



**Special Communication to City of Burlington
Emergency Operations Center and Mayor
Regarding COVID-19**

To: Brian Lowe, Luke McGowan & Darren Springer

From: David White & Ian Jakus of COVID-19 Analytics Team

RE: Recovery and Assistance Gaps for Employees and Businesses

Date: March 27, 2020, 2:00pm

Key Messages:

- Federal, State, and now City, resources are being assembled and directed to provide relief and direct assistance to businesses and their employees who are economically impacted by the recent and ongoing shutdown of major segments of our economy. However, while this help is very important, there are gaps that leave many vulnerable businesses, employees, and communities un/under-protected/supported. Understanding these gaps is important for:
 - Knowing where, how, and when to prioritize City assistance that could be used to fill key gaps and leverage other sources of assistance
 - Highlighting opportunities for City leaders to advocate for new, more, or different sources and amounts of assistance.

Notable Gaps:

- Immediate Needs:
 - **Business access to short-term grants or loans to stay open until state and federal resources are in-hand**. (likely 2-4 weeks before new SBA PPP and EIDL Grants are available. Many cities/states are offering their own small grant funds – e.g. see [NYC Employee Retention Grants](#))
 - **Employees with immediate debt or rent obligations** that must wait ~1-3 weeks for unemployment or IRS Direct Payment check to arrive
- Ongoing Needs:
 - Small/sole proprietors with language barriers and/or without good documentation and many liabilities - i.e. small immigrant run businesses. (New SBA PPP and EIDL Grants may help this)
 - Employees of businesses that may be exempt from required emergency and paid leave benefits - businesses with less than 50 employees, certain health-care providers and emergency responders. (New SBA PPP and EIDL Grants may help this)
 - Employees of businesses that don't have liquidity to also pay workers taking emergency leave – typically going to be small/sole proprietors. (New SBA PPP and EIDL Grants may help this)

Important Note Regarding this Document: *The coronavirus pandemic, and local, state and federal guidance/orders regarding this pandemic, are rapidly evolving. Information contained in this memo is presumed to be accurate and reflective of the situation as of the date and time noted above. Information in this memo is offered as review of actions, events, case studies, and data based on specific requests of and research by the Analytics Team. The original audience for this document was the Mayor and members of the City's Emergency Operations Center. These resources are being made available in the event that they may be informative for other Vermont communities.*

- Employees claiming unemployment with language barriers or other communication challenges
- Workers paid under the table without records to claim benefits (i.e. construction trades)
- **Important Deadlines:**
 - Expenses Coming Due:
 - **Rents** for Employees/Renters/Lessees due next on April 1, May 1, June 1, July 1, Aug 1
 - **State and Federal tax payments** due next on May 25, June 25, July 15 (federal), July 25
 - **City Property Tax** due next on Aug 12
 - Relief Periods Ending:
 - VT State of Emergency – April 15
 - VT PUC Shut-off Moratorium – April 30
 - VT Health Connect Special Enrollment Period – April 17
 - VT Rooms & Meals, Sales & Use Tax Payment Suspension – May 12
 - FHFA & FHA Foreclosure Suspension – May 16
 - BTV Gross Receipts Payment Suspension – July 1
 - VT & Federal Income Tax Filing and Payment Suspension – July 15
 - Additional \$600 of Unemployment Payments End – 7/31
 - Expanded Unemployment Coverage Ends – Dec 31

Key Resources

- Business Assistance Briefing Memo #1
- COVID-19 Federal Economic Stimulus Summary Memo

Other:

- [IRS Coronavirus Tax Relief](#)
- [SBA Small Business Guidance & Loan Resources](#)
- [NYC Small Business Services](#)
- [Forbes Small Business Relief Tracker](#)
- [VT Legal Aid Benefits Tracker](#)

Summary of Who May Be Left Out

Employees

- **Paid Family and Sick Leave**
 - Employees of businesses that may be exempt (businesses with less than 50 employees, certain health-care providers and emergency responders)
 - Employees of businesses that want to stay open but don't have cash on hand/revenues to pay workers during emergency leave – typically going to be small/sole proprietors
 - Small/sole proprietors without good documentation and many liabilities (i.e. small immigrant run businesses)
 - Workers paid under the table without records to claim benefits (i.e. construction trades)

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- **Unemployment Benefits**
 - Employees with immediate debt or rent obligations that must wait for unemployment check to arrive (~1-3 weeks at least)
 - Workers paid under the table without records to claim benefits (i.e. construction trades)
 - Employees seeking to claim unemployment with language barriers or other issues applying that will need in-person assistance (RRC may be able to help)

Businesses

- **Employer Tax Credits**
 - Employers without the liquidity to cover the required leave for a quarter before getting reimbursement
 - Employers who can't offer 10-days of emergency paid sick leave for employees who cannot work or telework because of COVID-19
 - Businesses without cash on hand for rent / payroll
- **Self-Employed Tax Credits**
 - Employers who can't afford the 33% reduction in available credits if they are caring for a family member of child home from school vs actually being sick themselves
 - Small/sole proprietors need good records, including payroll records for themselves.
 - Need cash on hand to pay cost of living as well as cost of business if not working.
- **SBA Paycheck Protection Program**
 - Small/sole proprietors with language barriers and/or without good documentation and many liabilities - i.e. small immigrant run businesses.
- **SBA Emergency Economic Injury Grants**
 - Small/sole proprietors with language barriers and/or without good documentation and many liabilities - i.e. small immigrant run businesses.
- **SBA Economic Injury Disaster Loans**
 - Businesses without immediate cash on hand for rent / payroll (EIDL Grant may help)
 - Small/sole proprietors with language barriers or other issues applying that will need in-person assistance (RRC may be able to help)
 - They are loans with interest not grants,
 - The loan terms are unclear and may require collateral
 - They are administratively and legally complex, and businesses need advocates – especially NA-owned businesses

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