



# City of Seattle

Mayor Jenny A. Durkan

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**Office of the Mayor**  
**City of Seattle**  
Jenny A. Durkan, Mayor

## **Executive Order 2020-03: COVID-19 Small Business Relief**

*An Executive Order directing City departments to take immediate action to assist small businesses and their workers most affected by the economic impacts of COVID-19.*

WHEREAS, in my capacity as Mayor, I proclaimed that a civil emergency exists in the City of Seattle in the Mayoral Proclamation of Civil Emergency dated March 3, 2020; and

WHEREAS, on March 10, 2020, Public Health – Seattle & King County announced 190 confirmed cases of COVID-19 in King County residents, including 22 deaths; and

WHEREAS, Public Health – Seattle & King County issued guidance recommending that people at higher risk of severe illness should stay home and away from large groups of people as much as possible, including public places; and

WHEREAS, this guidance is appropriate for public health reasons, but it has economic impacts on small businesses, nonprofit organizations, and workers in Seattle; and

WHEREAS, local businesses have recently reported laying off employees, experiencing severe revenue losses, dealing with lost business due to misplaced fear and stigma, and seeing major declines in foot traffic as tens of thousands of employees are being asked to work from home; and

WHEREAS, these impacts are being felt across all industry sectors, including retail, restaurant, hospitality, transportation, logistics, arts and culture, and many more; and

WHEREAS, the economic impact may have long-term, dynamic and unpredictable local and regional consequences, necessitating the City to act and plan accordingly; and

WHEREAS, a number of City departments have convened meetings with partners to strategize immediate interventions for affected local small businesses and displaced workers; and

NOW, THEREFORE, I, Jenny A. Durkan, Mayor of Seattle, hereby order City departments to implement the following strategies to provide relief to Seattle's small businesses and workers:

### **Section 1: Business & Occupation (B&O) Tax Deferrals**

To help distressed small businesses manage the use of scarce cash resources, the Department of Finance and Administrative Services (FAS) is directed to take administrative action to allow businesses with taxable gross receipts of less than \$5 million to defer first and second quarter B&O tax payments until October 2020.

In order to implement the tax deferrals, the Seattle Information Department of Technology (SeattleIT) shall provide technical assistance to FAS in order to adjust tax information systems to accommodate deferred payments. Other City departments, including the Department of Neighborhoods (DON), Office of Economic Development (OED), and Office of Immigrant and Refugee Affairs (OIRA), shall assist with outreach to affected businesses to notify them of this administrative change.

## **Section 2: Small Business Administration Loans Assistance**

With the recent passage of the federal Coronavirus Preparedness and Response Supplemental Appropriations Act, small businesses and nonprofit organizations facing economic hardship from coronavirus will soon be eligible for Economic Injury Disaster Loans administered by the federal Small Business Administration (SBA).

In order for the region to take full advantage of these SBA loans, the Office of Economic Development is directed to assist Seattle's small businesses and nonprofit organizations by:

- A. advocating for SBA resources to be distributed quickly and sufficiently;
- B. ensuring that the available resources are broadly and clearly communicated to the public;
- C. providing educational materials/technical assistance for businesses to reduce SBA application process wait times for local businesses; and
- D. identifying any shortcomings that need to be addressed as the program is implemented.

## **Section 3: Small Business Stabilization Fund Expansion**

The City of Seattle's Small Business Stabilization Fund provides grants to income-qualified microbusinesses. Grants may be used to cover the day-to-day operating expenses of the business, such as payroll, commercial rent, or losses due to destabilizing events.

To supplement the SBA Loan Assistance Program described in Section 2, the Office of Economic Development is directed to expand the Small Business Stabilization Fund. Additional funding shall come from a proposed re-appropriation of existing Federal Community Development Block Grant funds in other City departments, which shall be directed to OED. The City Budget Office (CBO) shall develop the appropriate budget legislation for transmittal to the City Council by March 13.

## **Section 4: Utility Relief**

In order to provide economic relief for those impacted by COVID-19, Seattle City Light (SCL) and Seattle Public Utilities (SPU) are directed to implement the following measures for commercial and residential customers:

### **A. Flexible Payment Plans**

SPU and SCL shall take administrative action to allow for extended payment arrangements for residential and commercial customers who cannot pay their bills on time. Both utilities shall also allow for more flexible payment terms at the time of setting up the payment arrangement.

**B. Late Fee Waiver**

Legislation shall be developed and transmitted to the City Council by March 13 that waives the current 1% late fee to past due balances on SCL and SPU utility bills.

**C. Shutoffs**

SCL and SPU accounts facing a shut-off due to non-payment shall be kept on for customers who seek to establish payment plans with the utilities, until further notice.

**D. Utility Discount Program Self-Certification**

SCL and SPU shall take administrative action to expedite enrollment of all qualifying low-income households into the City's Utility Discount Program (UDP). The existing UDP Self-Certification Pilot Program, which currently serves only randomly selected households as a pilot project, shall be opened to the general public during a limited emergency period, ending March 31. Qualifying low-income households shall only be required to fill out a short form in which they attest to their household income, rather than having to provide documentation proof. The pilot program expansion shall be re-evaluated prior to March 31 in order to determine whether to extend the program.

In order to implement the above measures, both departments shall:

- conduct targeted outreach to businesses and individuals who may already be experiencing financial difficulty through this emergency, including communications about the existing Utility Discount Program (UDP) for low-income customers;
- partner with other local utilities to adopt uniform policies as much as practicable, in order to ease confusion for customers; and
- determine policies, procedures, and criteria regarding verification of eligibility for all four measures.

**Section 5: COVID-19 Small Business Recovery Task Force**

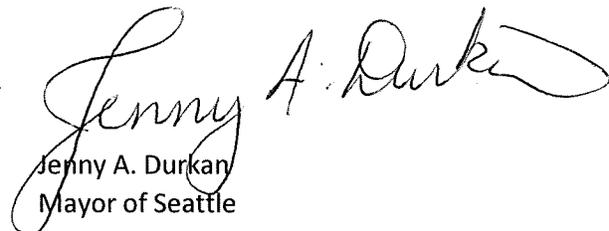
To advise on long-term policy recommendations and provide technical assistance on future strategies, a "COVID-19 Small Business Recovery Task Force" is hereby established.

- A. The Task Force shall be co-chaired by former Governor Gary Locke and former Councilmember Bruce Harrell, who will report directly to the Mayor.
- B. All members shall be appointed by the Mayor. Membership shall include a wide array of community members and businesses, representing a variety of industries.
- C. Councilmember Andrew Lewis shall serve as an ex-officio member of the Task Force. Coordination with additional councilmembers will be welcome.
- D. The Task Force shall provide the Mayor and City departments:
  - a. real-time updates on the COVID-19 outbreak's impacts to small business and workers;
  - b. support for the City's outreach and education efforts to small businesses; and
  - c. policy recommendations at the local, state, and federal level to assist small businesses and workers, including, but not limited to:
    - i. support for gig economy workers;
    - ii. deferral of various City permit payments;

- iii. investments in Women and Minority-Owned Business Enterprises (WMBEs);
  - iv. acceleration or delays to construction of different City capital projects;
  - v. interventions for arts and cultural organizations and other non-profits;
  - vi. barriers to participation in existing City benefit programs for impacted workers;
  - vii. rental assistance programs for economically distressed workers;
  - viii. full funding and expanded worker access to federal Unemployment Insurance;
  - ix. state policies related to loss of business income coverage and exclusion under commercial insurance policies;
  - x. state measures related to anti-eviction policies; and
  - xi. disconnect or shut-off policies for non-City utility and cable franchises; and
  - xii. deferral of other state taxes impacting small businesses.
- E. The Task Force will also coordinate technical assistance workshops so that small business owners, particularly immigrant and refugee-owned businesses, can quickly apply for and access SBA loans as described in Section 2.
- F. Meetings shall be convened weekly, either telephonically or in-person, using appropriate social distancing guidelines. The first meeting shall be held the week of March 16.
- G. The Task Force shall be disbanded no earlier than the termination of the COVID-19 Proclamation of Civil Emergency, and may continue longer if the economic impacts of COVID-19 endure beyond the public health emergency.
- H. The Mayor's Business Liaison shall staff the Task Force, with the assistance of OED and DON.

Inquiries by City departments and offices regarding this Executive Order should be directed to Senior Deputy Mayor Mike Fong, Office of the Mayor.

Dated this 10<sup>th</sup> day of March,

  
Jenny A. Durkan  
Mayor of Seattle