

## **Joint Communication to Carlsbad Businesses Regarding COVID-19 #16**

On Tuesday, San Diego County was removed from the state's monitoring list, an accomplishment reflecting the efforts of residents and businesses to slow the spread of COVID-19. From a business perspective, it also means potential relaxation of some heightened restrictions impacting several industries. Despite Tuesday's announcement, state and county officials are still working out the details and updated guidance for industries; that update is supposed to come next week.

In the meantime, businesses should still operate under the same guidance as when the county was on the state's monitoring list. If you have questions about what is and is not permitted, please email us at [business@carlsbadca.gov](mailto:business@carlsbadca.gov).

### **Carlsbad Business Loan Program**

On Tuesday night, Carlsbad City Council gave final approval for the city's the business loan program. Several key updates were made to the program, making it more accessible to borrowers.

- The loan deferment period was changed to 180 days for all loans, up from 90 days
- Those with business licenses in process for renewal, but who were still waiting for approval as of April 1, 2020, will be eligible
- Chains or franchises that are located in Carlsbad and have a business owner that lives within San Diego County are eligible; however nationally owned chain businesses or franchises are ineligible
- Loan funds may be used for additional operational expenses. These include rent, payroll, mortgage interest, utilities, insurance, the cost of complying with public health orders, and the cost of activating business operation areas
- The loan servicer, CDC Small Business Financing (CDC) was approved - CDC is a non-profit lending organization headquartered in San Diego with significant experience in local lending

The City of Carlsbad has dedicated at least \$4.4 million to develop the business loan program. There are two loan types for Carlsbad small businesses. The first are small business microloans of between \$5,000 - \$10,000 for businesses with \$2,000,000 or less in gross revenue or 15 or fewer employees.

The second are small business recovery loans of between \$10,000 - \$25,000 for businesses with \$3,000,000 or less in gross revenue and 50 or fewer employees.

Both loans types include scaled interest rates depending on how quickly the loan can be repaid. Neither loan type is forgivable. [Application here.](#)

### **Activating Outdoor Space**

In response to state and county health orders, a number of Carlsbad businesses have pivoted to outdoor operations. [Here are some examples](#) of a few eateries that have

adapted. To help address the potential reduction of useable indoor space, the city is allowing for the temporary use of public sidewalks, curb cafés, private parking lots and common space for outdoor dining, expanded retail space or other business operations that are currently only allowed outdoors.

The Community Development Department has made it quick and easy to apply for these permits. For background on expanding outdoor areas, visit our [outdoor activation page](#). If you have questions about these programs, the application, or are ready to submit, contact our [outdoor activation team](#).

Economic Development staff is here to help our businesses with their move outdoors. Staff has been active in meeting businesses where they are, including making site visits to businesses with questions and engaging in one-on-one consultations to answer nuanced questions on how to navigate city processes and obtain permits. If there are impediments to your ability to conduct outdoor operations, the city wants to hear about it and do everything we can to assist you. Please reach out to us at [business@carlsbadca.gov](mailto:business@carlsbadca.gov).

**Save the Date:** businesses that have questions about activating outdoor space can join a webinar on August 31, at 10 AM to learn about the process, ask questions of staff, and hear about successful examples. Stay tuned to the city's website, social media and upcoming city communications for a link to register.

*Note: On Tuesday, August 25, Council will be considering a fee "holiday" for outdoor activations, giving businesses greater ability to activate outdoor space at no cost.*

Thank you again to our businesses for helping slow the spread of COVID-19. Because of all your hard work and commitment, our case rate is moving in the right direction. Hopefully with continued diligence and resolve, we will keep the trend moving in the right direction so that we can all stay safe and stay open.