COVID-19 Business Triage

This information is provided as consideration for actions business may take in response to COVID-19.

As is true in any rapidly unfolding situation, resources available and recommendations may change as the situation itself changes. We will update this information as needed. For business owners that would like to have a one-on-one conversation to discuss the specific immediate concerns of the business, SBDC advisors are available via video conference. As always, SBDC services are no cost. Click here to register as a new client.

Suggested Action Items:

- Analyze cash flow and project how long the business will be able to pay its bills.
- IF you have an existing loan with a bank, reach out to them to see if revising current loan agreements is feasible.
- Assess areas credit might be available – Banks, personal loans, government loans
  - Reach out to your bank to see if they have any special programs for COVID-19.
  - Realistically consider whether or not the business can afford more debt.
  - Speak with an SBDC advisor to assess repayment abilities on any potential loans.
- Try to negotiate a reduction in fixed costs (like leases).
- Review whether or not to lay off employees. The state has enacted special measures to help businesses be able to make these tough decisions knowing their employees will still be able to receive income through various state programs. Employment Security Department information for workers and businesses affected by COVID-19.
- Look into options for potential tax relief.
  - From the WA Department of Revenue: https://dor.wa.gov/get-form-or-publication/publications-subject/tax-topics/disaster-relief-taxpayers
  - From the IRS: https://www.irs.gov/businesses/small-businesses-self-employed/disaster-assistance-and-emergency-relief-for-individuals-and-businesses
- Reach out to the utility company if paying the bill is likely to be an issue. For businesses served by Puget Sound Energy, here’s a link to their COVID-19 page: https://www.pse.com/.
- Check with insurance provider to see if the business policy has any applicable coverage for COVID-19.
- Determine whether to reduce operations, temporarily close, or permanently close.
- Document existing finances
  - For many disaster relief programs, proof of loss will be needed, and having up to date financials is a good way to show the economic impact of an event. An overview of the SBA’s disaster relief loan process overview can be found here: https://disasterloan.sba.gov/ela/Documents/Three_Step_Process_SBA_Disaster_Loans.pdf. Please note that historically, being approved for disaster relief loans is often a long process.