



## **Department of Economic Development**

# **RESOURCE GUIDE FOR BUSINESSES IN THE CITY OF PATERSON AFFECTED BY COVID-19**

## OVERVIEW

The City of Paterson recognizes that COVID-19 pandemic presents an unprecedented economic challenge for many members of our business community. Thus, to ensure the resiliency of local businesses and to assist in job retention, the Department of Economic Development in the City of Paterson has compiled a master list of resources and information to keep small businesses informed on the most relevant information, best practices and resources to overcome the economic damages of COVID-19. (NOTE: this is a dynamic webpage and will be periodically be updated and edited as things develop)

The Department of Economic Development for the City of Paterson is conducting a survey on the impact of COVID-19 to local businesses. The data from this survey will be used to provide business owners with relevant information on loans and grant programs to support business operations during and after COVID-19 pandemic. To help us advocate for your business needs, please participate in this survey by [CLICKING HERE TO ACCESS SURVEY.](#)

If you have a question about how or where to find assistance, you can contact the City's Office of Economic Development or one of our partners:

- **CITY OF PATERSON**  
Director Penni Forestieri  
Department of Economic Development  
Division of UEZ  
Office: 973-321-1220 EXT: 2267  
Cell: 201-249-1101  
Email: [pforestieri@patersonnj.gov](mailto:pforestieri@patersonnj.gov)
- **CITY OF PATERSON**  
Sikandar Khan  
Economic Developmental Representative  
Office: 973-321-1220 EXT: 1220  
Email: [Skhan@patersonnj.gov](mailto:Skhan@patersonnj.gov)

## CITY OF PATERSON RESOURCE PARTNERS

- **PATERSON DOWNTOWN SPECIAL IMPROVEMENT**  
If you are in the Special Improvement District, you can contact:  
District Manager Orlando Cruz.  
Office: 973-881-7302  
Cell: 973- 200-4289  
Email: [ocruz@downtownpatersonsid.org](mailto:ocruz@downtownpatersonsid.org)

- **GREATER PATERSON CHAMBER OF COMMERCE**  
 Jamie Dykes, President  
 Greater Paterson Chamber of Commerce  
 100 Hamilton Plaza, Suite 1201  
 Paterson, NJ 07505  
 Phone: 973-881-7300
- **PASSAIC COUNTY ECONOMIC DEVELOPMENT**  
 Deborah Hoffman – Director  
 Division of Economic Development  
 County of Passaic  
 930 Riverview Drive, Suite 250  
 Totowa, NJ 07512  
 Office: 973-569-4720  
 Mobile: 201-738-3039  
 deborahh@passaiccountynj.org
- **NEW JERSEY BUSINESS ACTION CENTER HELPLINE**  
 Hotline: 1-800- JERSEY-7
- **WILLIAM PATERSON UNIVERSITY SBDC**  
 Kate Muldoon  
 Regional Director  
 William Paterson University SBDC  
 973-321-1378  
[muldoonk@wpunj.edu](mailto:muldoonk@wpunj.edu)  
[www.sbdcwpu.com](http://www.sbdcwpu.com)
- **PASSAIC COUNTY ONE STOP CAREER CENTER**  
 Employment and Unemployment  
 973-742-9227  
 200 Memorial Dr.  
 1<sup>st</sup> Floor.  
 Paterson NJ, 07505

## FEDERAL RESOURCES

- [Small Business Administration \(SBA\) offers business assistance to impact businesses.](#) SBA has approved New Jersey for SBA lending programs. [Apply Online, FAQ's, and Required Information](#)
- [Small Business Administration Disaster Loan Program offers \\$7 billion in low-interest loans to businesses, renters and homeowners located in regions affected by declared disasters.](#)
- [Small Business Administration Economic Injury Disaster Loans](#)
- [SBA Guidance for employers to plan and respond to COVID-19.](#)
- [Internal Revenue Services \(IRS\) is offering Federal Income Tax Extensions.](#)
- [Centers for Disease Control \(CDC\) offers interim guidance for businesses and employers to plan, prepare and respond to coronavirus.](#)
- [Department of Labor OSHA has guidance on Preparing Workplaces for COVID-19.](#)
- [U.S. Department of Commerce Economic Development Administration - Revolving Loan Fund Standard Terms and Conditions](#)

## Federal Grants and Loans -Additional Resources for Businesses

1. Get to your lender, get to your lender, get to your lender. If the bank for your business is SBA approved, they will be able to make loans and, in some cases, grants to get immediate funding that you need. Especially for **Paycheck Protection Loan** and **Emergency Bridge Loan**.
2. Connect with guides who can help guide you through applying - SCORE, SBDC, Center for Women in Enterprise, Veterans Outreach Center. See list of partners at end with contact info.
3. For SBA funding, fastest way to get a decision is to apply online at <http://disasterloan.sba.gov/ela>. Applies to **Economic Injury Disaster Loan**, and **7(a)**.
4. If a sole proprietor and not have payroll tax deduction can apply for **Economic Injury Disaster Loan, 7(a), CDC/504, Express Bridge Loan**.

Source	Term / Rate	Amount	Decision
SBA <a href="#">Economic Injury Disaster Loans</a> (EIDL)	30 years Max rate 4% 3.75% for business 2.75% for private nonprofits	up to \$2 million	3-4 weeks from when completed application submitted, start here: <a href="https://disasterloan.sba.gov/ela/">https://disasterloan.sba.gov/ela/</a>

SBA 7(a)	Negotiable, cannot exceed SBA max	up to \$5 million	5-10 business days
SBA CDC/504	Current market rate for 5-year and 10-year U.S. Treasury issues	Up to \$5 million	Varies depending on CDC
SBA Express Bridge Loan	7 years	up to \$25,000	Varies depending on lender
Paycheck Protection Program	10 years Max rate 4%	up to \$10 million	
Emergency Paid Sick Leave	n/a		Apr 1 - Dec 31
Family Medical Leave	n/a		Apr 1 - Dec 31
Unemployment insurance	n/a	\$600/week Federal benefit State benefit varies by state	
CARES Act	n/a	\$1,200 per adult and \$500 per child	April 6 to mid-May

**Details of Programs**

**SBA Economic Injury Disaster Loans (EIDL)**

- For small businesses unable to obtain credit elsewhere
- Any business can apply, whether 30+ years old or just started this year
- Look at next 6 month and funding needed to run day-to-day operations
- Can apply for addition funding at a later time if needed
- 12 month deferral, first year not need to make a loan payment, though interest will accrue
- For loans under \$25K, no collateral requirements
- Over \$25K SBA will look to collateralize with personal or business assets
- State must declare disaster to be eligible
- For any owner 20% or will need a personal financial statement
- Provide estimated amount of loss, schedule of liabilities
- For loans over \$500K will need business tax returns
- No obligation to sign note, can hold off signing six months
- If denied, have six months from the date of denial to submit request for reconsideration with additional supporting info
- No cost to apply
- Not care about lending position - not looking to take senior position, will take Jr, 3rd, 4th, and 5th
- Expedited access to capital for emergency grant of \$10K in 3 days
- If apply for EIDL get \$10K grant even if denied for EIDL to maintain payroll, paid sick leave, service other debts, rent
- Does not impact other loans, particularly Paycheck Protection Program

- Loan program is available to all small businesses, not just employers

### **SBA Express Bridge Loan**

- To get short term financing now
- Helps with same issues as EIDL loan
- Small loan of up to \$25K
- May have application fees depending on bank
- Can only go through a bank that currently a customer of, not brand new account
- Bank needs to be an Express Lender with an Express Authority Agreement with SBA
- Does not limit ability to apply for an EIDL, can use EIDL to pay off Express Bridge Loan
- Banks are making funding decisions based on their own lending practices, SBA not making decision

### **SBA 7(a)**

- Primary program for providing financial assistance to small businesses
- Lenders not required to take collateral for loans up to \$25,000
- For loans in excess of \$350,000, the SBA requires the lender collateralize the loan to the maximum extent possible up to the loan amount
- Because 7(a) not specific to COVID-19, new loans can be applied for on top of the 7(a) loan program

### **SBA CDC/504**

- Economic development loan program that offers small businesses another avenue for business financing, while promoting business growth and job creation
- Long-term fixed-rate financing to acquire fixed assets for expansion or modernization
- Available through Certified Development Company (CDC)
- Must be used for fixed assets (and certain soft costs), including:
  - The purchase of existing buildings
  - The purchase of land and land improvements, including grading, street improvements, utilities, parking lots and landscaping
  - The construction of new facilities or modernizing, renovating or converting existing facilities
  - The purchase of long-term machinery
  - The refinancing of debt in connection with an expansion of the business through new or renovated facilities or equipment

### **Current SBA Loan Holders**

- SBA will pay principal and interest for six months

### **Paycheck Protection Program**

- Use to cover payroll cost: salary, wage, payment of cash/tips, commissions, paid sick leave and family leave, paid vacation, health care cost, retirement contributions, retired leave, any state and local payroll tax
- All counts towards maximum amount of what get as a loan
- Basically, any money that spend to maintain an employee, including the business owner if on payroll

- For businesses in business as of 2/15/2020
- Total earnings for any one individual cannot exceed \$100,000 when figuring out maximum loan amount
- Maximum loan is 250% of average monthly payroll, provisions if just started
- Start off as a loan
- Loan can be used for payroll, rent, mortgage payment, utilities, to keep lights on and employees working
- Payment deferred for a year - not have to pay for serving loan at all
- Gets cash flow to businesses so they can get back up and running, and restored to before pandemic levels
- For businesses that have already laid off employees, can use money to hire employees back to pre-crisis levels
- Administered by banks and credit unions, not SBA
- Federal fees are waived
- No personal or business guarantee required - not need to pledge loan or collateral
- If money used for payroll costs as defined, loan can be forgiven for first eight weeks
  - If maintain payroll through June, including self (many small business owners are on payroll), will be able to get this loan forgiven
  - Government giving cash flow to keep business open, be able to get forgiven and not pay back
  - If confident can keep all or most employees on payroll, this is a loan/grant worth looking at
  - Sliding amount of forgiveness based on what percent of employees able to maintain
- After first eight weeks can use loan for expenses through June 30, 2020
- No penalty for prepay of loan
- In first six months if prepay can do so before interest kicks in
- When apply for grant ask for emergency cash advance of \$10,000
- Must certify under perjury that believe could qualify for the loan

### **Emergency Paid Sick Leave**

#### **Expanded Family Medical Leave**

- Emergency Paid Sick Leave, 10 days that employers required to give workers who qualify for leave if they sick and present symptoms, have a child who is sick with COVID-19
- Day 11 to 12 weeks, all employers under 500 employees required to have family medical leave available
- Refundable tax credits against payroll tax available to small business
- Available to access as quickly as possible to limit disruption of employees taking paid sick leave or expanded FMLA
- Emergency Paid Sick Leave and Expanded Family Medical Leave take effect April 1 through end of year. If another occurrence, employer still under obligation.
- Hardship exemption for employers less than 50 employees for portions of emergency paid sick leave and expanded FMLA. Not exempt employers from everything.

## Unemployment Insurance

- If self-employed, independent, gig worker - never before able to qualify - are eligible now

## CARES Act

- \$1,200 per adult, \$500 per child for those with \$75,000 individual income or \$150,000 filing jointly
- Single parents max is \$136,500
- Coming as a one-time grant between Apr 6 and mid-May
- Speaker Pelosi considering another cash grant
- Will send by direct deposit with numbers gave for tax return
- If not direct deposit, will send by mail

[SBA.GOV](https://www.sba.gov)

## FEDERAL LEGISLATION

- [H.R. 6074 \(Coronavirus Preparedness and Response Supplemental Appropriations Act\)](#)
- [H.R. 6201 \(Families First Coronavirus Response Act\) Additional Stimulus Package](#)

## Internal Revenue Service (IRS) [IRS.GOV](https://www.irs.gov)

**Paid Relief for Workers** Small and midsize employers can begin taking advantage of two new refundable payroll tax credits designed to immediately and fully reimburse them, dollar-for-dollar, for the cost of providing COVID-19-related leave to their employees. This relief to employees and small and midsize businesses is provided under the Families First Coronavirus Response Act (Act). The act gives businesses with fewer than 500 employees funds to provide employees with up to 80 hours of paid leave, either for the employee's own health needs or to care for family members. There are two credits available:

**Paid Sick Leave Credit** For an employee who is unable to work because of COVID-19 quarantine or self-quarantine or has COVID-19 symptoms and is seeking a medical diagnosis, eligible employers may receive a refundable sick leave credit for sick leave at the employee's regular rate of pay, up to \$511 per day and \$5,110 in the aggregate, for a total of 10 days (up to 80 hours)

For an employee who is caring for someone with COVID-19, or is caring for a child because the child's school or child care facility is closed, or the child care provider is unavailable due to COVID-19, eligible employers may claim a credit for two-thirds of the employee's regular rate of pay, up to \$200 per day and \$2,000 in the aggregate, for up to 10 days (up to 80 hours). Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.

**Child Care Leave Credit** In addition to the sick leave credit, for an employee who is unable to work because of a need to care for a child whose school or child care facility is closed or whose



child care provider is unavailable due to COVID-19, eligible employers may receive a refundable child care leave credit. This credit is equal to two-thirds of the employee's regular pay, capped at \$200 per day or \$10,000 in the aggregate. Up to 10 weeks of qualifying leave can be counted towards the child care leave credit. Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.

**Using the Credits** Under guidance that will be released next week, eligible employers who pay qualifying sick or child care leave will be able to retain an amount of the payroll taxes equal to the amount of qualifying sick and child care leave that they paid, rather than deposit them with the IRS. The payroll taxes that are available for retention include withheld federal income taxes, the employee share of Social Security and Medicare taxes, and the employer share of Social Security and Medicare taxes with respect to all employees.

If there are not sufficient payroll taxes to cover the cost of paid qualified sick and child care leave, employers will be able file a request for an accelerated payment from the IRS. The IRS expects to process these requests in two weeks or less. The details of this new, expedited procedure will be announced next week.

## **NEW JERSEY STATE RESOURCES**

Various New Jersey State agencies are currently working with local business leaders, local financial institutions, and business advocacy groups to ensure impactful support that ensures business and employment continuity. The resources listed below are non-exhaustive. Please keep checking this page for the most up to date information.

- [New Jersey Pandemic Relief Fund \(NJPRF\) to Fight COVID 19](#)
- [Looking to hire? COVID-19 On-Demand Hiring Intake Form](#)
- [Looking for work?](#)
- [Employers Association of New Jersey EZ Pay Chart to help businesses navigate NJ Mandated Benefits and to find out which laws apply](#)
- [Sick Leave Benefits for Employees and Business Compensation](#)
- [State of New Jersey Website Devoted to COVID-19 Business Concerns](#)
- [File for Unemployment Insurance](#)
- [Women's Center for Entrepreneurship Corporation](#)
- [Veterans Outreach Center](#)

## **OUT OF WORK DUE TO COVID- 19? HERE'S HOW TO FILE UNEMPLOYMENT INSURANCE IN NJ**

Visit [www.nj.gov/labor](http://www.nj.gov/labor) [www.covid19.nj.gov](http://www.covid19.nj.gov) or [www.myunemployment.nj.gov](http://www.myunemployment.nj.gov) for more information about who is eligible and if your situation would allow you to collect unemployment insurance.

## **Frequently Asked Questions:**

### **What is unemployment insurance?**

Workers who lose their jobs through no fault of their own and meet eligibility requirements may receive benefits for up to 26 weeks in a one-year period. The benefits are meant to partly replace wages while people are looking for work. The money comes from a payroll tax paid by employers and workers.

### **Who is eligible?**

If your business closed or your hours are reduced due to the coronavirus, you may be eligible for benefits. Visit New Jersey's unemployment page to understand if you meet the requirements.

### **To apply online, you must have:**

- Worked only in New Jersey in the last 18 months, or
- Worked in New Jersey and any other state(s) in the last 18 months, or
- Worked for the federal government and in New Jersey in the last 18 months, or
- Served in the military in the last 18 months and be physically present in New Jersey

### **How much could I earn?**

You can use this calculator to estimate how much you can get each week on the [Department of Labor site here](#). In 2020, workers could earn up to 60% of their average weekly wage, up to \$713 a week. The federal government is negotiating a package that would add \$600 a week for unemployment payments for four months on top of state payments.

### **What information do I need to apply?**

- Social Security Number or Alien Registration Number (if you are not a U.S. citizen)
- Pension information if you are receiving any pension or 401(k)
- Amount and duration of any separation pay you may be receiving
- Recall date (if you expect to be recalled to your job)
- Union hiring hall information, including local number and address (if you get work through a union)
- Military Form DD-214 (if you were in the military in the last 18 months)
- Form SF-8 or SF-50 (if you were a federal employee)
- Complete name and address of employer
- Employer's telephone number
- Your occupation with that employer

- Beginning and ending dates of employment
- Reason for separation

### **I am a freelancer or gig economy worker. Am I eligible?**

While these workers are typically not eligible, a stimulus bill being weighed in the U.S. Congress will extend benefits to cover part-time workers, freelancers and gig economy workers. It still needs to be passed by the House and signed by President Donald Trump.

If I am denied, can I appeal my claim?

Yes, you can appeal a denial here: <https://bit.ly/2UISVNN>

### **How do I apply?**

Make sure you understand if you qualify for benefits first, or it may take longer for you to receive other benefits that better fit your situation, labor department officials say.

You can apply a new claim for unemployment insurance here: [bit.ly/2WMO6H0](https://bit.ly/2WMO6H0)

### **Are there any jobs in the state available?**

Yes. The state created a job portal at [jobs.covid19.nj.gov](https://jobs.covid19.nj.gov) for essential companies like grocery stores and delivery services. Companies like InstaCart, Amazon, UPS and Hackensack Meridian Health have postings on the site. Murphy said there were more than 35,000 openings for about 300 companies as of Thursday.

### **What other benefits are available?**

New Jersey also offers paid sick leave, family leave and workers compensation, among other things. Learn more about these programs at [covid19.nj.gov](https://covid19.nj.gov).

### **What if I am sick?**

Earned sick leave

Full- and part-time employees in New Jersey earn up to 40 hours of paid sick time that they can use to if they are sick, to care for family members, to stay home if their workplace is closed due to a public health emergency or if their child's day care or school is closed for public health reasons. Workers can carry over up to 40 hours of sick leave to the following year, and earn one hour of paid sick leave for every 30 hours they work. An employee can start using hours after 120 days of work, but a company can advance the time.

### **Temporary disability**

If you contracted the virus, but not at work, you can file a claim online at [myleavebenefits.nj.gov](https://myleavebenefits.nj.gov).

### **Workers compensation**

If you contracted COVID-19 at work, such as while interacting with a co-worker with the virus, or serving someone at a restaurant who was infected, you may be eligible for workers' compensation insurance. For more information,

visit [www.nj.gov/labor/wc/workers/claim/filing\\_index.html](http://www.nj.gov/labor/wc/workers/claim/filing_index.html).

### **What if someone in my family is sick?**

New Jersey workers can earn up to six weeks of paid time off to care for a sick family member. They can earn up to two-thirds of their paycheck, or up to a maximum of \$667 a week. Starting July 1, 2020, workers will get 12 weeks of paid time off and will be able to earn up to 85% of their weekly wages up to \$881 a week.

You can also use earned sick leave.

*Reported by Ashley Balcerzak in the New Jersey Statehouse*

## **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (NJEDA) RESOURCES**

New Jersey Economic Development Authority (NJEDA) has a portfolio of loan, financing, and technical assistance programs available to support small and medium-sized businesses. It has approved a suite of new programs designed to support businesses and workers facing economic hardship due to the outbreak of the novel coronavirus COVID-19.

- **[Small Business Emergency Assistance Grant Program](#)** – A \$5 million program that will provide grants up to \$5,000 to small businesses in retail, arts, entertainment, recreation, accommodation, food service, and other services – such as repair, maintenance, personal, and laundry services – to stabilize their operations and reduce the need for layoffs or furloughs.
- **[Small Business Emergency Assistance Loan Program](#)** – A \$10 million program that will provide working capital loans of up to \$100,000 to businesses with less than \$5 million in revenues. Loans made through the program will have ten-year terms with zero percent for the first five years, then resetting to the EDA's prevailing floor rate (capped at 3.00%) for the remaining five years.
- **[Community Development Finance Institution \(CDFI\) Emergency Loan Loss Reserve Fund](#)** – A \$10 million capital reserve fund to take a first loss position on CDFI loans that provide low interest working capital to micro businesses. This will allow CDFIs to withstand loan defaults due to the outbreak, which will allow them to provide more loans at lower interest rates to microbusinesses affected by the outbreak.

- [\*\*CDFI Emergency Assistance Grant Program\*\*](#) – A \$1.25 million program that will provide grants of up to \$250,000 to CDFIs to scale operations or reduce interest rates for the duration of the outbreak.
- [\*\*NJ Entrepreneur Support Program\*\*](#) – A \$5 million program that will encourage continued capital flows to new companies, often in the innovation economy, and temporarily support a shaky market by providing 80 percent loan guarantees for working capital loans to entrepreneurs.
- [\*\*Small Business Emergency Assistance Guarantee Program\*\*](#) – A \$10 million program that will provide 50 percent guarantees on working capital loans and waive fees on loans made through institutions participating in the NJEDA’s existing Premier Lender or Premier CDFI programs.
- [\*\*Emergency Technical Assistance Program\*\*](#) – A \$150,000 program that will support technical assistance to New Jersey-based companies applying for assistance through the U.S. Small Business Administration. The organizations contracted will be paid based on SBA application submissions supported by the technical assistance they provide.
- **NJEDA COVID-19 Website-** NJEDA has created a webpage that directs business owners to various resources to assist in coping financially with the COVID-19 public health crisis. This site will be updated with any new programs or support that becomes available. The programs have been copy-pasted below [\*\*CLICK HERE TO ACCESS THE LINK.\*\*](#)

## **NATIONAL RESTAURANT RELIEF**

- [\*\*How Does It Work?\*\*](#)

## **New Jersey Community Capital: GARDEN STATE RELIEF FUND**

- [\*\*How Does It Work?\*\*](#)

## **NEW JERSEY MANUFACTURING EXTENSION PROGRAM**

- NJMEP set up an email hotline, [takeaction@njmep.org](mailto:takeaction@njmep.org). Use this hotline to ask your questions or voice your concerns.
- Disaster Management Planning Services. [\*\*Crisis Management or Business Continuity\*\*](#)

- How has your supply chain fared during the COVID-19? Be part of the solution by filling out this form: [Supply Chain Preparedness Support](#)
- Download the Exemption Template Letter for manufacturers that run a 2nd and/or 3rd shift. [Download Exemption Template Letter](#)

## NJ BUSINESS ACTION CENTER

- Website: [NJ Business Action Center](#)
- Covid19 Business updates, website: [cv.business.nj.gov](http://cv.business.nj.gov)
- Help Line 1-800-jersey-7 open from 8AM – 9PM 7 DAYS A WEEK

## STATE LEGISLATION

- [Governor Murphy's Executive Order #107](#)

## PRIVATE SECTOR RESOURCES FOR FIRMS AND BUSINESSES

- [Facebook Small Business Grants Program](#)
- [JPMorgan Chase Makes \\$50 Million Philanthropic Investment to Help Address Immediate and Long-Term Impacts of COVID-19](#)
- [List Of Banks Offering Relief To Customers Affected By COVID-19.](#)
- [The Restaurant Workers' Community Foundation formed a COVID-19 Emergency Relief Fund for small businesses and their restaurant workers, and is accepting donations.](#)
- [Kiva is urging small businesses to apply for 0% interest loans up to \\$15,000. The company is also offering a longer grace period: new borrowers can access a grace period of up to 6 months.](#)
- [Kabbage launched an online hub to help boost sales for U.S small businesses impacted by COVID-19, including a system through which businesses can sell gift cards to consumers for use at a later date.](#)
- [GoFundMe has partnered with Yelp to allow independent businesses to start fundraisers and accept donations through Yelp's pages.](#)