



THRIVE!
Lakeville Business Updates

**COVID-19
SPECIAL EDITION**

COVID-19 Special Edition - No. 4
April 3, 2020
Lakeville, Minnesota - Positioned to Thrive

This special edition of the Thrive! Business Newsletter is intended to provide information related to COVID-19 and a summary of the most up-to-date information your business needs to succeed in the wake of this pandemic.

These special edition newsletters will be distributed every Friday until they are no longer necessary.



A Guide for Minnesota Small Businesses Who Need Help

On March 31, the MN Department of Employment and Economic Development created a summary guide to help small businesses quickly see which programs might be right for their situation. This information is copied directly from DEED's website and the [summary guide can be accessed online here](#).

[SBA Economic Injury Disaster Loan \(EIDL\)](#) - all Minnesota small businesses should apply for these!

- Summary of Program: Low interest, long term Economic Injury Disaster Loans for up to \$2 million: The first payment is deferred for 12 months. The application has been simplified and can be completed 100% online through our improved web portal at www.sba.gov/disaster. 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. The interest rate for nonprofits is 2.75% and the loans can be extended over 30 years.
- Why this might make sense for you: The SBA EIDL can be used to maintain

payroll, provide paid sick leave, meet increased costs, make rent or mortgage payments, as well as repay unmet expenses and obligations.

- SBA EIDL Grants - Businesses applying for an EIDL loan can request up to \$10,000 be disbursed immediately. The amount need not be repaid, regardless of the loan decision. The request for the grant must be made within 3 days of applying to the SBA EIDL program.
- Why this might make sense for you: This advance may be available even if your EIDL application was declined or is still pending, and will be forgiven.
- If you need assistance with applying for the SBA EIDL loan or requesting the related grant - see the [SBA District website for trainings](#) or call an [SBDC center](#).

SBA Paycheck Protection Program (PPP)

- Summary of Program: The SBA PPP is a new federal \$350 billion loan program at SBA for small businesses, self-employed people, and gig workers to help them from going under due to the COVID-19 pandemic. If employers maintain payroll, the loans would be forgiven.
- Why this might make sense for you: If a self-employed person needs compensation or a business or nonprofit needs funds for employee compensation, including: salaries, wages, commissions, or similar compensation; cash tips or equivalents; vacation, parental, family, medical, or sick leave; payment required for providing group health care benefits (including insurance premiums); payment of retirement benefits; and payroll taxes. Funding may also be used for payment of interest on mortgage obligations, rent, utilities, and interest on pre-existing debt obligations.

Pandemic Unemployment Assistance Program

- Summary of Program: Congress authorized a new Pandemic Unemployment Assistance program that covers those who do not qualify for regular Unemployment Insurance benefits, such as independent contractors and self-employed people. The program was authorized but must be created by the states, so Minnesota must build out this program before it can be implemented. More information will be available soon, however it could be several weeks before payments begin.
- Why this might make sense for you: If you are an independent contractor or self-employed person who would not typically be eligible for unemployment benefits, but you have lost income due to the COVID-19 pandemic.

Minnesota Small Business Emergency Loan Program

- Summary of Program: Minnesota Small Business Emergency Loans are made through an approved lender - you can find FAQs, application materials and lenders on the DEED website. These loans are for \$2,500 to \$35,000 and at a 0% interest rate. There is a total of \$30 million available for this program.
- Why this might make sense for you: If you are affected by Executive Orders

20-04 and 20-08, this program could provide a 0% loan to help you meet expenses.

Minnesota Small Business Loan Guarantee Program

- Summary of Program: This program provides a 80% loan guarantee for loans up to \$250,000 made by a qualified economic development lender within this program. Details for business are not yet on DEED's website but DEED and agency partners are reaching out to lenders to make them aware of this new program - look for more details soon. This program is intended to incent the private market to make loans to small businesses and provides the guarantee for those loan dollars. The state is providing a loan guarantee of \$10 million which is likely to leverage between \$20 and \$25 million in lending by private banks.
- Why this might make sense for you: Your lender will consider your situation and may require this guarantee in order to lend money to your business.

Unemployment Insurance Shared Work Program

- Summary of Program: The Shared Work program offers an alternative to layoffs for employers facing a temporary downturn in business. Administered by DEED's Unemployment Insurance Division, the program allows employers to divide available hours of work among a group of employees instead of implementing a full layoff. These employees may then receive partial unemployment insurance benefits while working reduced hours. The purpose of Shared Work is to avoid a layoff, not to subsidize wages.
- Why this might make sense for you: Shared Work can help employers avoid the difficulties that can go along with a layoff. If employees keep working during a temporary slowdown, employers can more quickly gear up when business conditions improve. Learn more about the Shared Work Program on our Unemployment Insurance Division's website.

So given these options, where should you start?

1. First, we recommend contacting your insurance company. You may have access to benefits you've paid into through your policy that could be helpful during this time.
2. Next, call your bank. Your banker will have advice for you on:
 - Their own resources
 - Any SBA programs they have access to
 - They may refer you to local lending programs such as those available through nonprofits (like the Small Business Emergency Loan Program) or loan programs available in certain cities or counties across Minnesota
3. If you've been denied credit by a bank or the SBA, you should call any of the **[approved lenders for the Small Business Emergency Loan Program](#)** that serve your geography.
4. If you do not use a bank and/or do not have insurance on your business:
 - You can call any of DEED's approved lenders for the Small Business

Emergency Loan Program for possible access to the program and other resources available through our lending partners.

- You may also call a lender in the Small Business Loan Guarantee program, when those lenders are identified. Please note that these lenders are likely banks or local development organizations who have underwriting criteria.
- You could call your city or county to see if they have a revolving loan fund that is available to your business. Please note that not many cities in the metro area have these revolving loan funds and those that do will have underwriting criteria.

Visit the [COVID-19 Information for Employers and Businesses page](#) on the DEED website for more resources related to business assistance, Unemployment Insurance and FAQs.

REAL TIME SOLUTIONS WEBINAR SERIES

Seven 30-minute impactful
LIVE webinars with information
and direction from local experts
on **COVID-19** related changes.



Open to Business and the Lakeville Area Chamber of Commerce have partnered on a series of Real Time Solutions webinars to provide information to local businesses dealing with COVID-19 issues. Topics include the federal CARES Act, funding solutions, legal advice, employment law, online marketing, financial planning and conducting business online.

Register for these webinars and/or view the webinar recordings on the [Lakeville Area Chamber of Commerce's COVID-19 Resources page](#).

Open to Business is a free business consulting program contracted by the City of Lakeville in partnership with the Dakota County Community Development Agency and other Dakota County cities. Contact [Karen Schaffhausen via email](#) or give her a call at (952) 239-0767 if you're interested in scheduling an individual consultation.

Share Your Thoughts with the Federal Reserve

The [Federal Reserve Bank of Minneapolis](#) is attempting to gauge the economic effects on businesses across the Ninth District, a region that includes Minnesota, and have partnered with the Economic Development Association of Minnesota to collect your feedback.



FEDERAL RESERVE BANK
OF MINNEAPOLIS

[Take this 5-minute survey](#) to help the Minneapolis Fed better understand business conditions at your firm at this critically important time. All responses are anonymous.

This survey will help the Minneapolis Fed and its President, Neel Kashkari, better understand the outbreak's effect on individual firms as well as local, regional, and state economies more broadly. This, in turn, will help the Federal Reserve System shape monetary policy designed to help businesses weather this economic shock.

Because this is an evolving situation, this survey will be an ongoing effort - bi-weekly for the time being, and less often as economic conditions settle - so the Minneapolis Fed (and Federal Reserve System) can regularly receive insights on business conditions in this fast-changing environment.

Free Business Consulting Available From Partner America

Mayor Anderson is pleased to announce that individual business assistance is now available at no cost to small business owners. [Partner America](#) specialists are available to assist small businesses with the development of real and actionable plans to help them survive during these uncertain times.



Small business owners impacted by the economic consequences of the pandemic can call Partner America for one-on-one help. Owners will be connected with experts who can help them develop strategies for their businesses, including personnel management, operations, and liquidity. Additionally, specialists will help owners navigate funding options at the Federal, State and Local level.

Business owners can reach a Partner America representative at 855-876-5561.

Construction Continues in Lakeville

Building permit activity was strong in the month of March, even in the wake of the COVID-19 crisis.

The City has issued building permits with a total valuation of \$75,556,100 through March. This compares to a total valuation of \$46,780,066 for building permits issued through March of 2019.



The City has issued 117 single-family home permits through March with a total

valuation of \$35,848,000. This compares to 95 single-family home permits with a total valuation of \$29,921,000 during the same period in 2019. The City has also issued 22 townhome permits with a total valuation of \$4,966,000 through March compared to 17 permits with a total valuation of \$3,722,000 during the same period in 2019. The City has issued eight apartment permits through March totaling 200 units with a valuation of \$27,833,000.

According to Housing First Minnesota, the City of Lakeville issued the highest number of residential permits in the Twin Cities in March followed by Cottage Grove, Woodbury, Minnetrista and Shakopee.

*Photo credit: Kingsley Place Senior Living (mnstonebridge.com)

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