

ALBANY BUSINESS REVIEW

Missed out on PPP? Here are other ways to help your business right now

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Kevin O'Leary, the managing partner for Marvin and Co.: "There's so many weird things that each customer and client has to deal with now ... There's no golden pill that's going to cure everything." MAINFRAME PHOTOGRAPHY INC.

Despite the rocky rollout of the Paycheck Protection Program, hundreds of thousands of businesses have applied for and been approved for the loan forgiveness program.

But the funding is anticipated to run out soon and the \$30 billion set aside for community banks has already been used up. Bankers warn there likely won't be a third round of funding.

If your business wasn't able to get an application accepted during round two, it may be out of luck.

Many businesses must now look at long-term options to help them reopen and operate in a post Covid-19 world.

It's something that [Kevin O'Leary](#) has stressed with his clients at Marvin & Co, an Albany-area accounting firm.

"There's so many weird things that each customer and client has to deal with now," O'Leary said. "There's no golden pill that's going to cure everything."

From small business grants to cost-cutting measures, here are a few ways for businesses to stay afloat beyond PPP.



Enlarge. Linda MacFarlane, executive director of Community Loan Fund of the Capital Region: "We know businesses owned by women, minorities, and people of low-income have been disproportionately impacted by this pandemic and we want to ensure that every business gets the support it needs." DONNA ABBOTT-VLAHOS

Seek out small business grants

The Community Loan Fund of the Capital Region has introduced a new grant program offering up to \$20,000 to help businesses keep their employees and weather the impacts of Covid-19. Businesses are encouraged to use the money to help make payroll, pay bills and keep their operations going.

Funding for the program comes from Neil and Jane Golub, the Capital Region Chamber, Berkshire Bank, Citizens Bank and KeyBank, as well as other community organizations and municipalities.

This grant program is for businesses with 50 employees or fewer that have a physical storefront in the Capital Region or contractor/gig workers based in the area. Applicants must have experienced at least 10% to 25% revenue loss to apply.

"We know businesses owned by women, minorities, and people of low-income have been disproportionately impacted by this pandemic and we want to ensure that every business gets the support it needs to stay open and contribute to the success of this region," said [Linda MacFarlane](#), executive director of the Community Loan Fund of the Capital Region, in a statement.

Other communities have offered similar grant programs, including Columbia County, [which was offering](#) small grants to companies with fewer than 10 employees and less than \$1 million in annual revenue.

Apply for the Main Street Lending Program

The new federal program offers loans to businesses starting at \$500,000. It's available to companies with up to 15,000 employees or up to \$5 billion in annual revenue.

The loans will offer four-year terms with an adjustable rate that will range from 2.5% to 4%, with interest and payments deferred for a year. Some companies that have

received PPP funding will also be eligible for Main Street funding. But it will not allow the loans to convert to grants, as is the case for PPP.

The Main Street Lending Program has not yet started taking applications.

O'Leary said this could be a good option for some mid-sized or larger businesses, but warned against most businesses taking on more debt.

"The initial conversation I'm having is, 'Do you really want to incur more debt, there's risk that comes with that,'" O'Leary said.



Enlarge. Pioneer Bank CEO Tom Amell on businesses seeking payment deferral: "They felt that they'd be able to ramp their businesses back up quickly [when things open] but wouldn't be able to handle payments in the meantime ... We've gotten upwards of 100 of those." DONNA ABBOTT-VLAHOS

Ask bankers for help

O'Leary's best advice for clients is to reach out to their existing banker and ask for three months off their current debt.

"Work with landlords or banks to get a couple months of help. Go to the watering hole once. Don't say you need one more month. Say three months. Offer a projection to your banks. Do some leg work, do some homework and make it look educated."

O'Leary said some people have been turned down because they're unprepared and have no financials. He said companies should go in with a game plan outlining what they need and why

"Clients who have strong banking relationships are getting a lot of leeway and they deserve it," O'Leary said. "Having a game plan is better than winging it."

Tom Amell, CEO of Pioneer Bank, said the bank has had a number of clients on the commercial side that asked to defer payments for 60 or 90 days.

"They felt that they'd be able to ramp their businesses back up quickly [when things open] but wouldn't be able to handle payments in the meantime," Amell said. "We've gotten upwards of 100 of those."

Cut your biggest expenses

If businesses continue to struggle, O'Leary said the best option is to cut their biggest expenses: Payroll and benefits.

"I think some companies and clients are trying to not have people go on unemployment," O'Leary said. "It's usually a morale killer. Especially when people on unemployment are making more than the people who are kept on ... But that stops in July."

He said some clients have had success with the state's Shared Work program that allows employees to collect partial unemployment.

Ultimately, O'Leary said businesses will have to cut costs as much as they can.

"Maybe some companies had a few too many employees to begin with," O'Leary said. "Identify your two or three big costs other than payroll and work with landlords or banks to get a couple months of help."

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