

January 19, 2021

Dear Gurnee Business Partner:

Region 9 Enters Tier 2 Mitigations

The Illinois Department of Public Health (IDPH) [has announced an adjustment of metrics](#) that will allow more regions to move out of Tier 3 mitigations. As of January 18, Region 9 (Lake/McHenry) is now in [Tier 2 mitigations](#).

Key changes between Tiers 1, 2, and 3 are summarized [here](#).

In order to move to [Tier 1](#) mitigations, a region must meet the following metrics:

1. A test positivity rate between 6.5 and 8% for three consecutive days, as measured by the 7-day rolling average; AND
2. $\geq 20\%$ available staffed ICU hospital beds for three consecutive days, on a 7-day rolling average; AND
3. No sustained increase in the number of people in the hospital with COVID-19 for seven out of 10 days, on a 7-day average.

In order to move to [Phase 4](#), a region must meet the following metrics:

1. A test positivity rate less $\leq 6.5\%$ for three consecutive days, as measured by the 7-day rolling average; AND
2. $\geq 20\%$ available staffed ICU hospital beds for three consecutive days, on a 7-day rolling average; AND
3. No sustained increase in the number of people in the hospital with COVID-19 for seven out of 10 days, on a 7-day average.

Region metrics may be tracked [here](#).

Paycheck Protection Program (PPP)

On **Thursday, January 21, 6:00-7:00PM**, Congressman Brad Schneider will be hosting a webinar, with representatives of the U.S. Small Business Administration, to learn about the new round of PPP funds available and answer participants' questions. **Please register [here](#)** in advance.

The Paycheck Protection Program (PPP) is designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will [forgive loans](#) if all employee retention criteria are met and the funds are used for eligible expenses. The second round of PPP authorizes up to \$284 billion for these purposes through March 31, 2021. It also allows certain PPP borrowers to apply for a Second Draw PPP loan.

Key features of this round include:

- PPP loans have an interest rate of 1%
- Loans issued prior to June 5 have a maturity of 2 years. Loans issued after June 5 have a maturity of 5 years
- PPP borrowers can set their PPP loan's covered period to be any length between 8 and 24 weeks to best meet their business needs
- No collateral or personal guarantees are required
- Neither the government nor lenders will charge small businesses any fees
- PPP loans will cover additional expenses, including operations expenditures, property damage costs, supplier costs, and worker protection expenditures
- The PPP provides greater flexibility for seasonal employees
- Certain existing PPP borrowers can request to modify their First Draw PPP Loan amount

A borrower is generally eligible for a Second Draw PPP Loan if the borrower:

- Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses
- Has no more than 300 employees; and
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020

Other items of note:

- Expenses paid with PPP funds are now tax deductible
- SBA rescinded the condition requiring EIDL grant money to be deducted from PPP forgiveness
- The EIDL Loan deadline has been extended until Dec. 31, 2021
- Lender and borrower fees for SBA 7(a) and 504 loan programs are waived

[First Draw Application form](#)

[How to Calculate Maximum First Draw Loan Amount – by Business Type \(1-17-21\)](#)

[Second Draw Application form](#)

[How to Calculate Revenue Reduction and Maximum Second Draw Loan Amount \(1-19-21\)](#)

For more information, visit sba.gov/ppp.

Regards,



Ellen Dean
Economic Development Director
Village of Gurnee