netherlands Industries for Defense & Security about how COVID-19 has affected their member firms, strategies European firms have employed to keep business moving forward, and an idea exchange for how transatlantic business relationships can be maintained amidst the rapidly evolving COVID-19 situation.

**Speakers:**

**Dr. Andrew Mair, Chief Executive, Midlands Aerospace Alliance**

**Mr. Peter Huis in 't Veld, Business Development Manager, Netherlands Industries for Defense & Security (NIDV)**

**Wednesday , March 25, 2020 (1pm-2pm Eastern)**

**Cyber Security Concerns While Teleworking**

Employees that normally work from their work PC are now using personal equipment and residential internet access. What are the risks and best way to mitigate.

**Speakers:**

**Andy Sauer, Director of Cybersecurity, Steel Root**

**Shahryar Shaghghi, Principal, CohnReznick Advisory**

**Thursday , March 26, 2020 (1pm- 2pm Eastern)**

**Employment Issues Related to Teleworking**

[Matthew T. Miklave](#), Partner, Robinson & Cole LLP will discuss HR issues presented by coronavirus and off site working along with federal, state and local policies.

*Registration for this series is FREE. Please register using the link below, you only have to register once as the conference call details will be the same for every topic. Please check this web page frequently for updates.*

[Register Here](#)

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### WorkShare Program

The state has developed a program to help employers avoid layoffs. The WorkShare program is an alternative for employers faced with a cut in workforce. Employers can divide available work between affected employees instead of laying off workers. It allows employees to receive a part of their unemployment insurance (UI) benefits while working reduced hours. [Learn more here.](#)

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### Massachusetts Emergency Management Agency

MEMA has launched a hotline specifically for small businesses that are experiencing financial hardships or who have questions about how the state can support them. [Call the hotline:\(508\) 820-2094.](#)

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### Small Business Tips for Handling a Crisis

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**Massachusetts Health Connector offers [extended enrollment for uninsured individuals to ease coronavirus fears](#)**

On March 6, the [Division of Insurance announced](#) that Massachusetts health insurers

are now required to cover the cost of testing and treatment for members who may be affected by the [Coronavirus \(COVID-19\)](#), including not charging co-pays or deductibles for those services. The Health Connector's decision to open enrollment to anyone without coverage ensures Massachusetts residents concerned about contracting coronavirus can access necessary services without cost barriers.

Additionally, the Health Connector will be delivering to current members information about the Division of Insurance guidance, reassuring members that coronavirus-related services are available at no cost.

Residents who need health insurance can call 1-877-MA-ENROLL ( [1-877-623-6765](tel:1-877-623-6765)) to gain access to the enrollment period, and go to [MAhealthconnector.org](https://MAhealthconnector.org) to complete an application. From the website, people who qualify for Health Connector coverage may be in the ConnectorCare program, which offers subsidized plans with low premiums and co-pays, and no deductibles for all services. Those who do not qualify for ConnectorCare can pick plans from nine carriers, with as many as 50 plans available. Applicants can also seek out assistance from local [Navigator organizations or Certified Application Counselors](#).

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## Associated Industries of Massachusetts The Employers' Guide to COVID-19

HR & EMPLOYMENT LAW | March 8, 2020

*By: Tom Jones*

[Click here to learn more >](#)

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## KIVA Loans

As your clients and community members navigate these challenges Kiva is shifting parts of its US loan product to become a more impactful tool for small businesses.

Effective immediately, U.S. applicants for a Kiva loan will have access to the following:

1. **Expanded eligibility:** More businesses in the US will be eligible for a Kiva loan than ever.
2. **Larger loans:** The maximum loan on the Kiva platform will increase from \$10,000 to \$15,000.
3. **Grace period:** Applicants may access a grace period of up to 6 months for greater financial flexibility.

Applicants should apply through the link <https://www.kiva.org/borrow>. If you have questions, please reach out to [trustees@kiva.org](mailto:trustees@kiva.org).

If you would like to invite applicants through your unique invitation link, allowing you to follow their progress and endorse their loan, you will find it in your [Trustee Dashboard](#).

Stay safe and let us know if there are businesses in your network that Kiva may be able to back.

Sincerely,  
The Kiva US Team



## COVID-19 Response Fund

at the Boston Foundation

### **The Boston Foundation announces establishment of COVID-19 Response Fund in partnership with Mayor Walsh and the City of Boston**

[Fund will support nonprofits working with most gravely affected communities in Greater Boston](#)

The Boston Foundation, Greater Boston's community foundation, today announced it is establishing the [COVID-19 Response Fund](#) to rapidly deploy flexible resources to organizations in Greater Boston that are working with communities that are disproportionately affected by the coronavirus outbreak. The Fund will award one-time operating grants on a rolling basis to non-profits whose operations in support of elders and other vulnerable populations have been stressed by the outbreak. The Boston Foundation encourages institutions, companies and other funders to contribute to the Fund.

The Boston Foundation will work in partnership with the City of Boston and other funders to ensure the Fund has maximum reach and effectiveness.

In addition to offering an opportunity to contribute to the Fund, the Boston Foundation is also urging its own donors to look for opportunities to support the critical needs of nonprofits by making general operating support grants to organizations they wish to help. In recent years, the Boston Foundation has shifted the majority of its discretionary grantmaking to general operating support. General operating support grants provide the

greatest amount of flexibility for nonprofits, which is particularly important at a time when needs are rapidly changing.

Details on how nonprofits might request and access general operating resources from the COVID-19 Response Fund will be announced at a later date, once donations have begun to accumulate in the Fund. More information is available at [tbf.org/COVID19Fund](https://tbf.org/COVID19Fund).

[United Way COVID-19 Family Support Fund](#)  
[Boston Resiliency Fund](#)

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## The Creative Economy

### Resources for Artists

The Mayor's Office of Arts & Culture has established [The Boston Artist Relief Fund](#) which will award grants of \$500 and \$1,000 to individual artists who live in Boston whose creative practices and incomes are being adversely impacted by the Public Health Emergency.

[Click here to learn more >](#)

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## Arts and Business Council of Greater Boston

<https://artsandbusinesscouncil.org/>

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## Apply to the Public Art Learning Fund

Deadline to Apply: [April 21, 2020](#)

What is the Public Art Learning Fund? Public Art Learning Fund is a grant opportunity for artist in New England to develop and deepen their public art practices. The grant funds individual artists up to \$2,000 to access professional development opportunities.

For more information on eligibility, funding priorities and requirements, please visit [www.nefa.org/PublicArtLearningFund](http://www.nefa.org/PublicArtLearningFund).

NEFA has a new application portal. All artists who apply will need to access the grant application through the new portal. [Here's what you need to know to create a new account.](#)

[Click here to learn more >](#)

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**Mass Cultural Council** is collecting data from the field on how Coronavirus is impacting you/or your organization. Please respond to our survey for artists/arts and cultural educators or our survey for cultural organizations as information and data becomes clear to you.

<https://www.surveymonkey.com/r/7SPY5Z3>

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[Visit Our Website](#)

