



MEMORANDUM

Date: April 20, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Update Report on COVID-19 in Pima County**

Approximately, once per week I will provide an update to the Board of Supervisors regarding actions being taken by Pima County for the COVID-19 pandemic. In some cases, the Board previously made requests for this information. It will be provided in a comprehensive format as well as in individual reports as necessary as in some cases the material provided will be substantial.

Update on COVID-19 Cases and Deaths

As of 9:00 am Monday April 20, 2020, the number of cases reported in Pima County is 941 and the number of deaths is 58.

For comparison purposes, with a population ratio of 4.28 (Pima, 1,047,279 – Maricopa 4,485,414), the number of cases reported in Maricopa is 2,636 with 75 deaths. (2.80-ratio) Pima County has a disproportionately larger number of cases as well as deaths. (1.29-ratio)

Attachment 1 demonstrates the number of new cases per day since the first case in Pima County in early March. As you can see, the overall number of cases is still increasing. At this time Pima county accounts for 19 percent (941/5064) of Arizona's total reported COVID-19 cases and 31 percent of deaths (compared to Maricopa County with 52 percent cases and 40 percent of deaths). This discrepancy may be due to a number of factors. For one thing Pima County's overall age distribution is older compared to Maricopa County, and it is well established that individuals 65 years and older tend to have worse outcomes when infected. Additionally, congregate settings taking care of medically frail individuals are also particularly hard hit when infection occurs. Long-term care facilities take care of both the aging and infirmed, and these have been particularly hard hit in Pima County.

Virus Testing

It has been noted that the infection rate, based on current testing and infection, is substantially less than other national reporting. This is related to the limited number of tests that have been performed. The availability of testing kits has been very problematic and has severely limited the number of individuals who could be tested. Testing for COVID-19 has been restricted to those who show significant symptoms, are in a vulnerable population, first responders and/or healthcare professionals.

Our testing dilemma may have eased. The problem has been the availability of test kits. The University of Arizona Biorepository Lab is now able to produce 1,000 test kits per week. These kits are shared with clinical partners and can be processed by a variety of other laboratory partners including TGEN North, Paradigm, and CDD laboratories whom we have contracted with. This enhanced testing capacity will bring us up to more than 2,500 per week.

Unexpectedly, this Saturday we received from the State Health Department a shipment of two Abbott ID Now devices that provide test results within 30 minutes. Currently we are procuring both the supplies and appropriate staff to bring this enhanced testing capacity on line. These rapid test devices will be deployed as directed by public health medical officials to rapidly determine if congregate setting experience hotspot viral outbreaks.

It should be noted that 54,500 tests have been conducted to date in Arizona. This amount of testing represents 0.7 percent of the population.

Antibody Testing

The University of Arizona recently announced an effort to perform a substantial number of antibody tests for healthcare workers and first responders. The County health agency will provide facilities in support of this effort along with, potentially, the American Red Cross. Our medical professionals are in conversations with University of Arizona faculty to implement a pilot program rollout of 2,500 antibody tests. Obtaining more research and information on antibody testing is essential to having reliable antibody testing that predicts whether an individual had been previously infected with COVID-19.

Antibody testing will substantially improve our knowledge of the population that may be safe from infection, but increased testing is necessary to provide a reliable antibody test for COVID-19.

Critical Supplies

Critical supplies such as personal protective equipment (face masks, disinfectants, hand sanitizers, and disinfectant wipes) remain in short supply. We are hopeful that supply of these items will improve in the following weeks. For example, we have been able to supply 116,000 surgical masks, but 900,000 surgical masks remain requested. We have been able to provide 25,000 N95 masks, but have over 230,000 requested. 200,000 nitrile gloves were provided, but requests are nearly 4 million.

Attachment 2 is a memorandum from the Procurement Director detailing their efforts to provide medical and other supplies. As of April 16, 2020, we have executed purchase orders totaling approximately \$3.3 million.

It is essential there be an adequate stockpile of critical medical related supplies. To date, the resupply of these items has been woefully inadequate.

Food Accessibility and Food Security

Based on information from Santa Cruz County Supervisor Bruce Bracker and Pima County Supervisor Sharon Bronson, we have activated County staff to assist the Southern Arizona Community Food Bank in the distribution of fresh produce from Nogales, Arizona. This activity has been successful in providing immediate produce to a number of locations in both Santa Cruz and Cochise Counties as well as the rural areas of Pima County and Tucson's metropolitan area.

To date, we have assigned a number of County employees to work with the Southern Arizona Community Food Bank to help with food distribution. In addition, the National Guard has been assisting with transport of food from warehouses in Nogales to a variety of locations. These locations include, Arivaca, Arizona; Sahuarita, Arizona; CDO Assembly of God; Flowing Wells Family Resource Center; Gospel Rescue Mission; Impact of Southern Arizona Catalina; Interfaith Community Services; Salvation Army Hospitality House; Western Winds Apartments; Salvation Army-Amphi Corp; Tucson Unified School District; and, Ajo, Arizona. To date, 53 pallets of food have been distributed, each pallet weighs approximately 2,000 pounds.

Attachment 3 is a memorandum from Assistant County Administrator John Voorhees providing an update on these activities.

Hospital Capacity

One of the few positive areas in the current COVID-19 pandemic has been hospital capacity and beds overall. Available Intensive Care Unit (ICU) beds as of today stands at 322 with a surplus of 152 or 47 percent available. The total number of Emergency Department beds is 373, a surplus of 269 or 72 percent available.

In addition, critical medical equipment such as ventilators are also reviewed. In total, there are 140 ventilators in use of 280 staffed and available.

Positive COVID-19 Case Address Disclosure to First Responders and Law Enforcement

A recent Governor's Executive Order indicated that the Arizona Department of Health Services or local public health agencies could disclose to law enforcement and/or first responders the addresses of known positive COVID-19 cases. The State is working on a disclosure process to 9-1-1 call operators, first responders and/or law enforcement for calls for service. Providing this information has been of some concern to public health agencies, including our Pima County Health Department mostly due to the extreme lack of comprehensive testing. Relying on this information may provide a false sense of security to first responders.

In addition, we know that two counties have already provided this information through disclosure – Yuma and Pinal Counties. Other than providing a false sense of security to first responders, disclosure of this information also potentially makes contact tracing more difficult. The disclosure of this information to first responders also creates a responsibility to disclose to patients that their addresses will be turned over to law enforcement. At least in two counties, this disclosure is causing false addresses to be reported. This type of misinformation makes contact tracing tasks difficult, if not, impossible.

We will disclose this information to first responders, as well as our concerns about how this information is used. Attachment 4 is a standard list of caveats that will be issued if the State releases this information to first responders.

Organization and Purpose of the Emergency Operations Center

The Emergency Operations Center (EOC) was initially set up by the Health Department on January 31, 2020 in preparation for international visitors related to the Tucson Gem and Mineral Show. The full EOC was activated on March 13, four days after the first COVID-19 case in Pima County. Attachment 5 is an overview of the positions, assignments and purposes of each element of the EOC. The individual in charge of the particular unit is listed as well as the positions' mission and duties. There are a broad variety of activities occurring within the EOC, all coordinated to respond to an Incident Action Plan.

Included in the organization is an Incident Commander, who is the Deputy Director of the Health Department, Paula Mandel, a Chief Medical Officer and Deputy Chief Medical Officer, a Public Information Officer, Safety Officer and a Manager. Responding sections include and operations section, community stakeholder branch that includes a hospital and ambulatory care group, a long-term care group and a support services group. Also included is an epidemiology group as well as a testing group, logistics and financing administration. The EOC is primarily staffed by Health Department staff and Emergency Management staff. The National Guard and first responders are also represented.

The EOC will remain in place for as long as necessary.

Implementation of Wellness Checks to Ensure a Safe Workplace

A pilot wellness check program was initiated in the Administration East Building on Wednesday April 15, 2020. Between April 15 and April 17, 625 temperatures were taken (approximately 200 County employees per day, plus cleaning staff, security and the public). Two checks resulted in elevated body temperatures at or above 100.4 degrees. Both were members of the public and both were directed to leave the building and contact their physician.

On April 20, the program was expanded to include an additional five County buildings downtown. By mid-day on April 20th, an additional 1,000 individuals had their temperatures

The Honorable Chairman and Members, Pima County Board of Supervisors

RE: **Update Report on COVID-19 in Pima County**

April 20,2020

Page 5

taken. Temperatures are only taken once per day and individuals are provided a sticker to show they have been checked. If an individual is found in the buildings without a sticker, they are directed to the wellness check stations.

Our experience to date with the wellness checks has shown that employees are cooperative as well as the public in helping ensure we have and maintain a safe workplace. A total of 14 library employees have been trained so far to implement the wellness checks.

On Friday, April 17 and Monday April 20 over 80 no-touch forehead thermometers were received and will be deployed to other workplaces to initiate wellness checks in as many County work environments as is feasible

Vulnerable Populations Impacted by COVID-19

It is expected that ethnic minority communities will be disproportionately impacted by COVID-19 due to a number of reasons, including less access to healthcare and medical facilities; hence, higher rates of disease. The communities may have more persons per household, less access to medical information, lower quality living conditions and poorer nutrition.

While these are all classic indicators of socioeconomic stress, for the COVID-19 pandemic our emphasis is on the medically vulnerable population such as skilled nursing facilities, long-term care facilities, assisted living facilities, group homes and similar congregate settings. Our focus also includes medically fragile individuals, homeless populations and American Native American communities.

Attachment 6a is a memorandum from Deputy County Administrator Dr. Francisco Garcia describing our efforts to assist these medically vulnerable communities.

Attachment 6b is a memorandum from my Executive Assistant Nicole Fyffe describing the socio-economic factors that are also of concern in the COVID-19 pandemic.

It is important to note that, due to the closing of the public libraries, many in our community do not have access to the internet, which can provide necessary information. For that reason, WiFi service has been activated in every public library from 6:00 am until 10:00 pm. While the libraries remain closed, individuals can sit in their car or within close proximity to the library and access the internet services. (Password: pclibrary)

In addition, an Infoline is available to answer questions and help find accurate and trusted information on a broad range of topics. Library staff can support English and Spanish speaking customers. The Infoline can be reached at 520-791-4010 Monday through Friday 9:00 am to 5:00 pm.

Federal Coronavirus Relief Fund, CARES Act

Pima County applied to receive funding as community through the established portal for entities with populations of 500,000. The Act specifies, "the unit of local government eligible for receipt of direct payment includes a county, municipality, town, township, village, parish, borough or other unit of general government below the State level with a population that exceeds 500,000 people."

The certification to become eligible has been submitted and accepted. When our funding is received, it will be segregated to ensure that it is used to cover expenses related to the COVID-19 pandemic. The Act is very specific that this is an expense reimbursement grant, not a revenue replacement grant.

The language of eligible expenditures is stated as follows:

The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that –

- 1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- 2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- 3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

It is unclear whether the State will provide funding to those units of government below the 500,000 population threshold; this would include the Towns of Sahuarita, Oro Valley and Marana as well as the City of South Tucson. Indian Nations and Tribes will receive a separate allocation. If the smaller jurisdictions are not covered under the State allocation, we will ensure they are appropriately reimbursed under the County's allocation for eligible expenses.

Conditions for Relaxing Social Distancing and Other Restrictions Imposed by State Executive Orders

The federal government, through the White House Coronavirus Taskforce has recently offered guidance for "Opening up America Again." These guidelines are similar to other scientific-based guidelines that we have reviewed and offer a checklist regarding when consideration could be given to relax some of the stay-in-place, social distancing standards. (Attachment 7)

I prefer a simple one-page analysis that provides a quick overview of actions that need to be in place before reduction of COVID-19 physical restrictions. (Attachment 8) These are scientific and public health based. The following lists several key factors that would signal potential ability to relax some of the existing restrictions:

- Sufficient and widespread testing for active viral infections and antibody testing – this will be a key element in determining whether any restrictions can be relaxed. **At present, we do not meet this standard.**
- Sufficient personal protective equipment (PPE) to protect the healthcare workforce and first responders to last through any resurgence of COVID-19 - **Presently, we do not meet this standard.**
- Contact Tracing – the ability to rapidly contact trace any new viral infection to minimize or eliminate the spread the virus from an infectious person. **Presently, we do not meet this standard because of the lag time between administering the test and receiving test result, which varies from 2 to 14 days.**
- Sufficient hospital and medical capacity – we presently would meet this standard only because elective surgeries have been canceled or postponed. Hence, there needs to be the ability to build up a hospital or medical service reserve such that we are allowed to continue ICU beds, Emergency Department beds and ventilator availability even after elective surgeries are resumed.

Economic Impacts on Businesses

Of critical concern, particularly as it relates to the health of the local economy is business support, including small business and other activities related to helping those that may be displaced from work as a result of COVID-19 as well as local and small business operator who may be in jeopardy due to Executive Orders related to non-essential services. The **attached reports (Attachment 9a and 9b)** relate to financial and federal aid or relief as well as a report entitled “Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs.”

These reports require considerable review and further investigation, which is ongoing and will be completed in cooperation with the Small Business Commission that has recently been reactivated. The reports address some of the issues that I challenged our Economic Development staff with, in particular, how to assist local and small businesses to access federal assistance as a result of adverse economic conditions imposed by the COVID-19 pandemic.

Attachment 9a, entitled “Federal Aid and Financial Relief Report,” summarizes the federal legislation that has been enacted to date and discusses some of current and emerging problems of the federal business aid and financial relief. The County is communicating with businesses to make them aware of this aid and relief.

Attachment 9b discusses some of the obstacles associated with receiving small business loan assistance.

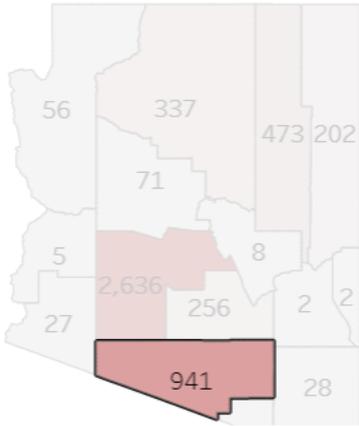
Attachments

- 1 – Graphic demonstrating Number of New COVID-19 Cases Since First Case
- 2 – Furphy Memo Re: Procurement of Supplies Necessary for COVID-19
- 3 – Voorhees Memo Re: Update of Emergency Management COVID-19 Activities
- 4 – Standard List of Caveats Re: Releasing of COVID-19 Positive Test Results to First Responders
- 5 – ICS Positions and Assignments
- 6a – Garcia Memo Re: Medically Vulnerable Communities
- 6b – Fyffe Memo Re: COVID-19 and Vulnerable Populations
- 7 – Opening Up America Again
- 8 – One Page Analysis Overview Phased Reduction of COVID-19 Physical Distancing Restrictions
- 9a – Moffatt/Cavanaugh – Federal Aid and Financial Relief Report
- 9b – Moffatt/Cavanaugh – Disparity in the Access to Banking Institutions Associated with Small Business Loan Programs

c: Jan Leshar, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer,
Health and Community Services
Dr. Bob England, Director, Health Department

ATTACHMENT 1

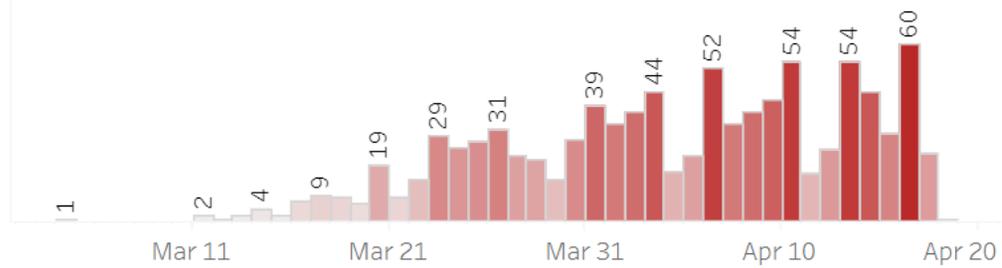
Select a county to filter the graphs below.



Counties with cases less than 10 will not have the graphs filtered.
Counties with less than 3 deaths will not be displayed in the filtered death counts.

COVID-19 Cases by Day

Date of specimen collection is used for day

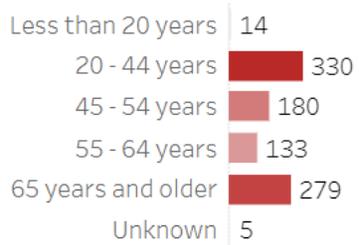


For recent weeks, all data may not be complete due to reporting lags.

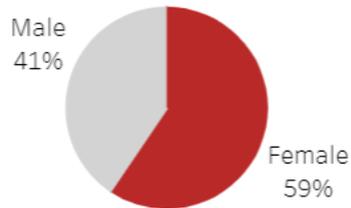
COVID-19 Cases by Laboratory Type

ASPHL	Private Laboratory
11	930

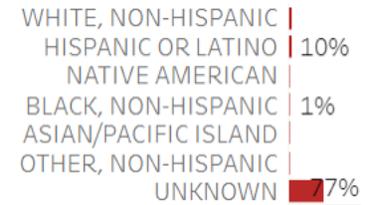
COVID-19 Cases by Age Group



COVID-19 Cases by Gender



COVID-19 Cases by Race/Ethnicity



Date Updated: 4/20/2020

ATTACHMENT 2



PIMA COUNTY
PROCUREMENT

MEMORANDUM

Date: April 16, 2020
To: Chuck Huckelberry, County Administrator
From: Mary Jo Furphy, Procurement Director *Mary Jo Furphy*
Re: Procurement of Supplies Necessary for COVID-19

In response to your request regarding Procurement of Supplies Necessary for COVID-19. On March 12, 2020, you approved a waiver for normal procurement practices to allow emergency procurement of materials and services pursuant to Pima County Procurement Code 11.12.060. This was necessary since our contracted vendors were holding unfillable backorders or had very limited availability of products due to an increased demand. With your approval, County officers and employees were authorized to make emergency purchases from other sources if the contracted vendors were not able to provide the required goods.

Procurements actions summary:

- Searched for sanitizing products and hand gel sources.
- Researched for a catering contract for EOC.
- Created Procurement emergency team of staff to focus assistance on locating and vetting resources for emergency supplies.
- Activated a procurement emergency email group.
- Connected with our current and previous medical supply and protective equipment contractors to acquire what we could and let them know we were in need of goods. In most cases, allocations were already being made.
- Started working with the Health Department the week of March 16th to source goods and provide allotment information.
- PCard limits were raised for specific Health Department staff.
- Reviewed almost fifty potential vendors to separate the responsible vendors from the non-responsible vendors or potential fraudulent offers.
- Researched and obtained quotes for the rental of cold box trailers for hospital use. Quotes provided to EOC for TMC.
- Surveyed about 30 hotels to find an interested party to rent Pima County an entire hotel facility for frontline workers and provided information to the Health Department who selected a hotel that met their requirements.
- Amended multiple current Master Agreements to increase the not to exceed amount.
- Issued four new Master Agreements and two discrete Purchase Orders for a total of \$3,297,500 as shown on Exhibit A. The awards over my normal authority will be reported to the Board of Supervisors.

C.H. Huckelberry, County Administrator
Re: Procurement of Supplies Necessary for COVID-19
April 16, 2020
Page 2

Departments, including Human Resources for wellness programs, have been acquiring the products they need through current contracts, retail store purchases, or online through any source available and paying by Delivery Order (DO), PCard or Payment Request (PR). In the month of March, over 100 PCard transaction coded to COVID Task Order or noted for COVID-19 purposes were processed by 21 different departments. I do not have numbers for PRs or DOs as they do not process through Procurement. Towards the end of the week of April 6, I started to receive calls from various department staff stating that they could not find sanitizing supplies or other needed supplies. I spoke with Health Department and EOC representatives to discuss, and it was decided that County staff needed to place an order through the EOC email. A communication was distributed stating that process.

Until this week, all of our time has been spent on working with the Health Department and searching for products designated as the priority items. This week we assisted the Sheriff Department with sourcing nitrile gloves as their standard order was not fulfilled due to allocation limits. Effective April 14, 2020, Pima County was approved by Amazon to order COVID-19 related supplies. Access was provided to representatives at the Health, Sheriff and Procurement Departments. All three departments have placed some orders. Procurement was able to order hand gel sanitizer, which will be made available for County staff use. We have also been actively searching for sanitizing wipes and aerosol spray, which as of today are still not available even through the special access Amazon COVID site.

The Health Department makes the actual purchases by issuing Delivery Orders, Payment Requests or by using their PCards and are keeping track of those transactions. They can provide the details of orders, receipts, ship to addresses, costs and dates.

Attachment

c: Jan Leshar, Chief Deputy County Administrator
John Voorhees, Assistant County Administrator
Regina Kelly, Director, Grants Management and Innovation
Spencer Graves, Program Manager, Public Health Emergency Preparedness

Exhibit A

(1 page)

Master Agreement Contracts Issued

<u>Vendor</u>	<u>MA#</u>	<u>Date</u>	<u>Dollar Amount</u>	<u>Item Description</u>
Syncardia	20*159	3/27/2020	\$ 250,000	Gallon Hand Sanitizer & Face Shields
Paradigm	20*166	4/7/2020	\$1,500,000	COVID19 Test kits, Lab Processing & Reporting
TGEN	20*178	4/13/2020	\$ 500,000	COVID19 Lab testing only
Comfort Suites	20*171	4/15/2020	\$ 500,000	Hotel rental for frontline workers

Purchase Order Contracts Issued

<u>Vendor</u>	<u>PO#</u>	<u>Date</u>	<u>Dollar Amount</u>	<u>Item Description</u>
Precision Medical	20*050	4/7/2020	\$ 262,500	50K NIOSH-KN/N95 Masks
CrowdSync	20*051	4/8/2020	\$ 285,000	500K 3-ply Surgical Masks



MEMORANDUM

Date: April 15, 2020

To: Mary Jo Furphy, Director
Procurement Department

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Procurement of Supplies Necessary for COVID-19**

I would appreciate a listing of all Procurement actions that occurred to acquire supplies and/or services in response to the COVID-19. This would include materials for personal protective equipment (PPE), sanitation and disinfectant supplies, viral testing supply kits and contractual relationships to analyze such testing kits.

Also include purchases related to wellness programs such as disinfectant wipes, hand sanitizers, etc.

If possible, please provide the timeframes regarding the receipt of such supplies or estimated delivery dates. In addition, please identify whether the order was placed through the Emergency Operations Center or through individual department.

CHH/anc

c: Jan Leshar, Chief Deputy County Administrator
John Voorhees, Assistant County Administrator
Regina Kelly, Director, Grants Management and Innovation
Spencer Graves Program Manager, Public Health Emergency Preparedness

ATTACHMENT 3



MEMORANDUM

Date: April 17, 2020

To: C.H. Huckelberry
County Administrator

From: John Voorhees
Assistant County Administrator

Re: Update on Emergency Management activities related to COVID-19

Per your request, I submit the following update on activities in the Emergency Operations Center (EOC). This report focuses on two main efforts: the continuing supply chain issues, and assistance to the Community Food Banks of Southern Arizona (CFB).

The Supply Chain

Supply chain issues have not substantially changed. The EOC has taken delivery of some items such as locally produced sanitizer products and some orders of PPE. The bulk orders of PPE (masks, gloves, gowns, etc.) have arrived in part. The EOC was able to distribute over 115,000 surgical masks over the past 2 days. Unlike previous ordering attempts, the orders have not been cancelled and the EOC Logistics Section anticipates slow and steady progress to meet the need.

Additionally, the Adjutant General of Arizona, Major General Michael T. McGuire visited the EOC on April 15. During the visit, he highlighted plans for the State to execute large-scale procurements of PPE through resources in California. Delivery of those resources is anticipated in the next few weeks. The general also explained that Banner and Dignity Hospital Networks have acquired the raw materials to fabricate their own surgical gowns. The networks are able to create the needed gowns using organic resources at a more cost effective rate than is commercially available. Everyone is experiencing the pain of a disrupted supply chain.

Volunteer networks have contributed a substantial amount of homemade and commercial masks, gloves and face shields. Those items have been distributed to personnel as appropriate for their profession.

Assistance to the Community Food Banks (CFB) of Southern Arizona

Santa Cruz County Supervisor, Bruce Bracker made contact with Pima County to solicit assistance for the produce warehouses in Nogales, AZ. Like many companies, the warehouses have experienced personnel and demand shortages that have significantly truncated their operations. Additionally, the CFBs have experienced dramatic shortages of personnel due to the viral outbreak. Traditionally, the warehouses donate unsold produce to the CFBs for distribution to the local community. CFB Tucson manages the logistics for the

C.H. Huckelberry, County Administrator

Re: Update on Emergency Management activities related to COVID-19

April 17, 2020

Page 2

outlying communities but does not currently have the personnel to keep up with the supply. Bottomline, Nogales produce warehouses overstocked and the CFBs are unable to move the excess produce effectively. Pima County has requested National Guard assistance through Task Force (TF) Logistics. TF Logistics has allocated two logisticians to the EOC and plans to support the distribution of Nogales produce to the CFBs of Pima County and surrounding areas. Tucson Unified School District (TUSD) has collaborated with Pima County and the CFB as well. TUSD Food Services has offered five 26-foot Refrigerator Trucks with drivers to bolster the distribution effort. The school district will add fresh produce to their current lunch distribution program. The Pima County Library personnel have volunteered their support as well. Once the CFBs are able to execute the larger mission, the library personnel will work at the CFB Tucson warehouse.

On April 16, 2020, the EOC coordinated National Guard deliveries to Sahuarita CFB where TF Logistics delivers nine pallets of produce. TF Logistics also delivered a pallet of produce to Arivaca Human Resources – a partner with CFB Tucson. On April 17, 2020, TF Logistics delivered 18 pallets of produce to various partners throughout the Tucson area. TUSD and the Town of Ajo will receive five and twenty pallets of produce on April 20, 2020, respectively. Ajo has formed a community partnership with several charitable organizations and plans to distribute similar amounts of produce every week.

The need for assistance to the CFBs will likely continue beyond the availability of resources from TF Logistics. The EOC will evaluate methods to enhance productivity at the CFBs until the emergent need is mitigated.

JCV

C: Jan Leshar, Chief Deputy County Administrator
Jeff Guthrie, Director, Office of Emergency Management

ATTACHMENT 4

List of caveats that will be issued if the State releases Address Information to First Responders

The information that is being requested by first response partners pursuant to the Governor's Executive Order 30-2020 is the property of and resides in the custody of the Arizona Department of Health Services (ADHS). These data are shared with the Pima County Health Department for the purpose of the investigation of reportable disease. As such, we believe that ADHS is the appropriate entity for sharing of this information.

Regardless, the use of any such information should be considered carefully and should take into account the following considerations:

1. There is a lag time between viral testing and receipt of results indicating a positive test. This lag between testing and receipt of positive case varies widely from 2 to 15 days. Therefore, relevant addresses of active cases will be missing from the database.
2. The addresses therein, may represent an active and/or non-active case since it is a cumulative database.
3. The extreme lack of widespread testing means that the addresses included represent the sickest most symptomatic cases, but entirely miss the most infectious pre and mildly symptomatic individuals.
4. Standard emergency call screening for symptoms and recent exposure to a known COVID19 case may be more informative and is already being implemented through the 911 system.
5. Disclosure of COVID-19 addresses is already causing the provision of false addresses in Arizona counties that have already begun implementation. This type of misinformation makes the contact tracing task difficult if not impossible, and therefore imperils the health of all Pima County residents.

If the State should release this information, we caution that these caveats be kept in mind in the implementation.

ATTACHMENT 5



ICS Positions and Assignments

Pima COVID-19 Response

April 2020

Incident Command:

Commander: Paula Mandel

Deputy: Dr. Bob England

Position Mission: Responsible for the command function at all times as well as the general staff and command staff positions until staffed.

Position Duties:

- ✓ Establish the appropriate ICS structure and staff positions as needed.
- ✓ Establish incident objectives
- ✓ Ensure adequate safety measures and message is in place and communicated to all workers
- ✓ Establish immediate priorities
- ✓ Determine incident strategic goals
- ✓ Brief command general staff and give initial assignments.
- ✓ Coordinate activity of all command and general staff
- ✓ Approve requests for additional resources and funding
- ✓ Assist in developing and approving the IAP
- ✓ Participate in planning meetings
- ✓ Approve the release of information by PIO
- ✓ Coordinate with outside entities as necessary
- ✓ Evaluate and ensure that incident objectives are accomplished
- ✓ Demobilize resources as appropriate

Chief Medical Officer: Dr. Francisco Garcia

Deputy Chief Medical Officer: Dr. Carlos Velez-Perez

Position Mission: Provide Disease, Vaccine, Prophylaxis guidance for any Medical Response.

Position Duties:

- ✓ Develop medical response strategies for the Incident Action Plan
- ✓ Work with Operations Section for dispersal of treatment, prophylaxis, and vaccination of responders and public
- ✓ Read and sign off on all medical information being dispersed to partners and public
- ✓ Work with Operations Section on strategies for deploying medical interventions for response
- ✓ Epidemiology Group in characterizing incident risks, exposures and case definitions
- ✓ Write protocols and standing orders for dispersal of medical interventions
- ✓ Determine what PPE will be required for responders
- ✓ Prepare medical objectives for IAP
- ✓ Work with Operations Branch Directors on medical information needed during the response
- ✓ Authorize all Medical communication for release to partners, and community.
- ✓ Request Medical experts if needed

Public Information Officer: Aaron Pacheco

Position Mission: Responsible for interfacing with the public and media and/or with other agencies that require incident-related information.

Position Duties:

- ✓ Develop and release information to the media, incident personnel, and other agencies as needed
- ✓ Receive briefing/assignment, reporting location, reporting time and travel instructions as necessary
- ✓ Coordinate and get approval for all releases of information internal and external
- ✓ Designate media spokespeople when needed
- ✓ Establish any restrictions for media access

- ✓ Develop and provide materials used for all media briefings
- ✓ Conduct media briefings
- ✓ Obtain news media information that may be useful for incident planning
- ✓ Maintain current information summaries and/or displays
- ✓ Establish and staff a Joint Information Center (JIC)
- ✓ Prepare for and participate in planning meetings
- ✓ Prepare, and provide appropriate information to the Documentation Unit

Safety Officer: Raul Munoz

Position Mission: Monitor incident operations and advise the IC on all matters relating to operational safety, including health and safety of responding personnel.

Position Duties:

- ✓ Review the Incident Action Plan for safety implications
- ✓ Receive assignment, reporting location, reporting time, and travel instructions as necessary
- ✓ Assess and communicate hazardous and unsafe situations
- ✓ Ensure a site safety and health plan is developed
- ✓ Acquire and organize work materials including appropriate PPE as necessary
- ✓ Identify hazardous situations associated with the incident
- ✓ Develop or provide evacuation floor plans, safety equipment, and checklist for all PCHD sites involved in the response
- ✓ Prepare and participate in planning meeting
- ✓ Participate in Command and General Staff meetings
- ✓ Recommend PPE as recommended by the CMO
- ✓ Coordinate with Command and General Staff as needed.
- ✓ Use emergency authority to stop and prevent unsafe acts
- ✓ Develop a protocol and implementation strategy for provision of medical prophylaxis if necessary for PCHD responders, based on guidelines developed by the CMO
- ✓ Investigate accidents that have occurred within PCHD incident areas.
- ✓ Develop protocol and method to track the health and safety of PCHD responders, including injuries, minor illnesses and surveillance for signs and/or symptoms of relevant infectious/communicable diseases.

EOC Manager: Louie Valenzuela

EOC Deputy: Shane Clark

Position Duties:

- ✓ Review staff responsibilities
- ✓ Determine appropriate staffing model and level of activation
- ✓ Exercise management of and coordination between response agencies
- ✓ Ensure Inter-Agency coordination
- ✓ Assess current status reports, establish objectives with IC
- ✓ Convene and conduct regular briefings
- ✓ Participate in General Staff and strategic objectives meetings

Operations Section

Chief: Louie Valenzuela

Deputy: Crystal Rambaud

Position Mission: Responsible for managing tactical operations to reduce immediate hazards, save lives and property, establish situation control and restore normal conditions.

Position Duties:

- ✓ Implement strategies to best assure the public health of Pima County

- ✓ Implementation of the IAP
- ✓ Requesting resources needed for implementation of IAP using form (ICS 215)
- ✓ Develop Operations portion of IAP
- ✓ Ensure safe tactical operations
- ✓ Make/approve changes in IAP during operational period as necessary
- ✓ Maintain and submit Planning section documents to the Document Unit leader
- ✓ Assist in the development of the Incident Action Plan (response goals, operational objectives, and support activities)
- ✓ Implement the Incident Action Plan
- ✓ Provide and interpret the descriptive analysis of the incident.
- ✓ Implement public health strategies to contain incident.
- ✓ Provide technical information to clinicians, emergency leaders and responders, the public, and other stakeholders to support the response.
- ✓ Provide data as needed for the response and support for applications that assist with this analysis
- ✓ Ensure that Continuity of Operations (COOP), is maintained during the emergency response
- ✓ Prepare the Operations Section Situation Status using updates from each of the activated branch directors and group supervisors
- ✓ Request approval for personnel and supplies from the Incident Commander and forward to the Planning Section

Community Stakeholder Branch

Branch Director: Crystal Rambaud / K-12

Administrative Support: Vicki Lazaro, Deanna Sanchez

Assignments/Duties: Provide oversight and direction to Community Stakeholder Branch Groups (Community Stakeholder, Hospital and Ambulatory Care, Long-Term Care, Support Services).

Community Stakeholder Group

Group Supervisor: Emily Rebro

Sector / Assigned Staff:

- Child Care / Emily Rebro
- Restaurants and Businesses / Gary Frucci, Jennifer McDowell
- Public Safety and Tribes / Manuel Montano
- Health Department POC / Marcia Ortega

Group Duties:

- ✓ Provide guidance and communication to stakeholders
- ✓ Build contact lists
- ✓ Create system for receiving and distributing supplies for childcare providers
- ✓ Work with epidemiology to provide protocols for child care centers with staff and/or children who test positive for Covid-19

Hospital and Ambulatory Care Group

Group Supervisor: Trisa Ferdig

Sector / Assigned Staff:

- Hospitals / Trisa Ferdig
- Urgent Care / Clare Aylward
- Ambulatory Care / Tabitha McCarthy, Erika Ramirez /
- Dialysis / Markie Encinas, Grecia Ramirez

Group Duties:

- ✓ Provide guidance and communication to stakeholders

- ✓ Build contact lists
- ✓ Increases situational awareness within hospital and ambulatory care group
- ✓ Assess the need for follow up after Ambulatory Care call

Long-Term Care Group

Group Supervisor: Kristin Robinson-Lund

Long-Term Care Task Forces:

Long-Term Care

Task Force Leader: Gabriela Flores

Assigned Staff: Allison Burnett, Janet Corley, Melody Mena, Deb Agriesto

Assisted Living

Task Force Leader: Lisa Longo

Assigned Staff: Emerson Kuhn, Kat Davis, Justin Tutaan, Said Martinez

Group Duties:

- ✓ Work on contact investigation with long-term care facilities
- ✓ Engage with assigned facilities
- ✓ Evaluate daily needs of identified facilities
- ✓ Communicate with Epidemiology Group daily about patient status

Support Services Group

Group Supervisor: Matt Pate

Sector / Assigned Staff:

- Behavioral Health / Matt Pate
- Group Homes / Clementina Hernandez
- Homeless Services / Mary Bruckmeier
- Faith-Based, Home Health, Hospice / Susan Bond
- Transportation / Lee Itule-Klasen

Group Duties:

- ✓ Compile transportation resources
- ✓ Work on transportation linkages and transportation contingencies
- ✓ Work with behavioral health providers to ensure continuity of care
- ✓ Work with the City and County housing stakeholders on a coordinated shelter plan
- ✓ Work with hospice facilities and home health organizations to ensure continuity of care
- ✓ Engage group home stakeholders

Operations Sections Groups

Following Groups report directly to Operations Section Chief

Epidemiology Group

Group Supervisor: Dr. Mary Derby

Administrative Support: Suzanne Goodman

Assigned Staff: Anissa Taylor, Davyn Louis, Ana Angulo-Gaxiola, Athene Archer, Jeannine Fiddament, Joseph Tabor, Kiki Erhariefe, Matt Christenberry, Sasha Harb, Sharon Browning, Elizabeth Byers

Group Duties:

- ✓ Triage inquiries

- ✓ Conduct case investigations

Testing Group

Group Supervisor: Richard Mary

Assigned Staff: Daniel Lugo, Lexus Stokes, Miguel Soto, Maria Chaira, Enma Ruiloba, Khalil Sheiban

Group Duties:

- ✓ Identify and monitor labs accepting specific test kits
- ✓ Identify producers of test kits
- ✓ Establish delivery process for test kits

Volunteer Management Group

Group Supervisor: Brian Eller

Assigned Staff: Clarence Horton, Elaine Mariolle, Cecilia Nguyen

Group Duties:

- ✓ Coordinate the staff needs for medical, faith-based, and general communities
- ✓ Establish protocols, processes, and trainings for all volunteers being requested

Logistics Section

Chief: Spencer Graves

Deputy: Griselda Moya-Flores

Position Mission: Locate or request the supplies needed to support the PCHD response and PCHD responders, and direct those resources to the appropriate staging area. Ensure that communications and information technology infrastructure is functioning and interoperable.

Position Duties:

- ✓ Receive and fulfill supplies
- ✓ Track inventory of supplies
- ✓ Set up, maintain, troubleshoot and repair communications and information technology equipment for the response.
- ✓ Attend Command/General Staff meetings.
- ✓ Provide logistical input to the Incident Commander and Planning Section in preparing the Incident Action Plan.
- ✓ Brief Unit Leaders on the situation and their roles and responsibilities for the operational period. Provide oversight and guidance to Unit Leaders (e.g. answer questions, address problems, make decisions in keeping with the Section's operational objectives, and determine which problems, requests or questions need further approval)
- ✓ Prepare the Logistics Section Situation Status Update using information from the Logistics Unit(s) Situation Status Updates
- ✓ Anticipate logistics requirements
- ✓ Request and coordinate additional resources

Receiving Staging and Storage Unit

Lead: Frank Sanchez

Assigned Staff: Fernando Flores, Carlos Jaimez

Unit Duties:

- ✓ Accept, store, and locally organize medications, medical supplies, medical countermeasures, and medical equipment for large-scale distribution

- ✓ Secure supplies from sources such as the Strategic National Stockpile (SNS), vendor managed inventories, or locally-sourced inventories

Distribution Unit

Lead: Richard Sosa

Assigned Staff: Michelle Magana, Geraldine Clark, Noel Valle, Diego Bernal

Unit Duties:

- ✓ Distribute personal protective equipment, test kits and supplies to community partners.

Donations Unit

Assigned Staff: Rebecca O'Brien, Terry Nordbrock

Unit Duties:

- ✓ Track and document all donations
- ✓ Setup donation sites throughout the County
- ✓ Foster interest in 3D printing and laser cutting of durable medical goods

Supply Unit

Lead: Nicholas Cogdall

Assigned Staff: Krista Romero-Cardenas

Facilities Unit

Lead: Debra Osborne

Planning Section

Chief: Javier Herrera

Deputy: Alan Bergen

Position Mission: Provide PCHD leaders with concise accurate and comprehensive information that enables optimal decision making regarding on-going and future management of the emergency response.

Position Duties:

- ✓ Prepare projections of the incident, response needs and response capabilities
- ✓ Provide recommendations for decisions and/or actions that will address future response needs
- ✓ Facilitate Command/General staff meetings and the production of Incident Action Plans for each Operational Period.
- ✓ Prepare for demobilization
- ✓ Coordinate access to technical specialists as needed
- ✓ Collect and organize information on the current situation, response activities, and available resources (e.g. Situation Status Updates from PCHD modules, Resource Tracking System, WebEOC)
- ✓ Provide Incident Status Summary to Command and General Staff
- ✓ Identify gaps in response capacity and recommend actions to address gaps. This may include alternative future response strategies and specialized resources
- ✓ Draft the Incident Action Plan for each Operational Period and request approval
- ✓ Maintain documentation of the response and store originals
- ✓ Determine needs for Unit activations, obtain approval, and request staff
- ✓ Brief Planning Section Unit Leaders on the situation and objectives for the operational period

- ✓ Provide oversight, guidance, and assistance to Planning Section Unit Leaders (e.g. answer questions, address problems, make decisions in keeping with the Section's operational objectives, and determine which problems, requests or questions need approval)
- ✓ Prepare the Planning Section Situation Status Update.
- ✓ Distribute all internal PCHD documents

Documentation Unit

Lead: Ligia Castro

Unit Mission: Maintain accurate and complete incident files including a record of the key steps taken to resolve the incident.

Unit Duties:

- ✓ Create and populate a filing/organization system for both hard copy and electronic documents
- ✓ Collect and maintain documentation of incident related information (e.g. paper and electronic situation reports, resource status reports, incident action plans, products created during PCHD response).
- ✓ Attend and take minutes at PCHD Section briefings.
- ✓ Respond to duplication requests and disseminate duplicated documents as needed
- ✓ Track and log documents (initial and subsequent versions)
- ✓ Review records for accuracy and completeness, inform appropriate units of errors or omissions.
- ✓ Provide incident documentation as requested
- ✓ Backup electronic files
- ✓ As appropriate, shred or recycle unneeded duplicates of documents.

Resource Unit

Lead: Alan Bergen

Unit Mission: Track all resources (personnel and material) once they have been deployed for the response and identify Subject Matter Experts (SME)'s needed for the PCHD Emergency Response

Unit Duties:

- ✓ Track staff assigned to the response using the personnel tracking system, WEB EOC, or other method.
- ✓ Anticipate and identify resources that may be needed in the next operational period.
- ✓ Determine the best manner to deploy anticipated resources.
- ✓ Provide resource status information to the response.
- ✓ Identify additional technical expertise needed for the response to provide planning and operations guidance and support
- ✓ Determine if the technical expertise resides with assigned response personnel

Check-In Unit

Lead: Wade Zelenak

Finance & Administration Section

Chief: Donald Gates

Deputy: Amy Fish

Position Mission: Facilitate the purchase and reimbursement of resources utilized in the emergency response.

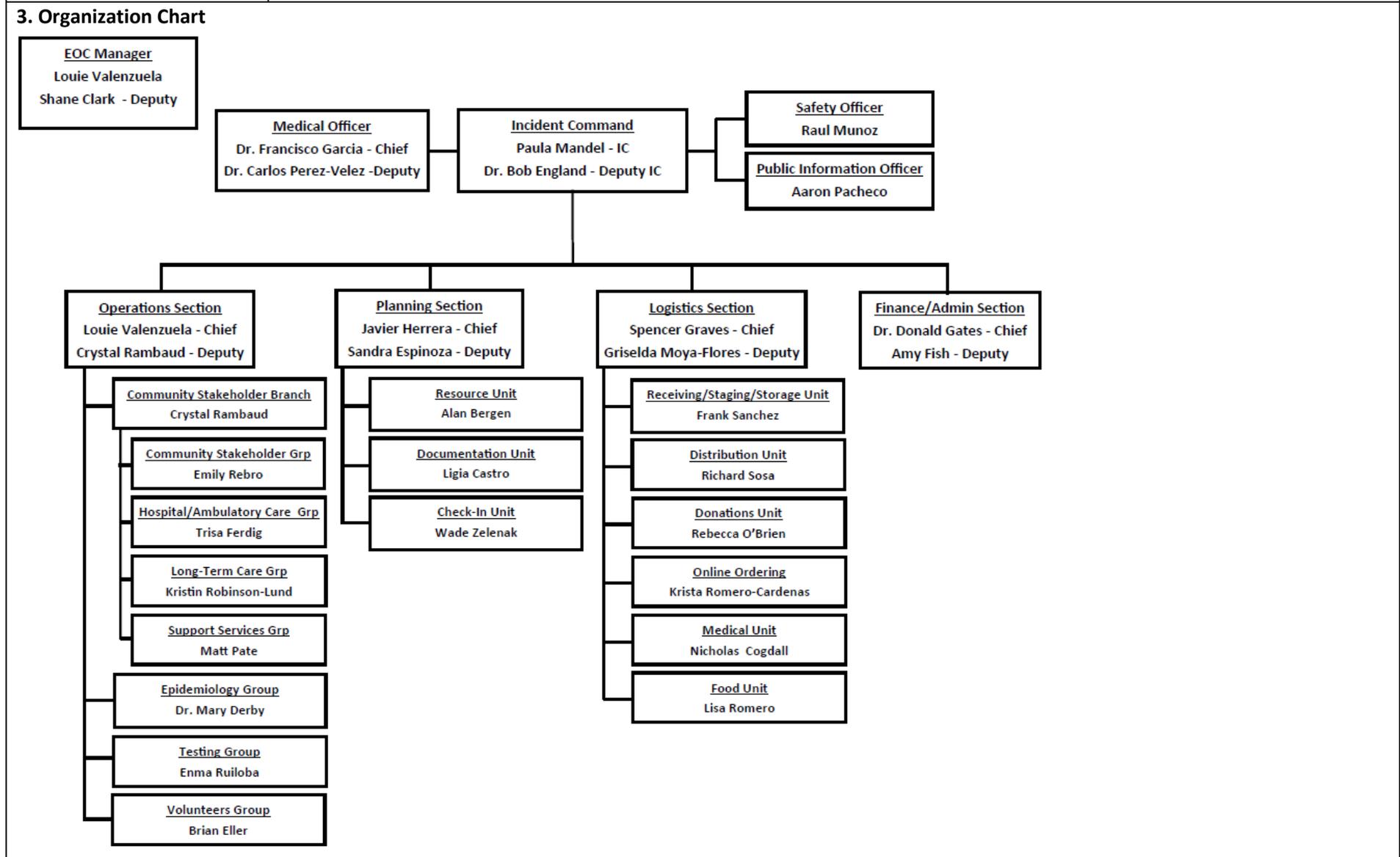
Position Duties:

- ✓ Manage all direct financial functions in a PCHD response
- ✓ Provide financial and cost analysis information as requested
- ✓ Gather pertinent information from briefings with responsible agencies

- ✓ Develop an operating plan for the Finance Section
- ✓ Meet with Assisting and Cooperating Agency Representatives as needed
- ✓ Maintain daily contact with the EOC on finance matters. This is particularly critical in proclaimed disasters where State and Federal reimbursement is likely
- ✓ Ensure that all personnel time records are accurately completed and transmitted to home agencies, according to policy
- ✓ Provide financial input to demobilization planning
- ✓ Ensure that all obligation documents initiated at the incident are properly prepared and completed
- ✓ Brief Incident Commander and Command Staff personnel on all incident-related financial issues needing attention or follow-up
- ✓ Complete a situation status report for the Finance Section once every operational period.

INCIDENT ORGANIZATION CHART (ICS 207)

1. Incident Name: Pima COVID-19 Response	2. Operational Period	Date From: 04/17/2020 Time From: 08:00	Date To: 04/18/2020 Time To: 08:00
--	------------------------------	---	---------------------------------------



ICS 207	IAP Page	4. Prepared by: Name: Javier Herrera Position/Title: PSC Signature:	Date/Time:
---------	----------	---	------------

ATTACHMENT 6a



MEMORANDUM

Date: April 20, 2020

To: C. H. Huckelberry
County Administrator

From: Francisco García 
Deputy County Administrator &
Chief Medical Officer
Community and Health Services

Re: Medically Vulnerable Populations Impacted by COVID-19

Elder populations especially those living in congregate settings are at elevated risk for contracting COVID-19 as well as from experiencing serious medical complications and even mortality related to the infection. This is because individuals that are 65 years of age and older generally have other pre-existing comorbidities that complicate the course of their infection.

To date the Health Department has deployed 25 staff to support the facilities in which elders receive care. Currently we are working with 11 long-term care facilities, 7 assisted living facilities and senior housing complexes, 3 behavioral health group homes, 1 behavioral health crisis center, and 3 dialysis centers.

Long-term Care and Assisted Living Facilities

Long-term care (LTC) and assisted living facilities are a particular concern because supply chains are not as robust as they are for hospitals. For that reason, these facilities are prioritized to receive allotments of PPE as we receive them through our procurement, the Strategic National Stockpile and community partner donations. To date this process has resulted in the transfer of 41,400 gloves, 24,891 surgical and N95 masks, 3552 face shields and eye protection, 1628 gowns, 41 gallons and 1,172 1oz containers of hand sanitizer and miscellaneous other supplies.

Supporting facilities that serve seniors with COVID-19 is critical in preventing widespread infection. A Long-term Care Stakeholder group has been formed to provide briefings four times per week to maintain a high level of situational awareness. We have also focused our testing supplies for residents and employees in these settings. At this time, a total of 416 viral collection kits and test processing were provided to individuals living and working in these types of residential settings. Additionally (69) paid and volunteer staffing referrals were provided to impacted facilities experiencing loss of staff due to illness.

Mr. C.H. Huckelberry

Re: Medically Vulnerable Populations Impacted by COVID-19

April 20, 2020

Page 2

Finally new components this week include training materials (video and Power Point Presentations) for LTC and related facilities. As well as expert consultation with a former CDC long-term care infection prevention expert. Dr. Kate Ellingson from the College of Public Health will provide this collaborative support.

Medically Compromised Individuals

Medically fragile individuals, including those whose immune function is compromised, are also at increased risk for poor outcomes as a consequence of COVID-19 infection. Patients with renal failure requiring dialysis fall into that category. For this reason, the Health Department has been highly engaged with dialysis providers at the state and local level. At this time two Health Department liaisons are working with dialysis partners to provide education, guidance and share best practice recommendations from CDC. (Of note one of these two liaisons with the Health Department is a dialysis technician.)

As part of this effort, a Dialysis Community Stakeholder group convened to facilitate conversations and information sharing between all dialysis centers and other clinical and public health stakeholders. This group provides timely information on local resources like transportation, as well as to tap into the request process for PPE supplies and volunteers

Homeless Populations

Homeless populations also represent a group with increased vulnerability because of age, medical compromise or simply poverty and malnutrition. From the beginning of this incident, we have worked to established formal linkages with community stakeholders and social service providers serving this population.

This has included participating in near daily meetings with shelter operators. The support from the Health Department has focused on prevention practices, specifically working with shelters and service providers to implement social distancing and hygiene practices as well as connecting with resources and best practice recommendations from the CDC and Arizona Department of Health Services (ADHS). An example is the collaboration on a common tool for risk assessment and triage that all shelters can use. Likewise, we have partnered with El Rio to increase the reach of telemedicine into these shelter settings.

The provision of supplemental housing for individuals not served by shelters becomes complicated in the age of COVID-19. City of Tucson and Pima County personnel have been collaborating on the Housing Coordination Task Force to procure hotels (and related services including security, transportation and meals) for possible placement of positive and symptomatic individuals.

Other Pima County departments are also providing related support services for homeless populations. Community Workforce Development (formerly Community Services Employment Training) is developing a referral/screening process for employment related

Mr. C.H. Huckelberry

Re: Medically Vulnerable Populations Impacted by COVID-19

April 20, 2020

Page 3

services. Pima Animal Care Center has historically served homeless populations in street and shelter settings this activity continues. Supporting the homeless individuals with companion animal related needs is a priority. Finally, since March 30, 2020 Pima County Sheriff's Department have been preparing approximately 300 per day sack meals for Casa Maria Soup Kitchen. Pima County Library distribution truck picks up these meals from the Adult Detention Complex and deliver them to Casa Maria (Attachment 1).

American Indian Communities

Tohono O'odham and Pascua Yaqui Tribe are critical partners in the COVID-19 response. We refer you to the previous memorandum of April 9, 2020 (Attachment 2) regarding the history of engagement with indigenous communities on this issue.

Conclusion

COVID-19 continues to be the major work of Pima County at this time. We fully recognize the uneven medical and social vulnerability of segments of our community and are pledged to address these unique needs. At this time, our efforts remain concentrated on the most medically vulnerable.

Attachments

c: Jan Leshner, Chief Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
Health and Community Services
Bob England, MD, MPH, Director, Health Services
Nicole Fyffe, Executive Assistant, County Administrator's Office

ATTACHMENT 1



MEMORANDUM

Date: March 27, 2020

To: The Honorable Mark Napier
Pima County Sheriff

From: C.H. Huckelberry
County Administrator 

Re: **Preparation of Bagged Meals for Casa Maria Soup Kitchen**

The Casa Maria Soup Kitchen is now serving over 800 meals per day to individuals in need. They are at the limit of their ability to produce any more meals.

Therefore, I ask that you assist with preparation of sack meals for Casa Maria Soup Kitchen, approximately 300 per day, beginning Monday, March 30. Once prepared, we will use the library distribution truck to pick up the meals from the Adult Detention Complex and deliver them to Casa Maria. For logistics coordination, the Library Director, Amber Mathewson, should be contacted at 520.954-0465.

Please keep a record of all costs associated with the preparation of these meals so we may request federal reimbursement in association with the federal, state and local response to the COVID-19 pandemic.

I have attached an email from Council Member Steve Kozachick documenting the request for the Casa Maria Soup Kitchen. I also personally spoke with Mr. Brian Flagg who confirmed the request. He can be reached at casamariatucson@yahoo.com or 520.304.8443.

CHH/anc

Attachment

c: Jan Leshar, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer,
Health and Community Services
Dr. Bob England, Director, Health Department
Amber Mathewson, Director, Library District
Brian Flagg, Casa Maria Soup Kitchen

Chuck Huckelberry

From: Steve Kozachik <Steve.Kozachik@tucsonaz.gov>
Sent: Friday, March 27, 2020 12:19 PM
To: Jan Leshar; Chuck Huckelberry
Subject: Food

This message and sender come from outside Pima County. If you did not expect this message, proceed with caution. Verify the sender's identity before performing any action, such as clicking on a link or opening an attachment.

Mr. Huckelberry/Ms. Leshar;

Thanks very much for your offer to assist with food distribution at the Casa Maria Soup Kitchen. The current COVID-19 pandemic is placing added burdens on their operation. Your offer to provide 300 sandwiches per day, to be delivered prior to 11am, is a wonderful gesture.

Thanks, very much. I'll let the folks at Casa Maria know these will be coming. I appreciate your partnership in this.

Steve Kozachik
Tucson City Council, Ward 6

ATTACHMENT 2



MEMORANDUM

Date: April 9, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

Re: **Tribal Partners – COVID19 Response**

The COVID19 pandemic represents an unprecedented challenge for Pima County. As such we have called upon a variety of partners to participate in the response. Both the Tohono O'dham Nation and the Pascua Yaqui Tribe were invited early on to be part of the Emergency Operations Command. Currently, we are interacting with Tribal Emergency Management and public health leaders multiple times a week if not daily. The COVID19 response is no exception. Guidance was sought from both those tribal entities in terms of who should be brought into this process and in deference to the sovereignty of these communities we have worked primarily through those contact points which have been the respective Emergency Managers.

Additionally staff level communication lines are established between the Pima County Health Department and the public health authorities of these two communities. This has allowed us to put a process into place to identify tribal member cases whether living on or off reservation communities. Additionally care coordination and support for specific patients is occurring on an as needed basis.

The sharing of Strategic National Stockpile and related supplies has also been an area of collaboration. To date Tohono O'dham Nation has received two shipments comprised of a total of 3,000 masks, 480 N95 masks, 3,400 gloves, 210 gowns, 96 face shields, and 8 gallons of hand sanitizer. Pascua Yaqui Tribe has received 200 masks, 1,600 gloves, 100 face shields, 120 complete PPE kits and 2 gallons of hand sanitizer.

The Health Department has historically had a very high level of cordial collaboration with our tribal partners across a variety of issues.

CHH/mp

c: Jan Leshar, Chief Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator and Chief Medical Officer
John Voorhees, Assistant County Administrator
Bob England, MD, MPH, Director, Health Department
Jeff Guthrie, Director, Office of Emergency Management

ATTACHMENT 6b



MEMORANDUM

Date: April 20, 2020

To: C.H. Huckelberry
County Administrator

From: Nicole Fyffe 
Executive Assistant to the
County Administrator

Re: **Assessing and Monitoring the Impact of COVID-19 on Vulnerable Populations**

During the April 9, 2020 Board of Supervisors meeting, Supervisor Betty Villegas requested information concerning COVID-19 impacts on vulnerable populations. The Center for Disease Control (CDC) defines those most vulnerable or at risk from the virus itself as those who are elderly and/or have serious underlying health conditions. However, my understanding is that Supervisor Villegas was referring to vulnerable populations generally from a socio-economic standpoint. This initial response will show that, unfortunately, many of the groups that we considered vulnerable under pre-COVID-19 circumstances, are also those most likely to be impacted directly and indirectly by the virus.

Dr. Bob England, during his Pima County Health Briefing for Monday April 13, explained how it is not surprising that data emerging from across the United States shows that those in minority racial and ethnic groups are more likely to be hospitalized and die from conditions attributed to COVID-19. This is because these groups have disproportionality higher rates of these underlying health conditions. Pima County is no different and as data becomes available for Pima County, it will be shared with County Administration, the Board and the public.

Pima County Public Health Department Research

The impact on vulnerable populations, and the demographics of those being impacted, is being assessed and monitored by the Public Health Department's Community Mental Health and Addiction unit. This unit uses a multidisciplinary team approach to review individual demographics and timelines leading up to a COVID-19 death. Focusing particularly on patterns that could be helpful to understand the risk factors about a person's environment, access to care, ability to shelter, their mode of transportation, and ability to possess essential materials to protect themselves. Any insights will be used to help keep community partners informed with the hope of mitigating the impact to vulnerable groups.

Not only is this team focused on those that are directly impacted by the virus, but also indirectly. For example, on Tuesday April 14, the unit issued a notice to community providers about sharp increases in suicides during the second half March (Attachment 1). Through

C.H. Huckelberry, County Administrator

Re: **Assessing and Monitoring the Impact of COVID-19 on Vulnerable Populations**

April 20, 2020

Page 2

detailed record reviews, it was verified that a several of these suicides were influenced by the isolation that comes from social distancing and negative media messages that increase the sense of fear and risk associated with COVID-19. The notice further states that this psychological trauma, combined with “uncertainty, financial stress, isolation, and reduced access to resources has placed all of our most vulnerable populations at a much higher risk than usual.”

This notice, as well as a recent article from John Hopkins University (Attachment 2) discuss the unequal cost that social distancing and stay-at-home policies have on our poorest and otherwise most vulnerable populations. While these policies are of course aimed at mitigating the impact from the virus on our health care system and to protect populations at high risk of becoming severely ill or dying, it is of equal importance to consider the significant economic and social consequences of these policies, which will contribute to increased substance abuse, mental health crisis, self-harm, avoidance of health care centers, and domestic violence. This is by no means a complete list but we should anticipate that all of these health risks are currently being exacerbated by isolation, financial crisis, educational disruption, and the intense fear and anxiety felt across all of our Pima County families, but particularly those in lower socio economic status, minority groups, and individuals struggling with mental illness.

Similar to the notice on increased suicides, as trends emerge that are useful to community partners and decision makers, the Community Mental Health and Addition Unit will release this information.

Vulnerability Map Index

As you know, earlier this year Pima County staff began participating with the City of Tucson and the University of Arizona’s Eller College of Management, Economic and Business Research Center, on a housing market study. The first phase of this study is the development of a geographic based vulnerability index. This vulnerability index will show census tracts in Pima County, including within the incorporated cities and towns, where people are more vulnerable to changing conditions like rising costs of living, economic downturns, natural disasters, etc. Some members of the Board may remember the old Pima County stress maps that were used to target neighborhood reinvestment bond dollars, as well as other assistance and resources. This vulnerability index would be used similarly. Little did we know at the start of this effort that the COVID-19 crisis could provide the first opportunity for making use of this new vulnerability index. As soon as it is complete, Pima County will begin to use it as part of assessing the direct and indirect impacts of COVID-19 on our vulnerable populations.

Summary

As more information is available on the direct and indirect impacts of COVID-19 on the vulnerable populations in Pima County, this information will be regularly transmitted to

C.H. Huckelberry, County Administrator

Re: **Assessing and Monitoring the Impact of COVID-19 on Vulnerable Populations**

April 20, 2020

Page 3

County Administration for further dissemination. Part of this will also be considering national trends and how Pima County compares nationally. This information can then inform more targeted strategies for providing resources and other assistance needed by our most vulnerable populations.

NF/dr

Attachments

- c: Jan Leshar, Chief Deputy County Administrator
- Dr. Francisco Garcia, Deputy County Administrator and Chief Medical Officer, Health and Community Services
- Dr. Bob England, Health Services Director, Health Department

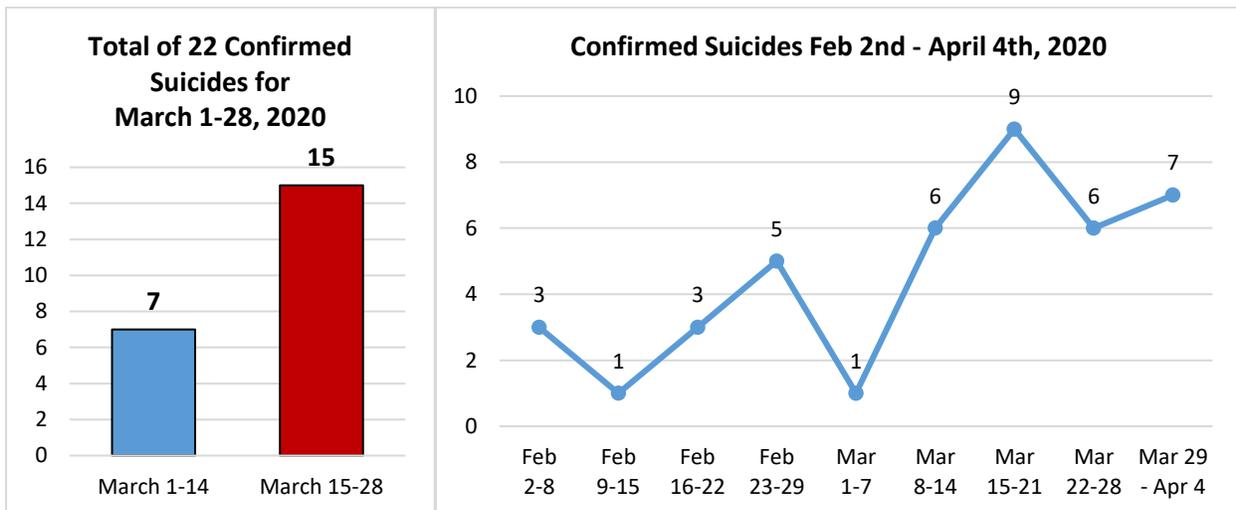
Attachment 1

April 14, 2020

RE: Recent spike in number of confirmed suicides in Pima County for the month of March 2020.

Dear Community Providers,

Recent suicide data has displayed a spike in the number of deaths recorded in Pima County for the first 28 days of March 2020. **The sharpest increases were observed over the second half of March when 15 suicides were recorded in a 14-day timeframe for an average slightly above one per day.** This spike was more than double the amount from the previous 14 days (see table below).



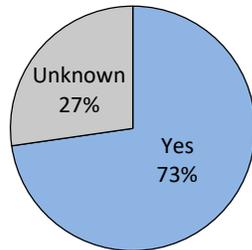
Breaking down the data: There were a total of 22 suicides during the March 1st-28th time frame, one of which was a murder-suicide which resulted in 23 deaths in total. Three of the deaths were minors and the remaining 20 were adults ranging from age 20 to 70. The line graph to the right provides additional historical perspective in the weeks leading up to the highlighted spike.

Although we cannot accurately estimate how much of this increase is being influenced by the current environment, we have been able to verify through record review that several of these deaths were influenced by isolation and the constant stream of negative media which exaggerates the sense of risk and fear associated with the COVID-19 pandemic.

For these reasons, this alert also comes with a reminder of the psychological trauma that occurs as a result of exaggerated reporting and misused statistics presented out of context. This paired with uncertainty, financial stress, isolation, and reduced access to resources has placed all of our most vulnerable populations at a much higher risk than usual. The current statewide response to the pandemic is rightfully aimed at protecting individuals most susceptible to the virus. However, given what we know about isolation, poverty, and the profound influence of social media, it's of equal importance

to focus on our most vulnerable populations who are absorbing a disproportionate amount of the consequences stemming from social distancing and financial decline.

Confirmed Mental Illness and/or Co-occurring
Medical Condition in
March 1-28, 2020 Confirmed Suicides



Lastly, people with a mental illness and co-occurring medical conditions such as heart disease, asthma, and diabetes, should be considered for more frequent check-ins to mitigate the sense of fear and danger. The constant emphasis on “death tolls” and poorly understood data is exaggerating the risks, resulting in a constant state of duress. This type of exposure can be a tipping point for many who are already at risk of suicide and drug overdose.

Please note that all of the above data is based on point in time surveillance of fluid data sets. Public facing reports regarding fatalities would typically not be distributed in such close proximity to the actual date of death. However, given the current isolation measures and widespread use of anxiety provoking media coverage of the COVID-19 pandemic, it is critical that we provide information to health providers to support treatment and crisis intervention services in response to the rapid changes in our community.

As a direct service provider there is no doubt you have saved countless lives. In moments like these, this fact must be acknowledged in order to emphasize the remarkable work done each day in behavioral health. Without the ability to quantify the number of lives you’ve changed, there’s no denying that the data presented in this alert would be much worse in your absence.

The Health Department will continue to conduct surveillance to closely monitor these trends and will produce an updated report to keep you informed. We hope this information will support treatment strategies, healthy messaging, and targeted resources for vulnerable populations at risk of suicide and for those most impacted by social distancing and isolation. If you have questions, please contact our Community Mental Health and Addiction team at CMHA@Pima.Gov or contact me directly at Mark.Person@Pima.Gov or 520-724-7518. Thank you for all that you do.

Sincerely,



Mark Person, MSP
Program Manager
Community Mental Health and Addiction

Attachment 2

The Unequal Cost of Social Distancing
Stefanie DeLuca, Emma Kalish and Nicholas W. Papageorge

Social distancing will save lives. Its economic costs are staggering. While frustrating but manageable for many peopleⁱ, the economic fallout of social distancing is [brutal](#) for the poorest, most vulnerable and marginalized members of our society. Even looking at the issue purely in terms of lives lost, injuries sustained, and lifelong psychological damage, there are tradeoffs that we feel have not been sufficiently acknowledged.

Unemployment will lead to increases in suicide, substance abuse, domestic violence, homelessness and food insecurity. Substance abuse itself—especially the opioid crisis—has already significantly reduced life expectancy in the U.S., and that has been during a time of relative prosperity. Under the current circumstances, it is entirely possible we will see such an impact again. Domestic violence is also deadly, more so now with abusers finding themselves frustrated and at home far more than normal.

Thousands of people will die from these causes, and many more will be severely injured and traumatized for life. While these issues can be universal, they fall hardest on the poorest, most vulnerable members of our population, who we know have been the first to lose their jobs and suffer the most from these terrible problems.

Thus, a grim tradeoff is already being made between saving different lives: saving the lives of those who are most vulnerable to COVID-19 versus saving the lives of those who are most vulnerable to suicide, substance abuse, and domestic violence. Moreover, these vulnerabilities mean social distancing may be unsustainable for large swaths of the poorest Americans. As decision makers contemplate medium-term economic versus public health trade-offs, they must do so with an acknowledgement of the severely skewed nature of the costs of distancing.

Why Social Distancing Is So Costly to Vulnerable Households

It is well-documented that economic downturns not only cause human suffering due to scarcity, but also lead to health problems and increases in mortality.ⁱⁱ **In short, the virus is lethal; but so is poverty.**ⁱⁱⁱ

In the current climate, this burden is [not equally shared](#). To get a sense of the problem, consider that many low-income workers live hand-to-mouth and are housing and food-insecure even when the economy is roaring.^{iv} **Even before COVID-19 hit, only [61 percent](#) of all American families had \$400 of emergency savings.**^v Many low-income workers are not salaried, but work hourly or are part of the “gig” economy. They are more likely to work in retail and service occupations, such as restaurants and salons, and [cannot](#) set up home offices [to work remotely](#). In the short-run, [closure of businesses](#), [lack of work](#) for hourly or “gig” workers, and [layoffs](#) quickly deplete resources of low-income families, making it impossible to meet their most basic of needs. Due to school closures, even more workers are also [forced to choose](#) between taking care of their children and working (a tradeoff already faced by so many working poor parents due to the high costs of child care). Without reliable internet, printers and tech-savvy parents, children in low income families [are unable](#) to participate in online schooling to the same extent as their more advantaged peers.

The closer we look into the lives of what Michael Harrington famously called “the other America,” the magnitude of challenges low income families face rises exponentially. [For many](#), the #StayHome directive is not an option: ‘home’ is not a safe, comfortable place to be. For example, in Baltimore—like many other cities—many poor families live in cramped, low-quality, uncomfortable and even dangerous dwellings, making it more difficult to shelter in place.^{vi} Some of this housing also aggravates the [asthma symptoms](#) of their children, as mold and vermin infestation trigger episodes.^{vii} Multigenerational and complex households are also much more common [among the poor](#): in Italy this proved to be a calamitous challenge.^{viii} People cannot enact self-quarantine protocols in crowded or dangerous settings, which creates more ideal conditions for transmission than might otherwise exist.

In many poor households, at least one member has either been a victim of abuse, has a history of violent behavior or suffers from addiction.^{ix} **Outbreaks of violence or addictive behaviors occur in times of distress.**^x Indeed, there are already reports of spikes in [child abuse](#) and [domestic violence](#), which means families stuck at home already face [immediate physical danger](#). Abuse and violence also have long-run downstream effects on health, education, and productivity.^{xi} Moreover, the very institutions designed to protect victims of abuse and violence—courts, social service agencies, and law enforcement—are themselves [shutting down](#) or cutting back while they struggle to determine how to implement social distancing. There’s a serious risk that they will operate at significantly reduced capacity at a time when the need for their services is greater than ever.

For many low-income parents and children, leaving the house to go to work or attend school provides a safe haven that can ease tensions in overcrowded homes.^{xii} Recreation centers, libraries and other community providers often make up the difference between what young people need and what their families provide. Many families also rely on service providers to help with treatment addiction and mental health. As these resources close or cut back service, more needs remain unmet. Beyond these short-term needs, there are added long-term costs to the disruptions in life caused by COVID-19. Low-income students already have unstable trajectories through post-secondary institutions when they are open, something only made worse by the shift to virtual learning. Gaps in their progress, the need to care for family, and other needs can derail their educational careers, again with grave consequences for their future—and for the economy as a whole.^{xiii} The consequences of social distancing for vulnerable people will be wide ranging, and the full impact will likely never be quantified.

What Can We Realistically Expect People to Do?

Given the [uneven burden](#), a concern is that long-term quarantine or social distancing measures are unsustainable, in part because the costs borne by disadvantaged segments of the population are too [brutal](#). However, it is also clear that the consequences of business-as-usual are intolerable. Thus, two untenable views emerge. [President Trump](#) argues for a potentially disastrous premature curtailment of social distancing. Many public health experts take a more nuanced view that advocates for some longer period of social distancing. [When social and economic costs](#) are acknowledged, however, these concerns are usually a footnote, not a priority. Whether or not we agree with this type of “cost-benefit” analysis of social distancing is likely to be beside the point.^{xiv} Shuttering the economy indefinitely is unsustainable because the people bearing the biggest costs are [unlikely to](#) or [unable to](#) abide by the rules of social distancing.

Here, we can learn from previous research on behavior during epidemics. Risky sexual behavior continued through the AIDS epidemic.^{xv} We don't need to look exclusively at epidemics to see this; people continue to smoke when they know about its risks.^{xvi} More generally, people make choices that they know have negative future consequences, especially when the alternatives are worse. As social scientists, we spend a lot of time trying to understand why and under what circumstances people take risks or avoid them. However, the time to debate why is not now. **Right now, we must recognize that we cannot expect the most marginalized among us to bear the greatest costs of social distancing for weeks or months on end. If we devise policy based on the assumption that families who cannot put food on the table will stay home indefinitely, we are fooling ourselves.**

Going Forward: Research and Policy

There is broad support for policies aimed at mitigating the economic fallout of COVID-19. Last week, the federal government passed a [massive stimulus bill](#) with broad bipartisan support. The bill included provisions to help low-income families, such as direct payments to individuals and expanded unemployment insurance. This bill at best buys struggling families, and thus the country, some time. The hope is that we use the time wisely since it does not buy us an indefinite amount of time to shut down the economy. At some point we need to resume normal activity.

While more help from the federal government is certainly necessary, state and local governments need to step up as well. Many states are taking actions to increase the capacity of their health systems; they must also work to expand services for vulnerable populations. [Nine states](#) have re-opened health insurance exchanges, and many school districts are providing free meals for children and families. These are steps in the right direction.

With each passing day, there are aggregate economic effects that become difficult to bounce back from. Moreover, with each passing day, the [burdens placed on families](#) rise. As this pandemic goes on, the likelihood of the people who suffer the highest costs of social distancing remaining compliant with public health guidance will go down. This is not sustainable, nor is it an acceptable sacrifice to expect people to make.

We must immediately start testing systematically sampled subsets of the population to understand basic information like infection and mortality rates. Right now, efforts to stem the global COVID-19 pandemic are stymied because this information is either nonexistent or difficult to interpret due to lack of systematic randomized testing. Eventually, when COVID-19 is better understood, such information may lead to targeted interventions with lower economic and costs. Instead, we are forced to institute radical, blanket measures to stem the spread of the virus, imposing staggering costs on those least able to incur them.

In addition to the urgent need for policy responses, research must be done so that this disorganized, lethal response does not happen again. Beyond learning how to prepare for the direct health consequences of a pandemic, we must learn more about social costs and human behavior, including how willing and able different groups of people are to social distance. It is important to understand how people at low risk of harm from COVID-19, but high risk of harm from social distancing, weigh these tradeoffs in this uncertain situation. We must also examine the relative effectiveness of our social safety net during this time: which policies were the most protective and which were inefficient? Many of our traditional anti-poverty programs won't help under social distancing. For

example, EBT benefits are useless if people with resources are buying in bulk, therefore hoarding the food low-income parents need. Providing housing vouchers is less likely to relieve housing burdens when landlords can't meet inspectors or prospective tenants to begin the leasing process. Some special education services cannot be delivered outside of the classroom and in homes without technology. We need to understand far more about the intermediaries who were crucial to the efforts that did mitigate costs, such as the social workers and teachers who creatively risked their own health to deliver therapy and services in the homes of our poorest families.

There are enormous opportunities now, not to mention a duty, to do better not only next time a disaster hits, but all the time, and especially in the wake of this crisis, which will require significant repair. We now have an extraordinary opportunity to learn lessons that will help us craft better policy moving forward.

Bibliography

- Ahluwalia, Indu B., et al. "Current Tobacco Smoking, Quit Attempts, and Knowledge About Smoking Risks Among Persons Aged ≥ 15 Years — Global Adult Tobacco Survey, 28 Countries, 2008–2016." *MMWR. Morbidity and Mortality Weekly Report*, vol. 67, no. 38, 2018.
- Babic, Mary, et al. "From Paycheck to Pantry: Hunger in Working America" *Feeding America* 2014.
- Board of Governors of the Federal Reserve "Report on the Economic Well-Being of U.S. Households in 2018-2019" 2019. <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm>
- Braga, Breno, Steven Brown, and Signe-Mary McKernan. "Working to Make Ends Meet During Good Economic Times" *Urban Institute* 2019.
- Browne, Angela, et al. "The Impact of Recent Partner Violence on Poor Women's Capacity to Maintain Work." *Violence Against Women*, vol. 5, no. 4, 1999.
- Browning, Martin, and Eskil Heinesen. "Effect of Job Loss Due to Plant Closure on Mortality and Hospitalization." *Journal of Health Economics*, vol. 31, no. 4, 2012.
- Campbell, Jacquelyn. "Health Consequences of Intimate Partner Violence" *Lancet* vol. 359 no. 9314. 2002.
- Carpenter, Christopher S., et al. "Economic Conditions, Illicit Drug Use, and Substance Use Disorders in the United States." *Journal of Health Economics*, vol. 52, 2017.
- Cesur, Resul, and Joseph J. Sabia. "When War Comes Home: The Effect of Combat Service on Domestic Violence." *Review of Economics and Statistics*, vol. 98, no. 2, 2016.
- Chan, Tat Y., et al. "Health, Risky Behaviour and the Value of Medical Innovation for Infectious Disease." *The Review of Economic Studies*, vol. 83, no. 4, 2015.

- Chetty, Raj, et al. "The Association Between Income and Life Expectancy in the United States, 2001-2014." *Jama*, vol. 315, no. 16, 2016.
- Coker, A. L. "Physical Health Consequences of Physical and Psychological Intimate Partner Violence." *Archives of Family Medicine*, vol. 9, no. 5, 2000.
- Cox, Rebecca D. "Complicating Conditions: Obstacles and Interruptions to Low-Income Students' College 'Choices.'" *The Journal of Higher Education*, vol. 87, no. 1, 2016,.
- Dávalos, María E., et al. "Easing The Pain Of An Economic Downturn: Macroeconomic Conditions And Excessive Alcohol Consumption." *Health Economics*, vol. 21, no. 11, 2011.
- DeLuca, Stefanie, et al. "Coming of Age in the Other America" New York: Russell Sage Foundation.
- Dowd, Jennifer et al. "Demographic Science Aids in Understanding the Spread and Fatality Rates of COVID-19" *Oxford Working Paper* 2020.
- Ehrhardt, A A. "Trends in Sexual Behavior and the HIV Pandemic." *American Journal of Public Health*, vol. 82, no. 11, 1992.
- Economic Research Service "Food and Nutrition Assistance" *USDA ERS*. 2018.
<https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-security-and-nutrition-assistance/>
- Finkelhor, D., et al. "Violence, Abuse, and Crime Exposure in a National Sample of Children and Youth." *Pediatrics*, vol. 124, no. 5, 2009
- Gough, Brendan, et al. "Why Do Young Adult Smokers Continue to Smoke despite the Health Risks? A Focus Group Study." *Psychology & Health*, vol. 24, no. 2, 2009.
- Guan, Wei-jie, et al. "Clinical Characteristics of Coronavirus Disease 2019 in China" *New England Journal of Medicine*. 2020.
- Halliday, Timothy. "Income Volatility and Health" *IZA Working Paper* 2007.
- Hollingsworth, Alex, et al. "Macroeconomic Conditions and Opioid Abuse." *Journal of Health Economics*, vol. 56, 2017.
- Lipari, Rachekl and Struther Van Horn. "Children Living with Parents who have a Substance Use Disorder" *SAMHSA CBHSQ Report*. 2017.
- Noelke, Clemens, and Jason Beckfield. "Recessions, Job Loss, and Mortality Among Older US Adults." *American Journal of Public Health*, vol. 104, no. 11, 2014.
- Pacheco, Christina et al. "Homes of Low Income Minority Families with Asthmatic Children have Increased Condition Issues" *Allergy Asthma Proceedings* vol. 35 no. 6. 2014.

- Papageorge, Nicholas, et al. "Health, Human Capital and Domestic Violence." *NBER Working Paper*, 2016.
- Pelletier, Jennifer E., and Melissa N. Laska. "Balancing Healthy Meals and Busy Lives: Associations between Work, School, and Family Responsibilities and Perceived Time Constraints among Young Adults." *Journal of Nutrition Education and Behavior*, vol. 44, no. 6, 2012.
- Popova, Lucy, and Bonnie L. Halpern-Felsher. "A Longitudinal Study of Adolescents' Optimistic Bias about Risks and Benefits of Cigarette Smoking." *American Journal of Health Behavior*, vol. 40, no. 3, 2016.
- Rosenblatt, Peter, and Stefanie Deluca. "'We Don't Live Outside, We Live in Here': Neighborhood and Residential Mobility Decisions Among Low-Income Families." *City & Community*, vol. 11, no. 3, 2012.
- Schaller, Jessamyn, and Ann Huff Stevens. "Short-Run Effects of Job Loss on Health Conditions, Health Insurance, and Health Care Utilization." 2014.
- Schneider, Daniel, et al. "Intimate Partner Violence in the Great Recession." *Demography*, vol. 53, no. 2, 2016, pp. 471–505.
- Shepler, Dustin, Kevin Johnson, and Alicia Width. "Risky Sexual Behavior and Knowledge of HIV/AIDS Transmission in a Community Sample: Sexual Orientation, Race, and Gender" *Journal of Social, Behavioral, and Health Sciences* vol. 11 no. 1, 2017.
- Sullivan, Margaret, et al. "How Community Colleges Address Basic Needs and Financial Stability of Low-Income Students to Boost College Completion: Lessons from the Working Students Success Network" *Mathematica Policy Research* 2018,
- Swanberg, J. E., & Macke, C."Intimate Partner Violence and the Workplace: Consequences and Disclosure". *Affilia*, 21(4), 391–406. 2006.

ⁱ Though for some more privileged people, it has been romanticized as an opportunity to spend more time with [family](#), [simplify life](#), [engage in hobbies](#), binge watch [TV shows](#), get ahead [at work](#), and so on.

ⁱⁱ Browning, Martin, and Eskil Heinesen. "Effect of Job Loss Due to Plant Closure on Mortality and Hospitalization." *Journal of Health Economics*, vol. 31, no. 4, 2012.; Halliday, Timothy. "Income Volatility and Health" *IZA Working Paper* 2007.; Noelke, Clemens, and Jason Beckfield. "Recessions, Job Loss, and Mortality Among Older US Adults." *American Journal of Public Health*, vol. 104, no. 11, 2014.; Schaller, Jessamyn, and Ann Huff Stevens. "Short-Run Effects of Job Loss on Health Conditions, Health Insurance, and Health Care Utilization." 2014.

ⁱⁱⁱ Chetty, Raj, et al. "The Association Between Income and Life Expectancy in the United States, 2001-2014." *Jama*, vol. 315, no. 16, 2016.

-
- ^{iv} Babic, Mary, et al. “From Paycheck to Pantry: Hunger in Working America” *Feeding America* 2014.; Braga, Breno, Steven Brown, and Signe-Mary McKernan. “Working to Make Ends Meet During Good Economic Times” *Urban Institute* 2019.; Economic Research Service “Food and Nutrition Assistance” *USDA ERS*. 2018. <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-security-and-nutrition-assistance/>
- ^v Board of Governors of the Federal Reserve “Report on the Economic Well-Being of U.S. Households in 2018-2019” 2019. <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm>
- ^{vi} DeLuca, Stefanie, Holly Wood and Peter Rosenblatt. “Why Poor Families Move (and Where They Go): Reactive Mobility and Residential Decisions. *City and Community* vol. 18 no. 2. 2019.
- ^{vii} Pacheco, Christina et al. “Homes of Low Income Minority Families with Asthmatic Children have Increased Condition Issues” *Allergy Asthma Proceedings* vol. 35 no. 6. 2014.
- ^{viii} Dowd, Jennifer et al. “Demographic Science Aids in Understanding the Spread and Fatality Rates of COVID-19” *Oxford Working Paper* 2020.
- ^{ix} Finkelhor, D., et al. “Violence, Abuse, and Crime Exposure in a National Sample of Children and Youth.” *Pediatrics*, vol. 124, no. 5, 2009; Lipari, Rachekl and Struther Van Horn. “Children Living with Parents who have a Substance Use Disorder” *SAMHSA CBHSQ Report*. 2017.
- ^x Carpenter, Christopher S., et al. “Economic Conditions, Illicit Drug Use, and Substance Use Disorders in the United States.” *Journal of Health Economics*, vol. 52, 2017.; Cesur, Resul, and Joseph J. Sabia. “When War Comes Home: The Effect of Combat Service on Domestic Violence.” *Review of Economics and Statistics*, vol. 98, no. 2, 2016.; Dávalos, María E., et al. “Easing The Pain Of An Economic Downturn: Macroeconomic Conditions And Excessive Alcohol Consumption.” *Health Economics*, vol. 21, no. 11, 2011.; Hollingsworth, Alex, et al. “Macroeconomic Conditions and Opioid Abuse.” *Journal of Health Economics*, vol. 56, 2017.; Schneider, Daniel, et al. “Intimate Partner Violence in the Great Recession.” *Demography*, vol. 53, no. 2, 2016, pp. 471–505.
- ^{xi} Browne, Angela, et al. “The Impact of Recent Partner Violence on Poor Women's Capacity to Maintain Work.” *Violence Against Women*, vol. 5, no. 4, 1999.; Campbell, Jacquelyn. “Health Consequences of Intimate Partner Violence” *Lancet* vol. 359 no. 9314. 2002. ; Coker, A. L. “Physical Health Consequences of Physical and Psychological Intimate Partner Violence.” *Archives of Family Medicine*, vol. 9, no. 5, 2000.; Papageorge, Nicholas, et al. “Health, Human Capital and Domestic Violence.” *NBER Working Paper*, 2016.; Swanberg, J. E., & Macke, C. “Intimate Partner Violence and the Workplace: Consequences and Disclosure”. *Affilia*, 21(4), 391–406. 2006.
- ^{xii} DeLuca, Stefanie, et al. “Coming of Age in the Other America” New York: Russell Sage Foundation. 2016.
- ^{xiii} Cox, Rebecca D. “Complicating Conditions: Obstacles and Interruptions to Low-Income Students’ College ‘Choices.’” *The Journal of Higher Education*, vol. 87, no. 1, 2016.; Pelletier,

Jennifer E., and Melissa N. Laska. “Balancing Healthy Meals and Busy Lives: Associations between Work, School, and Family Responsibilities and Perceived Time Constraints among Young Adults.” *Journal of Nutrition Education and Behavior*, vol. 44, no. 6, 2012.; Sullivan, Margaret, et al. “How Community Colleges Address Basic Needs and Financial Stability of Low-Income Students to Boost College Completion: Lessons from the Working Students Success Network” Mathematica Policy Research 2018.

^{xiv} <https://www.bloomberg.com/opinion/articles/2020-03-26/coronavirus-lockdowns-look-smart-under-cost-benefit-scrutiny>

^{xv} Chan, Tat Y., et al. “Health, Risky Behaviour and the Value of Medical Innovation for Infectious Disease.” *The Review of Economic Studies*, vol. 83, no. 4, 2015.; Ehrhardt, A A. “Trends in Sexual Behavior and the HIV Pandemic.” *American Journal of Public Health*, vol. 82, no. 11, 1992.; Shepler, Dustin, Kevin Johnson, and Alicia Width. “Risky Sexual Behavior and Knowledge of HIV/AIDS Transmission in a Community Sample: Sexual Orientation, Race, and Gender” *Journal of Social, Behavioral, and Health Sciences* vol. 11 no. 1, 2017.

^{xvi} Ahluwalia, Indu B., et al. “Current Tobacco Smoking, Quit Attempts, and Knowledge About Smoking Risks Among Persons Aged ≥ 15 Years — Global Adult Tobacco Survey, 28 Countries, 2008–2016.” *MMWR. Morbidity and Mortality Weekly Report*, vol. 67, no. 38, 2018.; Gough, Brendan, et al. “Why Do Young Adult Smokers Continue to Smoke despite the Health Risks? A Focus Group Study.” *Psychology & Health*, vol. 24, no. 2, 2009.; Popova, Lucy, and Bonnie L. Halpern-Felsher. “A Longitudinal Study of Adolescents' Optimistic Bias about Risks and Benefits of Cigarette Smoking.” *American Journal of Health Behavior*, vol. 40, no. 3, 2016.

ATTACHMENT 7

GUIDELINES

OPENING UP

AMERICA AGAIN





Overview

CRITERIA

The data-driven conditions each region or state should satisfy before proceeding to a phased opening.

PREPAREDNESS

What States should do to meet the challenges ahead.

PHASE GUIDELINES

Responsibilities of individuals and employers during all phases, and in each specific phase of the opening.



Proposed State or Regional Gating Criteria

(Satisfy Before Proceeding to Phased Opening)

SYMPTOMS

Downward trajectory of influenza-like illnesses (ILI) reported within a 14-day period

AND

Downward trajectory of COVID-like syndromic cases reported within a 14-day period

CASES

Downward trajectory of documented cases within a 14-day period

OR

Downward trajectory of positive tests as a percent of total tests within a 14-day period (flat or increasing volume of tests)

HOSPITALS

Treat all patients without crisis care

AND

Robust testing program in place for at-risk healthcare workers, including emerging antibody testing

*State and local officials may need to tailor the application of these criteria to local circumstances (e.g., metropolitan areas that have suffered severe COVID outbreaks, rural and suburban areas where outbreaks have not occurred or have been mild). Additionally, where appropriate, Governors should work on a regional basis to satisfy these criteria and to progress through the phases outlined below.



Core State Preparedness Responsibilities

TESTING & CONTACT TRACING

- ✓ Ability to quickly set up safe and efficient screening and testing sites for symptomatic individuals and trace contacts of COVID+ results
- ✓ Ability to test Syndromic/ILI-indicated persons for COVID and trace contacts of COVID+ results
- ✓ Ensure sentinel surveillance sites are screening for asymptomatic cases and contacts for COVID+ results are traced (sites operate at locations that serve older individuals, lower-income Americans, racial minorities, and Native Americans)

HEALTHCARE SYSTEM CAPACITY

- ✓ Ability to quickly and independently supply sufficient Personal Protective Equipment and critical medical equipment to handle dramatic surge in need
- ✓ Ability to surge ICU capacity

PLANS

- ✓ Protect the health and safety of workers in critical industries
- ✓ Protect the health and safety of those living and working in high-risk facilities (e.g., senior care facilities)
- ✓ Protect employees and users of mass transit
- ✓ Advise citizens regarding protocols for social distancing and face coverings
- ✓ Monitor conditions and immediately take steps to limit and mitigate any rebounds or outbreaks by restarting a phase or returning to an earlier phase, depending on severity



Proposed Phased Approach

BASED ON **UP-TO-DATE DATA** AND READINESS

MITIGATES RISK OF RESURGENCE

PROTECTS THE MOST VULNERABLE

IMPLEMENTABLE ON **STATEWIDE OR COUNTY-
BY-COUNTY** BASIS AT GOVERNORS' DISCRETION



Guidelines for All Phases: Individuals

CONTINUE TO PRACTICE GOOD HYGIENE

- ✓ Wash your hands with soap and water or use hand sanitizer, especially after touching frequently used items or surfaces.
- ✓ Avoid touching your face.
- ✓ Sneeze or cough into a tissue, or the inside of your elbow.
- ✓ Disinfect frequently used items and surfaces as much as possible.
- ✓ Strongly consider using face coverings while in public, and particularly when using mass transit.

PEOPLE WHO FEEL SICK SHOULD STAY HOME

- ✓ Do not go to work or school.
- ✓ Contact and follow the advice of your medical provider.

Continue to adhere to State and local guidance as well as complementary CDC guidance, particularly with respect to face coverings.



Guidelines for All Phases: Employers

Develop and implement appropriate policies, in accordance with Federal, State, and local regulations and guidance, and informed by industry best practices, regarding:

- ✓ Social distancing and protective equipment
- ✓ Temperature checks
- ✓ Testing, isolating, and contact tracing
- ✓ Sanitation
- ✓ Use and disinfection of common and high-traffic areas
- ✓ Business travel

Monitor workforce for indicative symptoms. Do not allow symptomatic people to physically return to work until cleared by a medical provider.

Develop and implement policies and procedures for workforce contact tracing following employee COVID+ test.



Phase One

FOR STATES AND REGIONS
THAT SATISFY THE GATING CRITERIA



Phase One

INDIVIDUALS

ALL VULNERABLE INDIVIDUALS* should continue to shelter in place. Members of households with vulnerable residents should be aware that by returning to work or other environments where distancing is not practical, they could carry the virus back home. Precautions should be taken to isolate from vulnerable residents.

All individuals, **WHEN IN PUBLIC** (e.g., parks, outdoor recreation areas, shopping areas), should maximize physical distance from others. Social settings of more than 10 people, where appropriate distancing may not be practical, should be avoided unless precautionary measures are observed.

Avoid **SOCIALIZING** in groups of more than 10 people in circumstances that do not readily allow for appropriate physical distancing (e.g., receptions, trade shows)

MINIMIZE NON-ESSENTIAL TRAVEL and adhere to CDC guidelines regarding isolation following travel.

*See Appendix 1 for Definition of Vulnerable Individuals



Phase One

EMPLOYERS

Continue to **ENCOURAGE TELEWORK**, whenever possible and feasible with business operations.

If possible, **RETURN TO WORK IN PHASES.**

Close **COMMON AREAS** where personnel are likely to congregate and interact, or enforce strict social distancing protocols.

Minimize **NON-ESSENTIAL TRAVEL** and adhere to CDC guidelines regarding isolation following travel.

Strongly consider **SPECIAL ACCOMMODATIONS** for personnel who are members of a **VULNERABLE POPULATION.**



Phase One

SPECIFIC TYPES OF EMPLOYERS

SCHOOLS AND ORGANIZED YOUTH ACTIVITIES (e.g., daycare, camp) that are currently closed should remain closed.

VISITS TO SENIOR LIVING FACILITIES AND HOSPITALS should be prohibited. Those who do interact with residents and patients must adhere to strict protocols regarding hygiene.

LARGE VENUES (e.g., sit-down dining, movie theaters, sporting venues, places of worship) can operate under strict physical distancing protocols.

ELECTIVE SURGERIES can resume, as clinically appropriate, on an outpatient basis at facilities that adhere to CMS guidelines.

GYMS can open if they adhere to strict physical distancing and sanitation protocols.

BARS should remain closed.



Phase Two

FOR STATES AND REGIONS WITH NO EVIDENCE OF
A REBOUND AND THAT SATISFY THE GATING
CRITERIA A SECOND TIME



Phase Two

INDIVIDUALS

ALL VULNERABLE INDIVIDUALS should continue to shelter in place. Members of households with vulnerable residents should be aware that by returning to work or other environments where distancing is not practical, they could carry the virus back home. Precautions should be taken to isolate from vulnerable residents.

All individuals, **WHEN IN PUBLIC** (e.g., parks, outdoor recreation areas, shopping areas), should maximize physical distance from others. Social settings of more than 50 people, where appropriate distancing may not be practical, should be avoided unless precautionary measures are observed.

NON-ESSENTIAL TRAVEL can resume.



Phase Two

EMPLOYERS

Continue to **ENCOURAGE TELEWORK**, whenever possible and feasible with business operations.

Close **COMMON AREAS** where personnel are likely to congregate and interact, or enforce moderate social distancing protocols.

NON-ESSENTIAL TRAVEL can resume.

Strongly consider **SPECIAL ACCOMMODATIONS** for personnel who are members of a **VULNERABLE POPULATION**.



Phase Two

SPECIFIC TYPES OF EMPLOYERS

SCHOOLS AND ORGANIZED YOUTH ACTIVITIES (e.g., daycare, camp) can reopen.

VISITS TO SENIOR CARE FACILITIES AND HOSPITALS should be prohibited. Those who do interact with residents and patients must adhere to strict protocols regarding hygiene.

LARGE VENUES (e.g., sit-down dining, movie theaters, sporting venues, places of worship) can operate under moderate physical distancing protocols.

ELECTIVE SURGERIES can resume, as clinically appropriate, on an outpatient and in-patient basis at facilities that adhere to CMS guidelines.

GYMS can remain open if they adhere to strict physical distancing and sanitation protocols.

BARS may operate with diminished standing-room occupancy, where applicable and appropriate.



Phase Three

FOR STATES AND REGIONS WITH NO EVIDENCE OF
A REBOUND AND THAT SATISFY THE GATING
CRITERIA A THIRD TIME



Phase Three

INDIVIDUALS

VULNERABLE INDIVIDUALS can resume public interactions, but should practice physical distancing, minimizing exposure to social settings where distancing may not be practical, unless precautionary measures are observed.

LOW-RISK POPULATIONS should consider minimizing time spent in crowded environments.

Phase Three

EMPLOYERS

Resume **UNRESTRICTED STAFFING** of worksites.



Phase Three

SPECIFIC TYPES OF EMPLOYERS

VISITS TO SENIOR CARE FACILITIES AND HOSPITALS can resume. Those who interact with residents and patients must be diligent regarding hygiene.

LARGE VENUES (e.g., sit-down dining, movie theaters, sporting venues, places of worship) can operate under limited physical distancing protocols.

GYMS can remain open if they adhere to standard sanitation protocols.

BARS may operate with increased standing room occupancy, where applicable.



Appendix

Vulnerable Individuals

1. Elderly individuals.

2. Individuals with serious underlying health conditions, including high blood pressure, chronic lung disease, diabetes, obesity, asthma, and those whose immune system is compromised such as by chemotherapy for cancer and other conditions requiring such therapy.



ATTACHMENT 8

Criteria for beginning of phased reduction of COVID-19 physical distancing restrictions:

	Criteria not met	Progress	Criteria met
DISEASE CRITERIA:			
Decreasing positive cases over 14 days	■	■	■
Decreasing COVID-19 related deaths over 14 days	■	■	■
Decreasing symptomatic cases over 14 days	■	■	■
HEALTHCARE CAPACITY CRITERIA:			
Testing for all symptomatic patients	■	■	■
Staffing & beds to care for 2X the current COVID cases (+ surge)	■	■	■
Sufficient PPE for healthcare and emergency responders	■	■	■
PUBLIC HEALTH CRITERIA:			
Timely contact tracing (w/in 24 hrs of a report of a positive test)	■	■	■
Testing of symptomatic contacts (within 12 hours)	■	■	■
Facilities/support for patients who can't be discharged home	■	■	■

PHASE 1: If all of the above criteria are met (green), the following change in restrictions can occur.*

Individuals:

- All medically vulnerable people continue to stay home
- All physical distancing measures remain in place
- No groups >10
- Resumption of some non-essential travel

Employers:

- Phased return to work with physical distancing
- Common areas remain closed
- Telework continues
- Medically vulnerable workers telework or stay home

What the public sees:

- Schools remain closed
- Visitor restrictions continue at healthcare facilities
- Elective outpatient surgeries resume
- Large venues (restaurants, churches, theatres, sporting venues) begin to operate with appropriate physical distancing
- Gyms reopen with physical distancing and enhanced sanitation
- Bars remain closed

* For all phases of the recovery, the public should continue good prevention practices:

- Stay home if sick
- Wash hands with soap and water/ hand sanitizer
- Avoid touching face
- Sneeze/cough into a tissue or elbow.
- Disinfect frequently used items and surfaces
- Strongly consider using face coverings while in public
- Continue physical distancing and use protective equipment
- Temperature /wellness checks at entrances to public buildings and workplaces
- Sanitization and disinfection of common and high-traffic areas
- Limitations on business travel

ATTACHMENT 9a



MEMORANDUM

Date: April 17, 2020

To: C.H. Huckelberry
County Administrator

From: John Moffatt, Director
Economic Development Office

Patrick Cavanaugh, Deputy Director
Economic Development Office

Re: **Federal Aid and Financial Relief Report**

In your April 9, 2020 memorandum ("**Small Business Commission Reactivation**") you directed the Office of Economic Development to provide you with an appropriate comprehensive report "regarding all of the federal aid and financial relief packages that could be available to businesses, including small businesses, and how these programs can be accessed, when they can be accessed and how businesses and others can be made aware of the application process and how to apply."

This report will attempt to provide answers to the specific questions you have posed but will also offer broader context that includes background and funding information of the federal programs and a summary of regional efforts to connect businesses to these resources. Additionally, this report will also include information concerning emerging difficulties and shortcomings in the federal programs – at both the Small Business Administration (SBA) and congressional levels - that have begun to accelerate in the short period of time since you issued your direction for this report.

A separate report from the Economic Development Office ("**Disparity in the Access to Banking Institutions Associated with Small Business Loan Programs**") will be provided that addresses the ability of Pima County businesses to access these critically needed federal funds, much of which is routed through the private sector banking system.

The federal aid and financial resources are most certainly providing a much-needed lifeline to some Pima County businesses, but for many others - particularly small businesses of less than 500 employees – the assistance is arriving too late or not arriving at all. More than

C.H. Huckelberry, County Administrator
Re: **Federal Aid and Financial Relief Report**
April 17, 2020
Page 2

\$3.5 billion in Paycheck Protection Program (PPP) loans have been approved in Arizona, but data is lacking on businesses that have tried and failed to access PPP or any other federal financial aid programs – or closed their doors before the assistance was readily available.

The Pima County Economic Development Office has also received anecdotal information from many local businesses seeking assistance. Most of these businesses report a simple application process, initial difficulty with bank requirements – and for those that have successfully submitted applications, many are still waiting for funds to arrive in their accounts.

The Small Business Development Center (SBDC) located at Pima Community College, which is focused on assisting businesses with the SBA programs, reports that many Pima County businesses have already successfully received funding. The SBDC office reports its three counselors are receiving an average of 20 calls per day.

It is important to note that the sheer scale of the developing economic emergency, which is driving the need for business aid and relief in Pima County - combined with the massive federal financial resources being expended in a relatively short period of time - make this an extremely fluid situation. Social distancing and emergency declarations are affecting different business sectors in differing ways. Federal guidelines are also shifting rapidly, various programmatic funding is either being deployed or depleted, and new legislation is being debated in a contentious political atmosphere. This report should only be viewed as a snapshot depicting current programs and conditions.

Background of the federal aid and financial relief

Federal legislation in response to the Coronavirus Disease 2019 (COVID 19) pandemic has thus far been developed in a series of three phased emergency packages. The third phase contained most of the current federal aid directed to businesses. A fourth package with additional business aid is currently being proposed.

Broadly, these three bills signed into law and their relation to business aid are:

Phase 1: H.R. 6074 Coronavirus Preparedness and Response Supplemental Appropriations Act (*signed into law March 6, 2020/\$8.3 billion*) which focused on public health, research and development, diagnostic testing, assisting state and local governments and other efforts intended to treat and prevent the widespread transmission of the virus.

Phase 1 included \$20 million allocated to the Small Business Administration (SBA) to augment the agency's existing disaster loan program.

Phase 2: H.R. 6201 Families First Coronavirus Response Act (*signed into law March 18, 2020/\$3.5 billion initial funding plus significant additional federal expenditures as benefits are utilized*) which focused on unemployment relief such as paid sick leave, expanded unemployment insurance benefits, increased Medicaid funding, mandated paid sick leave and childcare leave.

The law requires small employers – those with fewer than 500 employees – to provide limited paid leave benefits to employees affected by the COVID 19 pandemic. Due to the burden the mandated leave requirement placed on small businesses already facing economic pressures from the pandemic, the measure includes new tax credits and federal payroll tax relief.

Phase 3: H.R. 748 Coronavirus Aid, Relief, and Economic Security Act/CARES Act (*signed in to law March 27, 2020/\$ 2 trillion*) Most federal programming and funding intended to aid businesses in response to the COVID 19 pandemic is emanating from the third “stimulus” phase of legislation. This CARES Act is intended to provide emergency assistance and augmented healthcare to individuals, families, and businesses. It includes the one-time \$1,200 per person/\$500 per child stimulus checks; additional augmentation of unemployment benefits; increased food security benefits and housing support; aid to industries such as airlines, transit and national security; aid to states and additional disaster support and significant funding increase to federal agencies involved with COVID 19 response.

As previously noted, this legislation provides the majority of the current COVID 19 response-related aid to business and is estimated to allocate \$500 billion to assistance to larger corporations and industries and \$349 billion to small business programming. The aid that has significant bearing for business in Pima County includes the Paycheck Protection Program (PPP), Emergency Economic Injury Grants, Economic Injury Disaster Loans (EIDL) and other programs, which will be addressed in this report.

Potential Phase 4 legislation (*to be determined*) As of this date, Congress continues to debate the size and scope of the proposed legislation which is critical to providing emergency funding to businesses, but the bipartisan focus remains on providing supplemental funding to the PPP and EIDL disaster loan programs – the two most effective and most heavily

accessed programs available to business nationwide. These programs have been oversubscribed for at least the last week for the first-come, first served application process. Information from the SBA website indicate approximately 1.3 million loans had been approved nationwide as of April 15, 2020. Data was not available for EIDL usage.

A vote on the Phase 4 package could come as soon as April 17, 2020 or possibly the following week. The supplemental proposals range from \$250 billion to \$270 billion to on top of the \$349 billion previously allocated to PPP and an undetermined amount of additional capacity for EIDL and other SBA disaster loans.

Current and emerging problems with the federal business aid and financial relief

Most significantly and immediate, the SBA posted on April 16, 2020 a “Lapse in Appropriations” notice on its website indicating it is “unable to accept new applications for the Paycheck Protection Program based on available appropriations funding.” An identical notice has been placed on the page for EIDL Emergency loans and referred applicants to enhanced debt relief programs – the conventional SBA 7a, 504 and microloan program that have received additional funding from previous legislation. The debt relief deferral pays principal, interest, and fees of current loans for six months.

As previously noted, Congress is currently debating supplemental funding for these programs. Applications received prior to the funding depletion are still being processed.

Prior to the depletion of the funding for these two programs, several other issues had been identified. These include:

- The roll out of PPP from the SBA occurred abruptly. When the PPP was released April 3, 2020, many banks were not prepared to accept applications and federal guidance was initially confusing or ambiguous. Some banks initially would only accept PPP applications from businesses with whom they had a previous banking relationship with. As noted in the Pima County Economic Development Office’s banking report, smaller banking institutions are responding better than larger corporate banks.
- Fintech/online lenders were initially excluded from PPP, increasing the application demand at conventional banks. Faith-based organizations were also initially excluded.

- The focus of the PPP program is orientated toward incentivizing employers to keep their workforce employed and only cover 8 weeks of payroll. The main component of the program allows for a low interest loan up to 2.5 times the monthly payroll of the individual business. The loan and accrued interest are forgiven only if the employer retains or hires employees. This emphasis mandates payroll expenses even when many types of businesses remain closed by social distancing requirements and emergency declarations. PPP will simply not work for many businesses and one study from Indiana University estimates that the program is not compatible for 40 percent of the country's 30 million small businesses.
- SBA guidance for PPP has been changing frequently, particularly as it pertains to contract workers and self-employed workers.
- Minimum wage workers are reluctant to remain employed by businesses receiving PPP because they can earn more under newly expanded unemployment benefits that pay more than their previous jobs.

Other issues in the area of federal business aid and relief are becoming evident as more businesses apply. Pima County has reactivated the Pima County Small Business Commission to investigate program access issues and technical problems. The Commission's findings and recommendations will be forwarded to the Pima County Board of Supervisors as they develop.

Even with their numerous problems, the importance of the federal business aid and relief programs cannot be understated due to the volume of financial need occurring in the fast-growing economic crisis. Numerous local assistance funds have developed in Pima County, including from Community Investment Corporation, an affiliate of the Pima County Industrial Development Authority; Business Development Finance Corporation and the Tucson Industrial Development Authority; Growth Partners AZ is assisting nonprofit businesses and Rio Nuevo is assisting businesses within its district boundaries – but these small infusions cannot match the scale of federal assistance and no direct financial assistance to businesses has been identified as coming from the State of Arizona. This lack of direct financial aid to private businesses by the state is restrained by the Arizona Constitution, which also restrains counties and municipal governments from issuing funds to private business.

C.H. Huckelberry, County Administrator
Re: **Federal Aid and Financial Relief Report**
April 17, 2020
Page 6

How Pima County Businesses are being made aware of the federal business aid and relief

As emergency declarations from local jurisdictions began affecting business operations in March 2020, local governments and private sector business organizations began compiling information about federal business aid for distribution to the public. Pima County's effort of informing the business community about the federal programs is centered on Pima Works – a webpage on the Pima County website. Pima Works also includes extensive information from the Pima County One Stop about employment resources and specific information for social services and restaurant support:

<https://webcms.pima.gov/cms/One.aspx?portalId=169&pageId=538481>

Pima County has promoted the Pima Works through advertising and social media and the page is receiving significant traffic. Other organizations in the region that are making the federal business resources widely available include the Arizona Commerce Authority, the City of Tucson and other Pima County municipalities, Tucson Metro Chamber, SBDC, and many other business support and advocacy agencies.

How and when the federal business aid and relief can be accessed

As previously described, the SBA and private sector banks are main points of direct access for the programs and some of the most important programs are currently unavailable while awaiting action from Congress. For specific information on requirements to access the programs, we have identified the most succinct resources and attached them to this report as follows:

Attachment 1: US Senate SBA fact sheet

Attachment 2: Arizona Commerce Authority's federal resource guide

Please let us know if we can provide you any additional information on this topic.

JM/PC/dr

ATTACHMENT 1



The Small Business Owner's Guide to the CARES Act

The programs and initiatives in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* that was just passed by Congress are intended to assist business owners with whatever needs they have right now. When implemented, there will be many new resources available for small businesses, as well as certain non-profits and other employers. This guide provides information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as some additional tax provisions that are outside the scope of SBA.

To keep up to date on when these programs become available, please stay in contact with your local Small Business Administration (SBA) District Office, which you can locate [here](#).

Struggling to get started? The following questions might help point you in the right direction. Do you need:

- **Capital to cover the cost of retaining employees?** Then the [Paycheck Protection Program](#) might be right for you.
- **A quick infusion of a smaller amount of cash to cover you right now?** You might want to look into an [Emergency Economic Injury Grant](#).
- **To ease your fears about keeping up with payments on your current or potential SBA loan?** The [Small Business Debt Relief Program](#) could help.
- **Just some quality, free counseling to help you navigate this uncertain economic time?** The [resource partners](#) might be your best bet.

Already know what resources you're looking for? The table of contents can direct you to more information about the program or assistance product you need.

Table of Contents	
Paycheck Protection Program Loans	2
Small Business Debt Relief Program	6
Economic Injury Disaster Loans and Emergency Economic Injury Grants	7
Small Business Counseling	9
Small Business Contracting	10
Small Business Tax Provisions	11

Paycheck Protection Program (PPP) Loans

The program would provide cash-flow assistance through 100 percent federally guaranteed loans to employers who maintain their payroll during this emergency. If employers maintain their payroll, the loans would be forgiven, which would help workers remain employed, as well as help affected small businesses and our economy snap-back quicker after the crisis. PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least six months of deferral with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. This program would be retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls. **Loans are available through June 30, 2020.**

FREQUENTLY ASKED QUESTIONS

QUESTION: What types of businesses and entities are eligible for a PPP loan?

- Answer:
- Businesses and entities must have been in operation on February 15, 2020.
 - Small business concerns, as well as any business concern, a 501(c)(3) nonprofit organization, a 501(c)(19) veterans organization, or Tribal business concern described in section 31(b)(2)(C) that has fewer than 500 employees, or the applicable [size standard](#) in number of employees for the North American Industry Classification System (NAICS) industry as provided by SBA, if higher.
 - Individuals who operate a sole proprietorship or as an independent contractor and eligible self-employed individuals.
 - Any business concern that employs not more than 500 employees per physical location of the business concern and that is assigned a NAICS code beginning with 72, for which the affiliation rules are waived.
 - Affiliation rules are also waived for any business concern operating as a franchise that is assigned a franchise identifier code by the Administration, and company that receives funding through a Small Business Investment Company.

QUESTION: What are affiliation rules?

Answer: Affiliation rules become important when SBA is deciding whether a business's affiliations preclude them from being considered "small." Generally, affiliation exists when one business controls or has the power to control another or when a third party (or parties) controls or has the power to control both businesses. Please see [this resource](#) for more on these rules and how they can impact your business's eligibility.

QUESTION: What types of non-profits are eligible?

Answer: In general, 501(c)(3) and 501(c)(19) non-profits with 500 employees or fewer as most non-profit SBA size standards are based on revenue, not employee number. You can check [here](#).

QUESTION: How is the loan size determined?

Answer: Depending on your business's situation, the loan size will be calculated in different ways (see below). The maximum loan size is always **\$10 million**.

- **If you were in business February 15, 2019 – June 30, 2019:** Your max loan is equal to 250 percent of your average monthly payroll costs. If your business is a seasonal employer, the max loan is equal to 250 percent of your average monthly payroll costs between February 15, 2019 – June 30, 2019; you can also opt to choose March 1, 2019 as your time period start date.
- **If you were not in business between February 15, 2019 – June 30, 2019:** Your max loan is equal to 250 percent of your average monthly payroll costs between January 1, 2020 and February 29, 2020.
- **If you took out an Economic Injury Disaster Loan (EIDL) between February 15, 2020 and June 30, 2020** and you want to refinance that loan into a PPP loan, you would add the outstanding loan amount to the payroll sum.

QUESTION: What costs are eligible for payroll?

- Answer:
- Compensation (salary, wage, commission, or similar compensation, payment of cash tip or equivalent)
 - Payment for vacation, parental, family, medical, or sick leave
 - Allowance for dismissal or separation
 - Payment required for the provisions of group health care benefits, including insurance premiums
 - Payment of any retirement benefit
 - Payment of State or local tax assessed on the compensation of employees

QUESTION: What costs are not eligible for payroll?

- Answer:
- Employee/owner compensation over \$100,000
 - Taxes imposed or withheld under chapters 21, 22, and 24 of the IRS code
 - Compensation of employees whose principal place of residence is outside of the U.S.
 - Qualified sick and family leave for which a credit is allowed under sections 7001 and 7003 of the [*Families First Coronavirus Response Act*](#)

QUESTION: What are allowable uses of loan proceeds?

- Answer:
- Payroll costs (as noted above)
 - Costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums
 - Employee salaries, commissions, or similar compensations (see exclusions above)
 - Payments of interest on any mortgage obligation (which shall not include any prepayment of or payment of principal on a mortgage obligation)
 - Rent (including rent under a lease agreement)
 - Utilities
 - Interest on any other debt obligations that were incurred before the covered period

<p>QUESTION: What are the loan term, interest rate, and fees?</p> <p>Answer: For any amounts not forgiven, the maximum term is 10 years, the maximum interest rate is 4 percent, zero loan fees, zero prepayment fee (SBA will establish application fees caps for lenders that charge).</p>
<p>QUESTION: How is the forgiveness amount calculated?</p> <p>Answer: Forgiveness on a covered loan is equal to the sum of the following payroll costs incurred during the covered 8 week period compared to the previous year or time period, proportionate to maintaining employees and wages (excluding compensation over \$100,000):</p> <ul style="list-style-type: none"> • Payroll costs plus any payment of interest on any covered mortgage obligation (not including any prepayment or payment of principal on a covered mortgage obligation) plus any payment on any covered rent obligation plus and any covered utility payment.
<p>QUESTION: How do I get forgiveness on my PPP loan?</p> <p>Answer: You must apply through your lender for forgiveness on your loan. In this application, you must include:</p> <ul style="list-style-type: none"> • Documentation verifying the number of employees on payroll and pay rates, including IRS payroll tax filings and State income, payroll and unemployment insurance filings. • Documentation verifying payments on covered mortgage obligations, lease obligations, and utilities. • Certification from a representative of your business or organization that is authorized to certify that the documentation provided is true and that the amount that is being forgiven was used in accordance with the program’s guidelines for use.
<p>QUESTION: What happens after the forgiveness period?</p> <p>Answer: Any loan amounts not forgiven are carried forward as an ongoing loan with max terms of 10 years, at a maximum interest rate of 4%. Principal and interest will continue to be deferred, for a total of 6 months to a year after disbursement of the loan. The clock does not start again.</p>
<p>QUESTION: Can I get more than one PPP loan?</p> <p>Answer: No, an entity is limited to one PPP loan. Each loan will be registered under a Taxpayer Identification Number at SBA to prevent multiple loans to the same entity.</p>
<p>QUESTION: Where should I go to get a PPP loan from?</p> <p>Answer: All current SBA 7(a) lenders (see more about 7(a) here) are eligible lenders for PPP. The Department of Treasury will also be in charge of authorizing new lenders, including non-bank lenders, to help meet the needs of small business owners.</p>

QUESTION: How does the PPP loan coordinate with SBA’s existing loans?

Answer: Borrowers may apply for PPP loans and other SBA financial assistance, including Economic Injury Disaster Loans (EIDLs), 7(a) loans, 504 loans, and microloans, and also receive investment capital from [Small Business Investment Corporations](#) (SBICs). However, you cannot use your PPP loan for the same purpose as your other SBA loan(s). For example, if you use your PPP to cover payroll for the 8-week covered period, you cannot use a different SBA loan product for payroll for those same costs in that period, although you could use it for payroll not during that period or for different workers.

QUESTION: How does the PPP loan work with the temporary Emergency Economic Injury Grants and the Small Business Debt Relief program?

Answer: [Emergency Economic Injury Grant](#) and Economic Injury Disaster Loan (EIDL) recipients and those who receive loan payment relief through the [Small Business Debt Relief Program](#) may apply for and take out a PPP loan as long as there is no duplication in the uses of funds. Refer to those sections for more information.

Small Business Debt Relief Program

This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans. Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out loans within six months of the President signing the bill into law.

FREQUENTLY ASKED QUESTIONS	
QUESTION:	Which SBA loans are eligible for debt relief under this program?
Answer:	7(a) loans not made under the Paycheck Protection Program (PPP), 504 loans, and microloans. Disaster loans are not eligible (see p. 7 for more information on these).
QUESTION:	How does debt relief under this program work with a PPP loan?
Answer:	Borrowers may separately apply for and take out a PPP loan, but debt relief under this program will not apply to a PPP loan.
QUESTION:	How do I know if I'm eligible for a 7(a), 504, or microloan?
Answer:	In general, businesses must meet size standards , be based in the U.S., be able to repay, and have a sound business purpose. To check whether your business is considered small, you will need your business's 6-digit North American Industry Classification System (NAICS) code and 3-year average annual revenue. Each program has different requirements, see https://www.sba.gov/funding-programs/loans for more details.
QUESTION:	What is a 7(a) loan and how do I apply?
Answer:	7(a) loans are an affordable loan product of up to \$5 million for borrowers who lack credit elsewhere and need access to versatile financing, providing short-term or long-term working capital and to purchase an existing business, refinance current business debt, or purchase furniture, fixtures and supplies. In the program, banks share a portion of the risk of the loan with SBA. There are many different types of 7(a) loans, you can visit this site to find the one that's best for you. You apply for a 7(a) loan with a bank or a mission-based lender. SBA has a free referral service tool called Lender Match to help find a lender near you.
QUESTION:	What is a 504 loan and how do I apply?
Answer:	The 504 Loan Program provides loans of up to \$5.5 million to approved small businesses with long-term, fixed-rate financing used to acquire fixed assets for expansion or modernization. It is a good option if you need to purchase real estate, buildings, and machinery. You apply through a Certified Development Company, which is a nonprofit corporation that promotes economic development. SBA has a free referral service tool called Lender Match to help find a lender near you.
QUESTION:	What is a microloan and how do I apply?
Answer:	The Microloan Program provides loans up to \$50,000 to help small businesses and certain not-for-profit childcare centers to start up and expand. The average microloan is about \$13,000. These loans are delivered through mission-based lenders who are also able to provide business counseling. SBA has a free referral service tool called Lender Match to help find a microlender near you.
QUESTION:	I am unfamiliar with SBA loans, can anyone help me apply?
Answer:	Yes, SBA resource partners are available to help guide you through the loan application process. You can find your nearest Small Business Development Center (SBDC) or Women's Business Center here .

Economic Injury Disaster Loans & Emergency Economic Injury Grants

These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL). To access the advance, you first apply for an EIDL and then request the advance. **The advance does not need to be repaid under any circumstance**, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

FREQUENTLY ASKED QUESTIONS	
QUESTION:	Are businesses and private non-profits in my state eligible for an EIDL related to COVID-19?
Answer:	Yes, those suffering substantial economic injury in all 50 states, DC, and the territories may apply for an EIDL.
QUESTION:	What is an EIDL and what is it used for?
Answer:	EIDLs are lower interest loans of up to \$2 million, with principal and interest deferment at the Administrator’s discretion, that are available to pay for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses.
QUESTION:	Who is eligible for an EIDL?
Answer:	Those eligible are the following with 500 or fewer employees: <ul style="list-style-type: none"> • Sole proprietorships, with or without employees • Independent contractors • Cooperatives and employee owned businesses • Tribal small businesses <p>Small business concerns and small agricultural cooperatives that meet the applicable size standard for SBA are also eligible, as well as most private non-profits of any size. See below for more info on size standards.</p>
QUESTION:	My private non-profit is not a 501(c)(3). Is it still eligible for an EIDL and a grant?
Answer:	Yes, if you are a private non-profit with an effective ruling letter from the IRS, granting tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code of 1954, <u>or</u> if you can provide satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law. However, a recipient that is principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting, or primarily engaged in political or lobbying activities is not eligible to receive an EIDL. If you are uncertain whether you qualify, please consult with legal counsel to determine whether your organization meets program criteria.
QUESTION:	Who is eligible for an Emergency Economic Injury Grant?
Answer	Those eligible for an EIDL and who have been in operation since January 31, 2020 , when the public health crisis was announced.

QUESTION:	How long are Emergency Economic Injury Grants available?
Answer:	January 31, 2020 – December 31, 2020. The grants are backdated to January 31, 2020 to allow those who have already applied for EIDLs to be eligible to also receive a grant.
QUESTION:	If I get an EIDL and/or an Emergency Economic Injury Grant, can I get a PPP loan?
Answer:	Whether you've already received an EIDL unrelated to COVID-19 or you receive a COVID-19 related EIDL and/or Emergency Grant between January 31, 2020 and June 30, 2020, you may also apply for a PPP loan. If you ultimately receive a PPP loan or refinance an EIDL into a PPP loan, any advance amount received under the Emergency Economic Injury Grant Program would be subtracted from the amount forgiven in the PPP. However, you cannot use your EIDL for the same purpose as your PPP loan. For example, if you use your EIDL to cover payroll for certain workers in April, you cannot use PPP for payroll for those same workers in April, although you could use it for payroll in March or for different workers in April.
QUESTION:	How do I know if my business is a small business?
Answer:	Please visit https://www.sba.gov/size-standards/ to find out if your business meets SBA's small business size standards. You will need the 6-digit North American Industry Classification Code for your business and your business's 3-year average annual revenue.
QUESTION:	How do I apply for an economic injury disaster loan?
Answer:	To apply for an EIDL online, please visit https://disasterloan.sba.gov/ela/ . Your SBA District Office is an important resource when applying for SBA assistance.
QUESTION:	I am unfamiliar with the EIDL process, can anyone help me apply?
Answer:	Yes, SBA resource partners are available to help guide you through the EIDL application process. You can find the nearest Small Business Development Center (SBDC), Women's Business Center, or SCORE mentorship chapter at https://www.sba.gov/local-assistance/find/ .

Counseling & Training

If you, like many small business owners, need a business counselor to help guide you through this uncertain time, you can turn to your local Small Business Development Center (SBDC), Women’s Business Center (WBC), or SCORE mentorship chapter. These resource partners, and the associations that represent them, will receive additional funds to expand their reach and better support small business owners with counseling and up-to-date information regarding COVID-19. There will soon be a joint platform that consolidates information and resources related to COVID-19 in order to provide consistent, timely information to small businesses. To find a local resource partner, visit <https://www.sba.gov/local-assistance/find/>.

In addition, the Minority Business Development Agency’s Business Centers (MBDCs), which cater to minority business enterprises of all sizes, will also receive funding to hire staff and provide programming to help their clients respond to COVID-19. Not every state has a MBDC. To find out if there is one that services your area, visit [this site](#).

FREQUENTLY ASKED QUESTIONS

QUESTION: Do I have to pay for counseling and training through SBDCs, WBCs, and MBDCs?

Answer: Counseling is free and training is low-cost with these partners. The additional funds that Congress provided will help keep this possible. Mentorship through SCORE is always free.

QUESTION: What is a SBDC?

Answer: SBDCs are a national network of nearly 1,000 centers that are located at leading universities, colleges, state economic development agencies and private partners. They provide counseling and training to new and existing businesses. Each state has a lead center that coordinates services specifically for that state, which you can find by clicking the link above. To find out more about SBDCs, visit <https://americassbdc.org/about-us/>.

QUESTION: What is a WBC; is it only for women?

Answer: WBCs are a national network of more than 100 centers that offer one-on-one counseling, training, networking, workshops, technical assistance and mentoring to entrepreneurs on numerous business development topics. In addition to women, WBCs are mandated to serve the needs of underserved entrepreneurs, including low-income entrepreneurs. They often offer flexible hours to meet the needs of their diverse clientele. To find out more about WBCs, visit <https://www.awbc.org/>.

QUESTION: What is SCORE?

Answer: SCORE provides free, confidential business advice through our volunteer network of 10,000+ business experts. You can meet with a mentor online. Find out more [here](#).

QUESTION: Who do MBDCs serve?

Answer: MBDCs are a good option for minority-owned businesses (including those owned by Black, Hispanic, Asian American/Pacific Islander, and American Indian business owners), especially those seeking to penetrate new markets — domestic & global — and grow in size and scale.

Contracting

If you are a government contractor, there are a number of ways that Congress has provided relief and protection for your business. Agencies will be able to modify terms and conditions of a contract and to reimburse contractors at a billing rate of up to 40 hours per week of any paid leave, including sick leave. The contractors eligible are those whose employees or subcontractors cannot perform work on site and cannot telework due to federal facilities closing because of COVID-19.

If you need additional assistance, please reach out to your [local](#) Small Business Development Center, Women's Business Center, SCORE chapter, or SBA District Office. You should also work with your agency's contracting officer, as well as the agency's Office of Small and Disadvantaged Business Utilization (OSDBU).

Small Business Tax Provisions

Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship

This provision would provide a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis. The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings. The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis.

Wages of employees who are furloughed or face reduced hours as a result of their employer's closure or economic hardship are eligible for the credit. For employers with 100 or fewer full-time employees, all employee wages are eligible, regardless of whether an employee is furloughed. The credit is provided for wages and compensation, including health benefits, and is provided for the first \$10,000 in wages and compensation paid by the employer to an eligible employee. Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).

- **The credit is not available to employers receiving assistance through the [Paycheck Protection Program](#). The credit is provided through December 31, 2020.**

Delay of Payment of Employer Payroll Taxes

This provision would allow taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.

- **Deferral is not provided to employers receiving assistance through the [Paycheck Protection Program](#).**

ATTACHMENT 2

COVID-19

ARIZONA BUSINESS RESOURCES GUIDE



SOME CERTAINTY IN UNCERTAIN TIMES

A note from ACA's President & CEO

Governor Doug Ducey is working to keep Arizonans safe and healthy while slowing the spread of COVID-19. Under his leadership, the Arizona Commerce Authority is helping to ease the economic burden on Arizona's businesses and workers by providing the latest information on available resources and guidance on how to access them quickly.

This guide provides information on business financing opportunities, workforce development services, manufacturing support and ways the Arizona community is coming together to help during this crisis.

We recognize that this public health crisis has created an unprecedented strain on Arizona's economy. The Arizona Commerce Authority remains focused on our mission to grow Arizona's economy by supporting businesses of all sizes—and I am confident that together, we'll get through this. That's the Arizona way.



Sincerely,

A handwritten signature in black ink that reads "S. Watson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Sandra Watson
President & CEO
Arizona Commerce Authority



Financial support when it's (not) business as usual



CARES Act

The Coronavirus Aid, Relief and Economic Security Act (CARES) is a \$2 trillion federal stimulus package to support individuals and businesses impacted by COVID-19. The CARES Act provides direction for unemployment insurance, payroll tax credits, employer loans and allocates money to states for economic relief. Under this program, approved lenders can provide **100%** federally guaranteed loans for small businesses that maintain their payroll.

\$349B ALLOCATED FOR SMALL BUSINESSES
To keep workers employed

With **\$5.6B** ESTIMATED AVAILABLE FOR ARIZONA

Payroll Taxes

Employers may delay the payment of employer payroll taxes between now and January 1, 2021. This excludes employers who have loans forgiven under the Paycheck Protection Plan.

HALF OF THE TAXES WILL BE DUE

DEC. 31, 2021



THE OTHER **HALF** WILL BE DUE

DEC. 31, 2022

Tax Changes

The CARES Act expands the ability to use losses by suspending the **80%** income limitation for tax years before 2021 and by permitting net operating losses (NOLs) arising in 2018, 2019 and 2020 to be carried back five years. Business owners may elect to increase the limit on interest deductibility to **50%** for 2019 and 2020.

Employee Retention Credit

The Employee Retention Credit is a fully refundable tax credit for employers equal to **50%** of qualified wages that eligible employers pay their employees, up to **\$10,000** per employee. The credit applies to qualified wages paid after March 12, 2020 and before January 1, 2021.



What businesses are eligible?

Employers who conducted business in calendar year 2020 and fully or partially suspended business or experienced a significant decline of 50% in gross receipts as a result of the COVID-19 outbreak.



Employers are **not** eligible if they received a **Paycheck Protection Program** loan

PAYCHECK PROTECTION PROGRAM

Provides small businesses with funds to pay
up to eight weeks of payroll costs

This program provides immediate cash assistance during the COVID-19 crisis. Designed to keep employees on the payroll, the loan will be fully forgiven if the funds are used for maintaining or rehiring workers, rent, mortgage interest or utilities. While the program is open until June 30, 2020, borrowers should apply as soon as possible given the loan cap on the program.



Avoid layoffs with programs you can lean on



Paycheck Protection Program

Part of the CARES Act, the Paycheck Protection Program (PPP) provides small businesses and sole proprietorships cash flow assistance through **100% federally guaranteed loans**.

– FUNDS UP TO **8 WEEKS** OF PAYROLL COSTS –
including benefits

PPP is intended to encourage eligible employers to keep employees on their payroll, despite the economic hardship related to the COVID-19 pandemic.

How can the funds be used?

The loan will be fully forgiven if used for:



Payroll costs



Rent



Interest on mortgages



Utilities

75% of the forgiven amount must have been used for payroll

6 MONTH
PAYMENT DEFERRAL
NO COLLATERAL REQUIRED
NO FEES

What types of small businesses are eligible?

Exceptions exist for some businesses with over 500 employees (ex: hospitality & restaurants)



Less than 500 employees



Gig economy workers



Independent contractors



Tribal businesses



Nonprofits 501(c)(3)



Veterans organizations 501(c)(19)

Feb 15 - June 30, 2020
COVERAGE PERIOD

EMPLOYERS MUST maintain workers OR rehire their recently laid-off employees, helping improve the livelihood of employees and their families during this difficult time.



How much funding can I receive?

250%

of your average monthly payroll costs not to exceed \$10M

2.5 x average total monthly payroll costs in 2019

--- OR ---

2.5 x average total monthly payroll costs for **Jan** and **Feb** 2020 for businesses not operational in 2019

Seasonal Employers: payroll costs equate to the 12-week period from Feb 15, 2019 or Mar 1, 2019 to June 30, 2019



CALCULATING PAYROLL COSTS

Salaries + wages + commissions
+ vacation + sick leave
+ health insurance premiums
+ retirement benefits

= Payroll Costs



How can I apply?

Through any SBA-approved 7(a) lender

Under the leadership of Governor Doug Ducey, Arizona banks have committed to expediting the application and approval of these loans.

When can I apply?



APRIL 3, 2020: small businesses and sole proprietorships

APRIL 10, 2020: independent contractors and self employed individuals
Applications close **June 30, 2020.**

There is a funding cap.

Can I still apply for the Economic Injury Disaster Loan?
Yes, but funds can't be used for the same purpose.

This means employers should use the program to cover payroll costs, then layer other loans such as the Economic Injury Disaster Loan for additional operating costs.



Applications are open now

[Find Arizona's approved lenders](#)



ECONOMIC INJURY DISASTER LOAN

Provides access to working capital for
small businesses suffering from
substantial economic injury

Under Governor Doug Ducey's leadership, the U.S. Small Business Administration (SBA) approved an Economic Injury Disaster Loan declaration for Arizona that will help small businesses in the state impacted by COVID-19. There is no minimum loan requirement, though loans are capped at \$2,000,000 per business and business affiliates.

Additionally, small businesses are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. To receive this advance, small businesses must reapply. Funds will be made available within three days of a successful application. This loan advance will not have to be repaid.



In a time filled with tough decisions, here's a simple way to get help



Economic Injury Disaster Loan

The SBA's Economic Injury Disaster Loan provides economic relief to businesses that are currently experiencing temporary difficulties and loss of revenue.



NEED TO KNOW

There is no minimum loan requirement, although loans are capped at \$2,000,000 per business

SBA loans may supplement a Payroll Protection Program loan as long as the funds are not used for the same purpose



How can the funds be used?

Meet the capital needs caused by the COVID-19 response

Financial obligations: operating costs, fixed debt payments, payroll, accounts payable, extraordinary expenses caused by COVID-19



What types of small businesses are eligible?

- › Less than 500 employees
- › Independent contractors
- › Nonprofits 501(c)(3)
- › Veterans organizations 501(c)(19)
- › Tribal businesses



How do I apply

You can apply for a loan through the SBA'S [Disaster Loan Assistance Portal](#)

NOW, with the addition of the CARES Act, small businesses may apply for a **\$10,000 advance** but you must **re-apply** even if you've **already applied**

Loan repayment may be deferred for up to

ONE YEAR

Repayment terms up to

30 YEARS

are available

BUSINESS SUPPORT PROGRAMS

Ensuring business continuity during COVID-19

The success of Arizona's businesses is critical to the economic vitality of those families, their communities and the state. The Arizona Commerce Authority offers a team of expert business professionals knowledgeable in streamlining processes and navigating unforeseen operational circumstances. Serving as an extension of your team, we'll help educate you on funding resources available and connect you with meaningful business resources and programs, helping to mitigate the economic impacts of COVID-19.



Response Programs



Collaborating closely with ARIZONA@WORK, the state's workforce development network, the ACA's dedicated workforce team supports employers and employees by:

- › Responding to layoffs with industry specific programs for workers
- › Identifying partners for talent exchange solutions to connect the unemployed to those hiring
- › Developing job training programs for unemployed individuals and employers

Arizona's Workforce Team COVID-19 Rapid Response Programs

The **Employer-Employee Cross-Walking Initiative** matches employees from industries experiencing business closures with jobs in industries that are ramping up hiring. OEO is collaborating with employers to implement training and talent matching for workers displaced by the COVID-19 pandemic.

The **Virtual Training Program** provides upskilling opportunities for workers displaced by business closures. This program prepares workers for in-demand occupations and gives them a new skillset for when they return to work or are matched with a new position.



ARIZONA'S WORKFORCE TEAM

identified

3,500+

**IT, FINANCIAL SERVICES,
HEALTH CARE AND RETAIL JOBS**

to fast-track displaced
hospitality workers, in partnership with the
Arizona Office of Tourism

The Arizona MEP's team of experts is helping Arizona's manufacturers and the community by:

- › Identifying manufacturing companies that can provide PPE goods
- › Assisting manufacturers with supply chain equipment needs, connecting buyers and manufacturers
- › Working with companies to improve production lines to meet the demand of PPE
- › Helping to source raw materials for manufacturers



*Thanks to Arizona MEP, we've been working with a lean manufacturing expert who has helped us with efficiency in the manufacturing process. With this help, we've determined that we can **manufacture 500 isolation gowns a day**, once we ramp up a little more.*

– Angela Johnson, Co-founder of F.A.B.R.I.C.

FABRIC
Fashion And Business Resource Innovation Center



The ACA is a partner to the local SBDS which provide:

- › One-on-one business counseling
- › Recovery planning
- › Workshops and training



Contact your

LOCAL SBDC 

for **no cost** business counseling

TOGETHER, WE ARE ARIZONA

Global giants. Local Leaders. Big Impacts.

Launched under the leadership of Governor Ducey, Arizona Together is an initiative to connect individuals and businesses to resources, raise money for community organizations and provide information on volunteer opportunities. **ArizonaTogether.org** serves as the centralized location for Arizonans to find help or provide support during the COVID-19 outbreak.

As part of the initiative, Governor Ducey established the AZ Coronavirus Relief Fund to provide financial support to organizations working to mitigate the impacts of COVID-19.

Donations to date:

- › \$1 million founding contribution from the Arizona Cardinals, led by Chairman & President Michael Bidwill
- › \$150,000 from Arizona Cardinals Wide Receiver DeAndre Hopkins
- › \$250,000 from Arizona Public Service (APS)
- › \$5 million from the Ben and Catherine Ivy Foundation

Additionally, Arizona's companies — both large and small — its universities and local organizations are shifting focus to keep communities safe and healthy. The state's spirit of innovation is alive now more ever as the focus has shifted to implementing solutions to combat the spread of COVID-19.

ARIZONA
TOGETHER



Local First Arizona has partnered with small businesses across the state to ensure stability for those affected by COVID-19. The organization created a Small Business Relief Fund for micro-entrepreneurs to cover business expenses, employee salaries and other operation-related costs. Local First hosts weekly webinars on updates for Arizona businesses, providing insights to new resources, marketing ideas, new business strategies and more.



Honeywell Aerospace, in a new agreement with Arizona, will produce more than 6 million N95 masks for the state over the next 12 months. The agreement follows an earlier announcement of the company expanding its manufacturing operations in Phoenix to produce N95 face masks and other PPE to help combat the spread of the virus. The new line of production will add 500 jobs.



**ADDING 500 JOBS
TO MANUFACTURE N95 MASKS**



The University of Arizona Health Sciences Biorepository, a team of scientists, secured materials to produce a total of 7,000 coronavirus test kits. In just over two days, the team produced 1,600 kits to help meet the critical need for increased testing.

ARIZONA PRODUCED

7,000 test kits: **1,600** kits prepared in **2** days



The Arizona Cardinals partnered with Dignity Health, Cigna and Anheuser-Busch to host various blood drives at State Farm Stadium. Additionally, the team partnered with State Farm to provide one million meals to five local food banks in the Phoenix area.

ARIZONA CARDINALS

**DONATED ONE MILLION MEALS TO
LOCAL FOOD BANKS IN THE PHOENIX AREA**



O.H.S.O. teamed up with Banner Health to donate hundreds of gallons of hand sanitizer to local hospitals as they work to help slow the spread of the new coronavirus. The company's north Scottsdale distillery now focuses entirely on making hand sanitizer, which is then loaded into O.H.S.O. kegs and distributed to hospitals around metro Phoenix.

O.H.S.O. donated

HUNDRED OF GALLONS of hand sanitizer



The Boeing facility in Mesa will use 3D printers to manufacture face shields for those on the front lines combatting COVID-19. Initial production will include thousands of face shields per week. The company has additionally donated thousands of masks, gloves and other equipment hospitals need.

Boeing is using **3D printers** to manufacture **face shields**



ASU made 2,000 high-speed coronavirus testing kits and plans to distribute them to local health care providers, first responders and other essential job workers. ASU expects to make another 1,000 testing kits in the upcoming weeks with the additional \$2 million grant the university is providing the manufacturing efforts. The university's lab uses specialized robots to process samples, allowing ASU to potentially process hundreds of tests a day.



ASU PROVIDED

2,000 TESTING KITS

FOR LOCAL HEALTH CARE PROVIDERS



Global technology giant Intel announced a donation of \$4 million to COVID-19 relief efforts to local community organizations focused on food security, shelter, medical supplies and small business support. One million dollars will go toward the Arizona COVID-19 Community Response Fund.

Additionally, the company donated more than one million dollars of personal protective equipment to those on the frontlines combatting COVID-19. Equipment included masks, gloves and other gear.

Intel donated

75,000 SURGICAL MASKS to Arizona health care workers



Translational Genomics Research Institute (TGen), headquartered in Phoenix, launched a genomic-based test for COVID-19, focused on accuracy and specificity about the virus. The organization is also working with the Arizona Department of Health Services to find pockets and test for COVID-19 throughout Arizona.



**TGEN LAUNCHED
GENOMIC-BASED TESTING**



The Fashion and Business Resource Innovation Center (FABRIC), a coworking space with a 26,000-square-foot warehouse in Tempe, has moved away from producing its usual fashion designer resources to making barrier gowns for health care workers. Using FDA-approved materials, FABRIC created 33 gowns for a local rehab center desperate for PPE. FABRIC is now estimating to produce up to 500 gowns daily through the pattern makers and technical designers taking up shop in its warehouse.

FABRIC is **manufacturing gowns**
for **health care workers**



BROOKLYN BEDDING

Phoenix mattress manufacturing company Brooklyn Bedding will begin repurposing its proprietary technology to produce hospital beds. These mattresses will allow for bed-in-a-box delivery straight to government agencies and hospitals that are in need of beds.

BROOKLYN BEDDING

IS MANUFACTURING HOSPITAL BEDS



Known for its interactive toy designs, Burgeon Group has shifted its efforts into creating transparent boxes with two holes for health care workers to use while intubating COVID-19 patients. If a patient requires breathing assistance, the "London Box" is designed to help doctors connect them to a ventilator and protect the doctor from any particles released from the patient's airway during the procedure. The prototypes have been shipped to various hospitals throughout the country and have received inquiries from other doctors and medical centers.



Burgeon Group is manufacturing the "London Box" to shield doctors and nurses intubating patients



The Regional Partnering Center (RPC) and University of Arizona Innovation Center (UACI), have launched an Innovation Challenge open to the community at large to design an innovative outdoor medical consultation and testing booth for hospitals to safely triage patients for COVID-19.

The Regional Partnering Center and the University of Arizona launched an innovation challenge to **design outdoor medical consultation and testing booths**



Self-driving truck developer TuSimple is hauling freight, mail and food across the Southwest throughout the COVID-19 crisis. The company is operating 40 18-wheelers out of Tucson providing essential products to the Southwest's supply chain during an uncertain time.

TuSimple is operating **40**  **18-WHEELERS** out of Tucson

DELIVERING ESSENTIAL PRODUCTS ACROSS THE SOUTHWEST



Arizona's largest health system, Banner Health, launched drive-thru COVID-19 testing for prescreened patients in Phoenix and Tucson. These drive-thrus open the access to testing for Arizonans.

BANNER HEALTH
IS PROVIDING
COVID-19 TESTING
WITH DRIVE-THRUS



ON Semiconductor donated 10,000 face masks to city officials. The donation includes 8,500 N95 masks and 1,500 ActiveAir masks, half of which will be given to the city of Phoenix and the other half to Banner Health Foundation to help during the coronavirus pandemic.

ON SEMICONDUCTOR
DONATED
10,000 MASKS



&



Phoenix-based Prorenata and Tucson-based Paradigm are producing novel coronavirus testing kits that can offer results in 24 hours. Together, the two labs were processing 700 tests daily in late March but expect that number to reach 8,000 a day by the end of April.

Prorenata and Paradigm
are uniting to process **700** coronavirus
test kits **daily**



The avionic equipment manufacturer Universal Avionics is providing its assembly line space at its Tucson headquarters to the nonprofit group Hope Worldwide for manufacturing face masks and shields.

UNIVERSAL AVIONICS IN TUCSON

is helping to
MANUFACTURE **FACE MASKS AND SHIELDS**



VB COSMETICS

VB Cosmetics, a developer of clean cosmetics, is working with Analyze, a chemical product manufacturer, to produce hand sanitizer. Starting with production to fill 4-ounce bottles, the two companies' plan is to move to 300-gallon batches and packaging in 1-gallon plastic bottles.

VB Cosmetics is **ramping up production**
to create **300-gallon batches of hand sanitizer**

ATTACHMENT 9b



MEMORANDUM

Date: April 17, 2020

To: C.H. Huckelberry
County Administrator

From: John Moffatt, Director
Economic Development Office

Patrick Cavanaugh, Deputy Director
Economic Development Office

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

The following report is in response to your April 13, 2020, memorandum (Attachment 1) regarding disparity in the access to banking institutions associated with the Small Business Loan Programs.

There are a number of factors impacting the access to the various Small Business Administration loans (SBA) by small businesses. This report will address the categories individually; but in many cases, they have a compounded effect on the flow of critical funds to small businesses. Some will improve over time, but the urgency to distribute the funds during the current economic crisis makes all issues critical.

To your specific question as to whether community banks and credit unions are authorized to process federal aid program loans such as Payroll Protection Program assistance for small businesses, the answer is yes. There was significant confusion when the loan process began as to whether these institutions would be able to participate. The SBA issued guidance in early April 2020 that clarified that these banks and credit unions that were approved SBA lenders would be able to participate.

SBA Information Flow

When Congress passed and the President signed the Coronavirus Aid, Relief and Economic Security (CARES) Act on March 27, 2020, the legislation included goals and guidance but the implementation details needed to be developed by the implementing federal agency to mirror the goals and guidance set by Congress. The SBA had the basic evaluation and distribution systems in place for loans to assist small businesses for many years. The new legislation created a new set of rules and guidelines that were different, causing SBA procedures and the required legal documentation to be revised. While the loan programs

C.H. Huckelberry, County Administrator

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

April 17, 2020

Page 2

were being widely publicized upon the announcement of the emergency programs, the basic supporting procedures and legal documents are now only partially in place and many are still forthcoming. In many cases, the delay of final legal agreements held up the release of the funds to small businesses.

SBA affiliated banking and credit unions immediately began taking applications and once all the required information was gathered, they approved a high percentage of the loans but funds could not be released until the legal documents were signed. That release process for the Disaster Recovery loans is just now beginning to occur, 21 days after the enactment of the legislation. Payroll Protection Program checks are already arriving in the direct deposit accounts.

Processing Details

The two types of loans have different terms, rules, and impact on the lenders. The funds provided to qualified small businesses come directly from the lender, not the SBA. Decisions within the Federal Reserve System have essentially provided nearly an unlimited supply of funds to the lenders at a rate of 35 basis points. If a lender exceeds their local lending resources, they can borrow funds from the Federal Reserve to continue making loans, so there is virtual unlimited availability of funds. A key factor is that loans made by the lender under the CARE Act do not count against lender liquidity and other assessment measures. The lender provides the loan to the borrower under one of two programs:

1. The Payroll Protection Program has a number of rules focused on maintaining current employment. These are typically short-term loans at an interest rate of 1% and can be as much as 250% of the documented payroll costs. If the borrower does meet specific layoff criteria and meets other operating criteria, they can apply to the lender to have their loan forgiven. If they meet the payroll certification criteria submitted through the SBA Portal, the loan is forgiven and the Small Business Administration pays off the loan to the lender. In some cases, the borrower may not qualify for full forgiveness so the remainder of the initial loan becomes a two-year loan at 1%. Essentially, the lender validates that the appropriate payroll information is submitted.
2. The Economic Injury Disaster Loan (EIDL) – COVID-19 has a different set of qualifying parameters and is a longer term (up to 30 years) and an interest rate of .5%. This is a standard, long-term loan with the value based on a number of financial parameters that must be documented. Limitations do apply to the funding limits and more documentation and justification must be submitted with the application. In this case, the local lender evaluates the documentation and need just as a normal loan.

C.H. Huckelberry, County Administrator

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

April 17, 2020

Page 3

3. Once the loan is processed through the SBA Portal, the system generates the Authorization Code, which becomes the tracking number for the loans throughout the entire loan history.
4. The SBA pays the lender a fee to originate the loan.
5. In both cases, the loan becomes a standard loan in the lender's portfolio and the SBA takes the risk.

SBA Systems Overwhelmed

The Pima County Office of Economic Development spoke with several current and former bank and credit union officials from the Tucson area. One of the bank officials who were interviewed commented that the volume of SBA loans in 2019 totaled 60,000 while the volume of applications the week of April 6-10, 2020 exceeded 500,000. The SBA Data Entry System where loan officers enter locally approved cases to obtain the Commitment ID Number that establishes that the funds for that loan are committed and set aside has been overloaded. The system and has been malfunctioning intermittently causing additional process flow issues with the lenders. The payments, for the most part, are not yet being processed so there is another potential for system overload.

Business Information Flow

There are multiple federal loan programs, each with slightly differing information requirements and legal commitments. When the CARES ACT was passed, thousands of applicants flooded the application systems, Initial information requirements and processing rules for each of the programs were clarified through several revisions that were widely circulated. The frequent revisions caused confusion for applicants as well as for the lenders, which impacted the early qualification and approval process. Unfortunately, many small businesses do not have a full time bookkeeper or comptroller that maintained the required information. Business owners had to depend upon their internal staff, accountants or attorneys to provide much of the information. The Pima Community College Small Business Development Center, a key business assistance resource, had limited staffing and while working long hours to advise applicants could not always generate the needed information for businesses to submit successful applications. Three of the lending sources said that the vast majority of the applications initially submitted had to be reworked due to lack of clarity or information that did not cross check. All of the rework further overloaded the lending offices. There were numerous stories of lending officers working 18-20 hour days, seven days a week to try to keep up with the demand or get information into the SBA system during non-peak hours for better access and productivity.

C.H. Huckelberry, County Administrator

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

April 17, 2020

Page 4

These are some of the systemic issues impacting the rapid processing and issuing funds to the applicants.

Banking policies

- While the SBA guidelines were being adjusted to be more inclusive and maximize the opportunity for funds to flow faster to more applicants, the actual loan approval processing was left up to the individual lending institutions. Federal guidance issues caused problems for the programs because there was a lack of uniformity in how various lenders approached the lending process as each lender would be the long-term lender of record. Some of the policies identified below were reversed: The larger institutions naturally received a higher number of calls from clients and non-clients, but the large banks have been reducing branch locations and reducing staff so they were quickly overwhelmed.
- Several of the large international and national banks decided to only do business with established commercial customers that had some type of line of credit already established. Some would not loan over the total line of credit that had been previously established for those clients.
- Many of the larger banks also catered to larger qualifying clients so met their lending limits with far fewer actual loan transactions.
- Feedback from local /regional banks and customers is that many of the large banks quickly hit their processing limits as described above and stopped responding to calls, even for existing customer accounts.
- On the positive side, the large banks successfully processed many billions of dollars in loans for their clients, likely a majority of the funds to be dispensed. Some lenders chose to not process loans for new customers while others mounted marketing campaigns and welcomed the new business, seeing it as a way to establish long-term relationships. However, some prioritized their existing customers then handled new clients, leading to numerous reports of small businesses initially being unable to find a lender willing to work with them. As explained above new customers required a number of additional steps, further increasing the lender workload and slowing the process.

C.H. Huckelberry, County Administrator

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

April 17, 2020

Page 5

- Other lender, even Wells Fargo (\$10 Billion in lending capacity), hit their SBA imposed limits almost immediately. This was addressed but initially caused many small business owners to be rejected which quickly became urban legend.
- As this report is being written, the funding for both of the primary lines of loans under the CARES Act has been fully subscribed, leaving what multiple lenders predict as half of the applicants unfunded. Now, the number of committed loan dollars is approaching the funding limit established by Congress, which will impact all lenders and late applicants.
- In Arizona, there were a limited number of SBA affiliated Credit Unions, and a number of the non-affiliated credit unions worked with affiliated credit unions to handle their clients.
- Some of the regional and local banks and affiliated credit unions seemed to be more flexible in welcoming new clients in order to address local issues proactively, but their lending limits were smaller initially, but expanded as demand increased.
- Non-profits and private lenders entered into the process, but unless they are part of the SBA Payroll Protection Program, their loans do not have the ability to be forgiven and reimbursed to the lender by the federal government.
- The fees available to the lender for processing the loans are often less than or barely equal to the cost to process the transactions. Some lenders made basic business decisions as to whether to endure the disruption that came with participation.

For many of the reasons stated above, there is disparity in access to the Small Business Loan Programs. Early research shows that small businesses seemed to have more success in dealing with smaller regional and local banks than the large banks but SBA has yet to release any compiled data. Attachment 2 is a list of SBA affiliated banks and credit unions serving Arizona, which includes more regional and local banks than large banks, and a couple of credit unions. Most are listed as providing statewide coverage, but few have offices outside of the Phoenix metropolitan area posing additional communication issues on the small business borrowers located in Pima County and throughout the State.

Research confirms that there has clearly been, and continues to be, disparity in access to the SBA loan process. While some of this disparity was caused by policy decisions by affiliated lenders, many of the issues can be attributed to the need to rapidly implement a

C.H. Huckelberry, County Administrator

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

April 17, 2020

Page 6

process utilizing systems that were never designed to accommodate the extraordinary volumes encountered with the Coronavirus crisis.

JM/PC/dr

Attachments

ATTACHMENT 1



MEMORANDUM

Date: April 13, 2020

To: Dr. John Moffatt, Director
Economic Development Office

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to be "CHH", is written over the printed name "C.H. Huckelberry".

Patrick Cavanaugh, Deputy Director
Economic Development Office

Re: **Disparity in the Access to Banking Institutions Associated with the Small Business Loan Programs**

I have heard there is some disparity in access where small businesses, unless they are a client of the larger banking institutions (Wells Fargo, Bank of America and Chase, etc.) have difficulty in accessing small business loan applications and any other financial assistance due to COVID-19. I have also heard community banks and credit unions are not allowed to participate in assisting small business clients with application processes associated with COVID-19 financial relief.

I would appreciate if such could be verified. What are some examples of small businesses that may have a banking relationship with one of the larger banks versus small business that has no such access to larger banking institutions?

Please provide your findings by April 17, 2020.

CHH/anc

c: The Honorable Chairman and Members, Pima County Board of Supervisors
Jan Leshner, Chief Deputy County Administrator

ATTACHMENT 2

Active SBA Lenders Located in Arizona

VERSION 16.6 Dated 1/1/2020

List includes conventional Banks, Credit Unions, Small Business Lending Companies, SBA funded Microlenders, Certified Development Companies (504 loans), and out-of-state Banks or Credit Unions with a Loan Production Office in Arizona that have provided referral information. **Lender credit preferences are subject to change by the participating lender without notice.** Please note that some participating lenders prefer no referrals or did not respond to our survey. Lenders that offer only 3rd party loans under the 504 program are not listed. For additional questions contact SBA at 602-745-7200.

Product Codes- Standard Guaranty Loan Program (7(a)), SBA Express (X), Export Express (EX), Export Working Capital Program (EWCP), Community Advantage (CA)

Lender Status Codes- General Partner (GP), Preferred Lending Partner (PLP)

SBA 7(a) Loans LENDER	PHONE	PRODUCT	MARKET AREA	Lender Status	LENDER PREFERENCES						
					SMALL LOANS	SEASONAL LINES OF CREDIT	BUILDER LOANS	CONTRACT FINANCING	START-UPS New Businesses	Industry Exclusion Codes	MIN. LOAN SIZE
ALLIANCE BANK OF ARIZONA	(480) 998-6548	7(a), X, EX, EWCP	Statewide	PLP					L-I		\$50,000
AMERICA FIRST CU	(602) 538-9671	7(a), X, EX	Statewide	PLP					•		\$100,000
ARIZONA CENTRAL CREDIT UNION	(602) 523-8342	7(a)	Central AZ	GP		•				F-G-S-A-N-V-H-C-D	\$100,000
ARIZONA FEDERAL CU	(623) 230-3508	7(a)	Statewide	GP					•		\$250,000
ATLANTIC CAPITAL BANK	(602) 577-7740	7(a), X, EX, EWCP	Statewide	PLP		•	•	•	L		\$350,000
BANK 34	(480) 795-6936	7(a),X,EX,EWCP	Statewide	GP		•	•	•	L		\$50,000
BANK OF AMERICA	(602) 695-0760	7(a), X, EWCP	Statewide	PLP		•				H-W	\$350,000
BANK OF ARIZONA	(602) 240-2751	7(a), X	Phoenix Metro Area	PLP	•	•	•	•	L-I	F-G-B	\$50,000
BANK OF THE WEST	(602) 549-4860	7(a), X, EX, EWCP	Statewide	PLP					•		\$350,000
BBVA USA	(602) 522-2696	7(a), X, EWCP	Statewide	PLP	S		•		•	G-V-H-	\$50,000
BMO HARRIS BANK	(602) 330-4860	7(a), X, EX, EWCP	Statewide	PLP	S			•	•		\$25,000
BNC NATIONAL BANK	(602) 508-3773	7(a), X, EWCP	Statewide	PLP	S	•		•	•		\$100,000
CANYON COMMUNITY BANK	(602) 603-3524	7(a)	Statewide	GP							\$500,000
CENTERSTONE SBA LENDING	(602) 999-7108	7(a)	Statewide	PLP					•		\$100,000
COMERICA BANK	(714) 424-3838	7(a), X, EX, EWCP	Statewide	PLP	S					H-G	\$250,000
COMMERCE BANK OF ARIZONA	(480) 253-4505	7(a)	Statewide	GP		•	•		•	H	\$50,000
ENTERPRISE BANK	(913) 791-9112	7(a), X, EX, EWCP	Statewide	PLP	S				L		\$25,000
FIRST INTERNET BANK	(317) 372-7822	7(a), X	Statewide	PLP		•			L		\$500,000
HARVEST SMALL BUSINESS FINANCE	(602) 703-6301	7(a)	Statewide	PLP					L-I	A-W-G	\$250,000
HORIZON COMMUNITY BANK	(928) 854-3000	7(a), X	Statewide	PLP	S	•	•	•	L-I		\$50,000

SBA 7(a) Loans LENDER	PHONE	PRODUCT	MARKET AREA	Lender Status	LENDER PREFERENCES						Industry Exclusion Codes	MIN. LOAN SIZE
					SMALL LOANS	SEASONAL LINE OF CREDIT	BUILDER LO	CONTRACT FINANCIN	START-UPS New Business			
IOWA STATE BANK	(520) 314-2597	7(a)	Statewide	GP		•	•	•	•		\$100,000	
JOHNSON BANK	(602) 381-2152	7(a), X,	Maricopa Co.	PLP		•	•	•	•		\$200,000	
JPMORGAN CHASE BANK	(623) 337-9969	7(a), X,	Statewide	PLP	S	•			L-I		\$10,000	
MEADOWS BANK	(623) 328-9770	7(a), X,	Statewide	PLP					•		\$150,000	
METRO PHOENIX BANK	(602) 346-1803	7(a), X,	Statewide	PLP		•	•		L-I		\$200,000	
MIDFIRST	(602) 801-5713	7(a), X,	Statewide	PLP	S						\$50,000	
MIDWEST REGIONAL SBL	(480)-468-5180	7(a), EWCP	Statewide	GP					•		\$150,000	
MOUNTAIN AMERICA CU	(480) 487-5577	7(a), X, EX	Statewide	PLP			•		L-I	H-W	\$50,000	
NATIONAL BANK OF ARIZONA	(602) 212-5545	7(a), X,	Statewide	PLP		•			•	F-A-V-G-H	\$10,001	
ONEAZ CU	(602) 467-4262	7(a)	Statewide	GP						F-G-W-V-H	\$10,000	
POPPY BANK	(480) 346-1218	7(a)	Statewide	PLP							\$350,000	
REPUBLIC BANKAZ	(602) 280-9402	7(a)	Statewide	GP			•				\$500,000	
RADIUS BANK	(602) 635-6999	7(a), X, EX	Statewide	PLP					L-I		\$250,000	
READYCAP LENDING	(602) 538-9671	7(a), X	Statewide	PLP							\$200,000	
STATE BANK OF ARIZONA	(928) 855-4050 ext.5201	7(a)	Statewide	GP	•				•		\$50,000	
STEARNS BANK	(480) 391-5908	7(a), X, EWCP	Statewide	PLP	•	•	•	•	•		\$50,000	
SUNFLOWER BANK	(602) 292-5886	7(a), X, EX, EWCP	Statewide	PLP					•	H	\$150,000	
T BANK	(602) 206-1417	7(a), X, EX	Statewide	PLP		•		•	•		\$150,000	
TEXAS CAPITAL	(602) 228-6647	7(a), X, EX, EWCP	Statewide	PLP					•		\$350,000	
UMB BANK	(816) 860-5058	7(a), X, EX	Maricopa Co.	PLP	S				L-I		\$25,000	
U.S. BANK	(602) 222-4576	7(a), X, EX, EWCP	Statewide	PLP	S				L		\$100,000	
VANTAGE WEST CREDIT UNION	(520) 617-4062	7(a), X	Major Counties	GP	S	•				F-V-G	\$100,000	
WELLS FARGO BANK ARIZONA	(602) 378-5221	7(a), X	Statewide	PLP	S				•		\$25,000	
WESTERN BANK	(575) 388-3521	7(a)	Cochise Co.	GP	S	•	•	•	•	H	\$25,000	
WEST VALLEY NATIONAL BANK	(714) 862-7085	7(a)	Statewide	GP		•	•	•		F-V-H	\$50,000	

SPECIALTY LENDERS, MICROLENDERS, 504 LENDERS AND CERTIFIED DEVELOPMENT COMPANIES

BUSINESS DEV FIN CORP	(602) 381-6292	504 Loans, 7a/CA	Statewide – CDC	PCLP	•				•		\$35,000
CDC SB FINANCE CORP	(602) 317-1192	504 Loans, 7a/CA	Statewide – CDC	PCLP	•				•		\$20,000
MT. WEST SB FINANCE	(801) 474-3232	504 Loans	Northern AZ - CDC	PCLP					•		\$150,000
SOUTHWESTERN BUSINESS FIN	(602) 358-2075	504 Loans	Statewide – CDC	PCLP					•	SBA Approved Franchise	\$50,000
PRESTAMOS SB LENDING	(602) 258-9911	Microloans, 7a/CA	Statewide – Microlender	Non-Profit	•				•		\$250K Max
DREAMSPRING	(720) 357-5372	7a/CA	Statewide	Non-Profit	•	•			•		\$250K Max
PPEP	(520) 806-4646	Microloans, 7a/CA	So. Counties – Microlender	Non-Profit	•				•		\$250K Max
LISC	(602) 252-6316	7a/CA	Maricopa Co.	Non-Profit	•				•		\$250K Max

SBA LOAN TYPES & TERMS: The SBA has many different types of loan programs. The flagship loan product is called the “7(a) Loan” and comes in many different formats and variations. You can borrow up to \$5 million (504 projects can go higher) with terms based on your ability to repay and the use of loan proceeds but cannot exceed 25 years. All SBA loans are fully amortized and do not include any balloon notes, points, or other typical commercial loan fees. Interest rates are capped by law. Loan approval is subject to SBA eligibility requirements and lender credit standards at time of application. Some loan restrictions apply such as business type – inquire with local SBA lender of choice.

LENDING CODES:

• = Indicates YES

START-UPS: **L** – YES but with specific credit or industry limitations that vary from lender to lender and can include restrictions based on specific high-risk industries, product type, loan size, or specific credit factors such as additional collateral, equity investment, or management experience for high risk loans. Contact each specific lender for more or specific information to see if you qualify. These limitations can be changed by the lender without notice. Note that **(I)** in red means the lender requires or prefers the borrower to have outside income to repay the loan in addition to start-up income. **F** – Yes, but SBA approved Franchises Only.

Small Loan Codes (Loans under \$50,000): • = Indicates Lender will do small loans using basic 7(a) or PLP, if approved **S** = SBAExpress loans only

Industry Exclusion Codes (Not Accepting Applications for the following industries):

F = Restaurants/Food Related **V** = Convenience Stores **G** = Gas Stations **N** = Construction **RE** = Prefers commercial real estate loans ONLY **T** = Retail businesses
H = Hotels or Motels **C** = Health Clubs **D** = Automotive Dealerships **S** = Amusement parks, golf courses **B** = Bars **W** = Car Washes **A** = Assisted Living **L** = Salons
M = Manufacturing

(SBLC) = Small Business Lending Company

(CDC) = Certified Development Company; non-profit community organization offering SBA 504 loans

(Status) **GP** = GP 7(a) Lender **CLP** = Certified Lender **PLP** = Preferred Lender **PCLP** = Preferred CDC **CA**=Community Advantage Lender

(STATEWIDE) = Lender has local presence in state and can establish a lending or banking relationship

(SEASON LINES OF CREDIT) = Lender offers seasonal lines of credit.

(MIN. LOAN AMOUNT) = Minimum amount a lender will generally lend under SBA's programs.

(CONTRACT FINANCING) = Lender offers SBA 7(a) Contract Lines of Credit to finance procurement or construction assignable contracts.

(BUILDER LOANS) = Lender offers pre-sold builder Lines of Credit for builders to finance construction material and labor costs.

(ASSET-BASED & FLOOR PLANS) = Lender offers Asset-Based type loans such as Receivable or Inventory financing