

# RECOVERY WEEKLY CHECK-IN

WITH DMPED

## Economic Recovery Updates

January 5, 2021

[CORONAVIRUS.DC.GOV/RECOVERY](https://coronavirus.dc.gov/recovery)

**DMPED**  
OFFICE OF THE DEPUTY MAYOR FOR  
PLANNING & ECONOMIC DEVELOPMENT

WE ARE  
WASHINGTON  
GOVERNMENT OF THE  
DISTRICT OF COLUMBIA  
DC MURIEL BOWSER, MAYOR

# Welcome

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**Deputy Mayor John Falcicchio,  
Planning and Economic Development (DMPED)**

# Small Business Administration Updates

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Roderick Johnson, Project Officer, Lender Relations  
& Small Business Development Center

# PPP 2.0

- Re-opened through March 31, 2021 with an additional \$284 billion in funding.
- Businesses are eligible to receive a second forgivable loan if they:
  - employ 300 employees or less;
  - have used or will use the full amount of their first PPP; and
  - demonstrate at least a 25% reduction in gross receipts in any quarter in 2020 compared to the same quarter in 2019.
- Small business owners can also apply for an initial PPP loan.
- Simplifies the forgiveness application for loans under \$150,000.
  - A rollout of the process will happen by February 1, 2020.
- Allows borrowers to specify a covered period between 8 and 24 weeks for PPP 2.0 loans.
- Repeals the requirement of deducting an EIDL Advance Grant from PPP loan forgiveness amount.
- Expands eligible expenses to include costs for modified business operations, supplier costs, and costs associated with complying with health and safety guidelines.
- Businesses in the restaurant and hospitality industries are eligible to receive loans of 3.5 times average monthly payroll, rather than 2.5 times.

# EIDL Advance Grant 2.0

- Adds another \$20 billion for EIDL Advance Grants.
- Eligible small businesses are able to receive additional funding if their first EIDL Advance Grant was under \$10,000.
- Businesses are eligible to receive an EIDL Advance Grant if they:
  - employ 300 employees or less;
  - demonstrate at least 30% reduction in gross receipts in any 8-week period between March 2, 2020 and December 31, 2021; and
  - are located in a low-income community, as defined for the New Markets Tax Credit (NMTC).

# Tax Provisions

- Reverses IRS ruling to allow tax deductions for PPP forgiven expenses and clarifies that PPP loan forgiveness not taxable income.
- Clarifies that EIDL Advance Grants are not included in taxable income.
- Extends FFCRA tax credits through March 31, 2021.
- Extends the Employee Retention Tax Credit through July 31, 2021 and expands the credit.

# Small and Local Business Updates

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**Kristi Whitfield, Director, Department of  
Small and Local Business Development**

# DSLBD

The DLSBD team is ready and available to provide technical support and assistance to District businesses applying for PPP funds:

email: [dslbd.ptac@dc.gov](mailto:dslbd.ptac@dc.gov)

Phone: (202) 727-3900 (select option #7)

Where else can I get help?

- District Chamber of Commerce
- DC Main Streets
- Business Improvement Districts
- Greater Washington Black Chamber of Commerce
- Your current lender
- Small Business Development Centers
- Greater Washington Hispanic Chamber of Commerce



# City First Bank

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**LaShanya Washington, Vice President & Credit Risk Manager,  
City First Bank**

**James Steck, SBA Lending Officer, City First Bank**



# Getting Ready for Round 3

- **BORROWERS ROLE:**
  - Existing borrowers will be notified by local banks of second advance application and eligibility requirements
  - Prepare to send in documents submitted in first round:
    - Payroll Processor Reports (ADP, Paychex, CARES Act Form)
    - Tax Forms 941
    - 2019 Tax Returns
- **LENDERS ROLE:**
  - Awaiting official guidance from the SBA on submission format and applications
  - Preparing teams for all hands, additional resources, etc.
  - CFB – preparing to automate the application process to increase number of applications processed

# FAQ

- How is process different in Round 3?
- Should borrowers apply through the SBA or local Banks?
- How are local banks preparing to help District businesses?
- When will the application process start?
- When will Round 3 loans be approved by SBA and disbursed?

# FORGIVENESS APPLICATIONS

- SBA is currently accepting forgiveness applications
- Contact local bank for forgiveness details
- CFB – has automated the forgiveness process
  - Invitation emails have been sent to all CFB PPP borrowers
- Encourage borrowers to apply for forgiveness as soon as the PPP funds have been exhausted

# Special Guest Remarks

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**Anthony Hales, Bayne LLC, President and CEO**

**Cora Williams, Ideal Electrical, CEO**

**Odara Jabali-Jeter, Property Management (sole proprietor/CEO)**

# Open Discussion

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## Q & A

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