

Resources for Royal Oak Businesses Impacted by COVID-19 (updated May 11, 2020)

Provided below is a list of resources and information for Royal Oak businesses during the COVID-19 (Coronavirus) outbreak. The city, DDA, and Chamber of Commerce are in constant communication with the economic development leadership at the state and county levels, and this page will be updated as more resources become available.

For the latest information, please visit www.michiganbusiness.org/covid19/

SBA PAYCHECK PROTECTION PROGRAM

The SBA Paycheck Protection Program (PPP) is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. The Paycheck Protection Program will be available through June 30, 2020.

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19. Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

Small businesses in the hospitality and food industry with more than one location could also be eligible at the store and location level if the store employs less than 500 workers. This means each store location could be eligible.

The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease. This loan has a maturity of 2 years and an interest rate of .5%.

For more information, please visit Mlpaycheckprotection.com, where businesses will find key resources to assist with the PPP application and loan process and ensure the greatest amount of federal funding is able to be used by small businesses for economic relief efforts throughout the state.

SBA DISASTER ASSISTANCE LOANS

The Small Business Administration is providing targeted, low-interest loans to small businesses and non-profits that have been severely impacted by COVID-19. The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. Small business owners in many states are now eligible to apply, including Michigan.

For eligibility information, please visit <https://sbdcemichigan.org/disaster-loan-help/>

To apply, please visit <https://disasterloan.sba.gov/ela>

REBOUND ROYAL OAK SMALL BUSINESS ASSISTANCE PROGRAM

The [Rebound Royal Oak website](#) is now live and applications for the Rebound Royal Oak Small Business Assistance Grant are available.

The time frame to apply is Monday, May 11th through Monday, May 18th. Eligible businesses include salons, retailers, restaurants, cafes, and entertainment venues. Businesses, must be located in the Royal Oak [downtown development district](#) to apply.

Applicants must also submit with their application:

1. Copy of that portion of your lease agreement or mortgage that defines the time remaining on that lease/mortgage.
2. Copies of your last three rent payments or last three mortgage payments.
3. Documentation/report verifying your average monthly payroll hours for 2019.

Applications will be verified for completion and accuracy by DDA staff. Any information determined to be false or inaccurate will result in immediate disqualification of application. The deadline to apply is Monday, May 18th at 11:59 p.m.

Go to ReboundRoyalOak.com to apply.

OAKLAND COUNTY STABILIZATION FUND FOR SMALL BUSINESS

In partnership with the state, Oakland County has created a small business stabilization fund to provide immediate help for businesses impacted by the COVID-19 pandemic.

Applications were due by noon on April 6, 2020. Applicants who did not receive a grant for the first round of funding need not re-apply for the second round of funding which will be dispersed in May 2020.

IRS EMPLOYEE RETENTION CREDIT

The U.S. Treasury Department and the Internal Revenue Service launched the Employee Retention Credit, designed to encourage businesses to keep employees on their payroll. The refundable tax credit is 50% of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19.

The credit is available to all employers regardless of size, including tax-exempt organizations. There are only two exceptions: State and local governments and their instrumentalities and small businesses who take small business loans.

Qualifying employers must fall into one of two categories:

1. The employer's business is fully or partially suspended by government order due to COVID-19 during the calendar quarter.
2. The employer's gross receipts are below 50% of the comparable quarter in 2019. Once the employer's gross receipts go above 80% of a comparable quarter in 2019, they no longer qualify after the end of that quarter.

For more information about this credit, please visit <https://www.irs.gov/newsroom/irs-employee-retention-credit-available-for-many-businesses-financially-impacted-by-covid-19>

GUIDANCE TO EMPLOYERS CONTEMPLATING POTENTIAL LAYOFFS

Work Share Program

Michigan's Work Share program allows you to keep your employees working with reduced hours, while employees collect partial unemployment benefits to make up a portion of the lost wages. With Work Share, you can maintain operational productivity and hang on to your skilled workers.

For more information, please download this [Work Share Fact Sheet](#)

Temporary Leave vs. Termination

Due to the uncertainty regarding potential congressional action on how furloughed workers will be able to access federal resources, employers are strongly urged to place employees on **temporary leave** as opposed to termination. There is no additional cost to employers, employees remain eligible for unemployment benefits and they may remain eligible for potential federal assistance.

Steps for employers placing employees on temporary unpaid leave can be found [here](#).

RESOURCES FOR EMPLOYEES

If you become unemployed, you may qualify for unemployment insurance benefits. These benefits are intended to provide temporary income as you seek new employment. To be eligible for unemployment benefits, you must be unemployed and able to, available for, and actively seeking suitable full-time work.

A claim for unemployment benefits begins the week it is filed. Therefore, you should file your claim during your first week of unemployment. There are two ways to file a new claim or re-open an existing claim:

ONLINE is the fastest and preferred method.

Visit www.michigan.gov/uia and sign into MILogin to access or create an account on the Michigan Web Account Manager (MiWAM)

VIA TELEPHONE, call 1-866-500-0017. If you are hearing impaired, TTY service is available at 1-866-366-0004.

TAX PAYMENT DELAYS

Small businesses scheduled to make their monthly sales, use and withholding tax payments on March 20 can postpone filing and payment requirements until April 20. The state Treasury Department will waive all penalties and interest for 30 days.

Additionally, the Internal Revenue Service moved the national income tax filing day ahead to July 15, 2020, three months after the normal deadline for individuals and businesses to send in their returns.

CITY UPDATES AND CONTACTS

Effective March 17, 2020 all municipal buildings are closed to the public until further notice. That said, city staff will still be answering your calls, opening mail, processing applications and more. Licenses and voter information may be filled on online. Other forms may be downloaded.

The best way to stay informed is to [sign-up for email or text messages from the city using NotifyMe](#) or follow the city on social media where we post regular updates.

Please contact the following for personalized business support:

Todd Fenton
Economic Development Manager
toddf@romi.gov

Sean Kammer
Downtown Manager, Royal Oak DDA
sean.kammer@romi.gov

Shelly Kemp
Executive Director, Royal Oak Chamber of Commerce
shellyk@royaloakchamber.com