



SANTA BARBARA COUNTY WORKFORCE DEVELOPMENT BOARD

April 29th: COVID-19 Webinar for Business Assistance Q&A

Questions on EIDL, PPP, etc.:

Q: I am self-employed and have applied for EIDL, PPP, and PUA. If approved, can/should I accept all or does acceptance for one cancels out another?

A: The EIDL Loan less the forgivable grant portion (up to \$10,000) is supposed to be refinanced if a PPP Loan is taken also. You should not use an EIDL loan and a PPP Loan for the same payroll, nor should you take a loan to pay the same payroll that you are receiving unemployment for.

Q: If I run a c-corp with no employees, would I possibly qualify for EIDL, PPP and/or PUA?

A: Not enough information to give a definite answer. You need to substantiate payroll to someone or net income to the owner to get a PPP Loan. You may qualify for an EIDL Loan. You may be able to apply for unemployment.

Q: What is the average time to receive a response/status on any of the EIDL, PPP loans?

A: In some cases, we have been so buried in applications that it has taken weeks to reply to individual inquiries. Other institutions may have been able to reply immediately but some have not been able to reply to all inquiries at all.

Sub Q: What if you hear from one but not the other?

A: Take what you can get. The programs are going to run out of money.

Q: What is the process for determine how much to loan?

A: PPP is 2.5 times average payroll

Q: When will EIDL or new loans open to new applicants?

A: EIDL is not taking applications at the moment

Q: If I previously applied for an EIDL or PPP loan and either was denied or received an update, should I apply for the CARES 2?



A: Depends why you were turned down. Basic eligibility has not changed. The system will not allow you to receive more than 1 loan from the same program, so you can apply with multiple lenders.

Q: Do you have to be a customer at a certain bank to get PPP and/or EIDL?

A: Depends on the lender. EIDL is direct with the SBA.

Sub Q: Do you know what banks are accepting applications?

A: You will have to check around. Montecito Bank & Trust is for the time being, but only in Santa Barbara and Ventura Counties.

Q: What would be the best loan (Forgivable) that would cover rent costs? We have a business that has higher rent instead of payroll.

A: 75% of the PPP Loan must be used for payroll. The only other forgivable loan is the Grant portion of the EIDL Loan (\$10,000 maximum)

Q: What portal allows one to check the status of EIDL and PPP loans?

A: None that I am aware of.

Q: If we reported receiving a \$3K EIDL loan, how does it affect our application for PPP?

A: If it is the forgivable grant it does not.

Q: I received the Disaster Assistance of \$10K and maybe have someone interested in buying my business in May. How do I pay back the loan assistance?

A: Any way you can?

Q: Can EIDL or PPP cover costs to pay contractors (they're not employees)?

A: No.

Q: If there any SBA money left? Is it still worth applying?

A: Yes, but you will have to move quickly.

Q: As a sole owner of a business, is there assistance to 166 per week, up to 10 months?

A: I don't understand the question.

Q: Is there any information on the SBA EIDL loans for which very little information seems to be forthcoming?



A: sba.gov, ustreasury.gov, many others. There is plenty of information, though it is not necessarily clear.

Questions on Forgiveness:

Q: Forgiveness guidelines – where can we obtain this?

A: We do not have guidance from the SBA or the US Treasury yet.

Sub Q: Do I have to re-hire same employees to get loan forgiven?

A: No.

Q: Will my loan still be forgiven if I am no longer re-hiring for a previously existing position? Now deciding to switch from face-to-face sales to hire tech savvy web person to boost online sales.

A: Not required to hire the same people, just maintain 75% of payroll and 75% of the full-time equivalent head count.

Questions Specific to PPP:

Q: PPP - do you start tracking the weeks of payroll after receiving the funding?

A: Yes. 8 weeks from the date of funding.

Sub Q: What happens if the business is closed for all or part of the 8-week period?

A: You may not be able to get forgiveness on the loan. Must maintain 75% of payroll and 75% of the full-time equivalent head count.

Q: Can you accept PPP and still collect PUA if you're self-employed and don't use PPP for yourself?

A: I don't know. Check with unemployment, or apply and see if you are approved.



Q: Can you use 25% for rent without using the 75% for payroll (due to unemployment insurance for employees)? Can we give back the 75% since we can't bring employees back until we can open the business?

A: You can give back as much of it as you like without penalty, but you won't receive forgiveness unless you use 75% or more for payroll.

Q: Under PPP, can we pay employees more as an incentive to return and not just stay on unemployment?

A: You can pay them as much as you want as long as it is at least 75% of total payroll and 75% or more full-time equivalent employees.

Q: Working on an entrepreneurial project for the last 2 years and was about to sell the product and put ourselves on the payroll in Feb/Mar of this year. Do we qualify for PPP?

A: If you didn't pay payroll, you can't use it to apply for a loan.

PPP and Restaurants

Q: Will the 75/25% ratio for usage of loan funds be swapped? Restaurants don't have enough business to keep 75% of their employees on the clock - many of whom are earning more by staying home on EDD funds...but they have plenty of business improvement needs (fix a leak, add safety items, buy masks and gloves, cover the cost of to-go supplies, replace an appliance, and Pay Rent). Please advise if this lopsided loan repayment requirement will or may possibly be reversed so we can all come out of this ahead?

A: Have not heard anything about it being revised.

Q: 8 weeks will not be enough time for restaurants to bring 75 % employees back because we will only be serving less than half of normal income especially if we are forced to pay our usual rents?

A: For many it will not work.

Q: what does the 25% of PPP cover? just rent and utilities? as restaurants, we are on 30 day payments to vendors and therefore we are still owing from February and first half of March as well as paying COD for anything we order for our Takeout food. Take out is basically paying for food and Labor right now.



A: You can use the other 25% for other things as well. The application has a place to explain “other”.

Q: it's a catch 22 if we get the PPP now and can't get my staff back to make the 75% to get forgiveness, the 8 weeks will be over before I can make the 75%?

A: It is a problem. I don't know of any solution.

Q: Is the accounting for expenses on the PPP based on a cash or accrual basis?

A: Accounting for which expenses? I don't understand the question.

Q: If I get the PPP loan and it doesn't get forgiven can I pay it back once the 8 weeks is over?

A: Yes. You can pay it back any time without a pre-payment penalty.

Q: Can employees be rehired with PPP funds on a part-time basis and continue to receive minimal UI benefits and the additional \$600?

A: As long as you keep payroll at 75% or more and full-time equivalent number of employees at 75% or more you can receive forgiveness, but you would have to check with EDD for the rules about unemployment.

Questions on Miscellaneous Topics:

Q: Is there a source in Santa Barbara County that can provide these items to Santa Barbara businesses going forward – hand sanitizer, disinfectant concentrate, masks, nitrile gloves?

A: We are not aware of any single source. Many organizations and nonprofits are making masks, and they are available to purchase from online sellers and for curbside pickup from select brick-and-mortar retailers. Same for gloves and hand sanitizers. Availability of these items has improved over the past two months with increased manufacturing to meet demand.

Q: Is there help for agricultural operations from the impacts of the shut down?

A: The California Department of Food and Agriculture website includes information about assistance related to the COVID-19 pandemic. (<http://www.cdfa.ca.gov/coronavirus/>) You can also get news and information from the County Agricultural Commission/Weights and Measures at <http://www.countyofsb.org/agcomm>.



Q: How will Santa Barbara County help the retail industry? Where can we expect leadership on re-opening protocols for each industry? How do we plan to unify these measures? How is the childcare sector being represented in the planning for re-opening?

A: Planning for reopening our communities is underway so that policy makers, health experts, business owners and other sectors of society have clarity and a framework for safely lifting or modifying public health orders. The County Public Health Officer is responsible for determining guidelines on how the county will reopen and when restrictions are loosened or tightened, depending on discretion allowed by the Governor. The Public Health Officer has tasked an independent panel of epidemiologists, physicians, public health experts to develop a framework for reopening decisions. While rooted in data and health indicators, the process will receive support from teams of community members to provide input and feedback. Once the framework is developed, community leaders from a variety of sectors (hospitality, agribusiness, restaurants, technology, education, etc.) will provide the expert health panel with input on guidelines for safely reopening the county in phases, all while monitoring public health goals. This systematic approach will help us protect public health and our most vulnerable populations, while also providing residents, organizations, and businesses with a path to reopening our communities and economy with COVID-19.

Q: We (a local restaurant) makes a lot of our income with large parties. Are large parties a thing of the past or can they still come in with masks and sanitizers or if they have been tested?

A: Planning for reopening our communities is underway so that all sectors of society have clarity and a framework for safely lifting or modifying public health orders. The draft guidelines will be released in mid- to late-May, however it is expected that in phase I of reopening the county, gatherings of more than 10 will not be allowed. It is also expected that the final phase of reopening will include events and activities that engage large gatherings in a confined space, such as movie theaters, concerts and events.

Q. Can you all collectively pressure the city to close State Street to car traffic? The street is going to be destroyed for retail unless we have multiple angles of pressure on making that happen. What's the latest on the State Street closure? Can it happen much faster than September?



A. The Santa Barbara City Council and Mayor establish policy, approve programs, and oversee the financial affairs of the city to govern Santa Barbara. The public is encouraged to meet with their elected representatives and provide public comment to the City Council. Downtown Santa Barbara represents its members in downtown, especially those on State Street. Please check with city officials regarding their plans for State Street. In addition, the Santa Barbara City Manager and Mayor are participating with the countywide task force developing guidelines and timelines for a phased plan to reopen all aspects of society, not just retail.

Q. How is the building industry in Santa Barbara impacted currently and going forward?

A. For information on the construction and building sector, please check with the industry trade associations, such as the [Santa Barbara Contractors Association](#). In addition, status and economic indicators are available from city and county planning and development departments. Economic trends are also reported by the [UCSB Economic Forecast Project](#). The UCSB Economic Forecast Project is hosting webinars related to the COVID-19 impacts. To learn more and view previous webinars, go to <https://efp.ucsb.edu/Pages/COVID19.html>.