COVID-19 BUSINESS IMPACT SURVEY (3)

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A follow-up to survey results published:
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There is fear that, with time, the lack of medical and sanitizing supplies will be required for home quarantine, which will diminish any opportunity to recoup any revenue.

Some businesses are so new they have already maxed out loan options. Businesses have a concern for the long-term impact of this crisis and express worry that consumer fear will negatively impact sales, reservations, investments and ‘business as usual’ long into the future.

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The East Valley Chambers of Commerce Alliance (EVCCA) conducted the third in a series of surveys of its more than 5,000 members to determine the immediate impact of the COVID-19 pandemic on their revenue, operations, and supply chains. The report includes responses from nineteen industry sectors and nearly 75 percent of respondents represent businesses with less than 20 employees.

It should be noted that the survey was completed prior to Governor Ducey’s Returning Stronger plan to reinvigorate Arizona’s economy was announced. Based on the data and feedback received, the following commonalities were identified:

**Actions Taken**
- 35% of respondents noted there was no change to their current business model.
- 30% have reduced their hours of operations and/or services provided, while another 21% said they are temporarily closed.
- 47% of respondents have implemented employee furloughs or layoffs, while 35% have reduced employee hours.
- Less than 16% of respondents are currently hiring.

**Loans and Funding**
- Loans and debt relief continue to be top of mind for the majority of respondents.
- While 60% said they had applied for an Economic Injury Disaster Loan (EIDL), only 9% stated they were approved.
- 74% applied for the Paycheck Protection Program (PPP) loans, and only 25% were approved.
- 46% of respondents stated they had been waiting for two weeks or more for a response to a loan application.
- 37% of respondents have received rent reduction or deferment, while 11% noted their landlord or lienholder refused to negotiate.

The EVCCA is the largest chamber organization in Arizona with more than 5,000 members. This survey was conducted with an immediate turnaround date resulting in a 6.6% response rate.
Which of the following best represents your business?

Please indicate the size of your business:
1. HAVE YOU APPLIED FOR ONE OF THE FOLLOWING?

- PPP
- EIDL
- Line of Credit
- Other

RESPONDENTS SHARED:

- Applied for grant funding
- Cashed out stocks or investments
2. How long has it been since you submitted your most recent application for funding?

- Less than a week
- One week
- Two weeks
- More than two weeks
- No response
3. Indicate whether or not receipt of your application has been acknowledged:

- **EIDL**
  - Acknowledged
  - Not Acknowledged
  - Did Not Apply

- **PPP**
  - Acknowledged
  - Not Acknowledged
  - Did Not Apply

- **LOC**
  - Acknowledged
  - Not Acknowledged
  - Did Not Apply

- **Other**
  - Acknowledged
  - Not Acknowledged
  - Did Not Apply

Respondents shared:

- Did not qualify - 501(c)(6) organization
- Application was lost
- System was not responsive
- Unable to find application
4. **INDICATE WHETHER OR NOT YOUR APPLICATION HAS BEEN APPROVED:**

- **EIDL**
  - Approved: 100%
  - Not Approved: 0%
  - Did Not Apply: 0%

- **PPP**
  - Approved: 90%
  - Not Approved: 10%
  - Did Not Apply: 0%

- **LOC**
  - Approved: 80%
  - Not Approved: 20%
  - Did Not Apply: 0%

- **Other**
  - Approved: 90%
  - Not Approved: 10%
  - Did Not Apply: 0%

**RESPONDENTS SHARED:**

- Still waiting to hear status
- Bank not accepting new applications
- Approved but waiting on funds
- Not interested in additional debt
- Application was lost
- System was not responsive
5. IF YOU REQUESTED RENT/MORTGAGE RELIEF, WHAT WAS THE RESULT?

- Rent/Mortgage reduction for limited time
- Rent/Mortgage abatement for a limited time
- Rent deferment to end of lease
- Landlord/Lienholder refused to negotiate
- Eviction notice was initiated* (was not due to previous lack of payment)
- Other

RESPONDENTS SHARED:

- Received delayed/deferred payments
- Attempted to communicate with Landlord and did not receive a response/still waiting to receive a response
- Communicated successfully with Landlord and no relief offered/landlord could not afford to offer any relief
- Work from home or own their own building therefore N/A
- Mortgage is through SBA which has automatic deferment for 6 months
- Received reduced rental commitment
- No deferment or reduced rent however no fees or charges will be assessed
6. HAVE YOU CLOSED YOUR BUSINESS?

- Temporarily
- Permanently
- Reduced hours/service
- No Change
- Other
- No Response

RESPONDENTS SHARED:

- Open but adhering to COVID 19 standards
- Now doing virtual services
- Working from home rather than the office
- Closed to in-person service
- Store closed, doing deliveries and curb-side pickup
- No business but not closed
7. HAVE YOU MADE CHANGES TO YOUR EMPLOYEE BASE?

RESPONDENTS SHARED:

- Still paying salaries
- Offering flexible schedules
- Reduction of pay for employees and/or owner
- No hours to offer
- No changes
- No employees
8. PLEASE ADD UP THE TOTAL NUMBER OF EMPLOYEES FOR WHICH YOU HAVE REDUCED HOURS, LAID OFF, AND/OR PLACED ON FURLough.

- 0-9
- 10-19
- 20-29
- 30-39
- 40-49
- 50-100
- 100+
9. Are you currently hiring?

**Respondents shared:**

- Active hiring in areas of security, real estate, heavy equipment operation, construction, and medical and veterinary health
- Filling vacant positions as a result of COVID-19
- Hiring temporary workers and seasonal employees
- Need to hire but funds aren't available
- Reassigned current staff to meet needs of essential services
- Initiated hiring freeze
- Will rehire laid-off workers once PPP funds are secured
- Self-employed without need for additional employees
- Business is closing