



Helping Businesses Grow & Succeed



COVID-19: Assistance for Small Business



State Designated as Florida's Principal Provider of Business Assistance [§ 288.001, Fla. Stat.]



Small Business Disaster Recovery: Team Effort
The Florida SBDC Network works in conjunction with state and federal partners to support recovery efforts.



Small Business Disaster Recovery Team

Business, Industry and Economic Stabilization (ESF-18)



- **Primary Agency**
 - **Florida Department of Economic Opportunity**
- **Supporting Agency**
 - Florida Division of Emergency Management
- **Participating Primary State Agencies**
 - CareerSource Florida
 - Department of Agriculture and Consumer Services
 - Department of Business and Professional Regulation
 - Department of Financial Services
 - Department of Management Services
 - Department of Revenue
 - Enterprise Florida
 - **Florida SBDC**
 - Visit Florida
 - Volunteer Florida
- **Participating Primary Industry Organizations**
 - Florida Restaurant & Lodging Association
 - Florida Retail Federation
- **Participating Industry Support Organizations**
 - Associated Industries of Florida
 - Florida Chamber of Commerce
 - The Florida Council of 100
 - Florida First Capital Finance Corporation
 - Florida Housing Finance Corporation
 - Florida Regional Councils Association
 - Florida Economic Development Council
 - Florida Chapters of the Association of Contingency Planner
 - Manufacturers Association of Florida
 - National Federation of Independent Businesses



Where to Get Business Disaster Recovery Assistance?

**Florida's First
Responders For
Small Business**

FloridaSBDC.org/disaster



Business, Industry and Economic Stabilization (ESF-18)



- **SERT's Purpose**
 - To support the private sector in preparing, responding, and recovering from disasters.
- **Florida SBDC's SERT Key Responsibility**

Lead the coordination and administration of federal and state business recovery resources.





Florida SBDC assist small business
to secure a
State of Florida (DEO)
Small Business

Emergency Bridge Loan

(short-term solution)

THEN

apply for a

Federal U.S. SBA Business

Economic Injury Disaster Loan

(long-term solution)





Florida Small Business Disaster Loan Programs



COVID-19

March 9, 2020

- Governor DeSantis Declares State of Emergency

March 13, 2020

- State opens Business Damage Assessment

March 16, 2020

- Governor DeSantis Activates the **Florida Small Business Emergency Bridge Loan Program**

March 18, 2020

- Activation of **U.S. Small Business Administration Economic Injury Disaster Loan (EIDL) Program for Small Business in Florida Approved**



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FloridaSBDC.org/locations





Florida Small Business Emergency Bridge Loan Program

What is a Bridge Loan?

- **Short-term loan** supported by State of Florida taxpayers
 - Not a grant and must be repaid!
- **Interest and fee free** working capital intended to “**bridge the gap**” between the time a disaster hits and when a business has secured longer-term recovery assistance.
- Administered by the State of Florida Department of Economic Opportunity in partnership with and assisted by Florida SBDC Network and Florida First Capital Finance Corp.





State of Florida Small Business Emergency Bridge Loan Program

What is a Bridge Loan?

- **Appropriation**
 - \$50,000,000 (Florida Taxpayer Investment)
- **Applicant**
 - Loans made to individual(s) who own, individually or collectively, at least 51% of an Eligible Business.
- **Amount (Max)**
 - **\$50,000 per Business**
 - Up to \$100,000 under certain circumstances
- **Term**
 - 1 Year (365 days from promissory note date)
- **Interest**
 - Interest-free for the term of the loan (1 Year) : NO origination fees





State of Florida Small Business Emergency Bridge Loan Program

What is a Bridge Loan?

- **Collateral**
 - None – unsecured loan guaranteed by applicant(s)
- **Limitation**
 - Only one loan may be made per Eligible Business
- **Use of Proceeds**
 - Required to sign an agreement that proceeds of the loan will be used **only** for purposes of maintaining operations or restarting the business in the designated disaster area.
- **Sources of Repayment:**
 - Required to certify that the proceeds of any insurance claims or other loans applied for (e.g. federal disaster loan) shall be applied or assigned to the repayment of the loan. Business may use business proceeds to repay loan.





State of Florida Small Business Emergency Bridge Loan Program

Who is eligible?

- Business must have **been established and actively operating** a business **physically located in Florida** prior to the date of the designated disaster.
 - Designated Area: All 67 counties in Florida per Executive Order 20-52.
 - Designated Disaster Date: March 9, 2020.
 - For purposes of this program, actively operating an established business means carrying out the performance of activities for the production of income from selling goods or performing services.





State of Florida Small Business Emergency Bridge Loan Program

Who is eligible?

- Business must be a for-profit, privately held small business that has or had a minimum of two (2), but no more than one hundred (100), employees within the previous year of the date of the declared disaster.
 - For purposes of this program, employee includes “1099 employees” (i.e. independent contractors) .
- Business must have repaid, in full, any previous Florida Small Business Emergency Bridge Loan.
- Business applicant must demonstrate that the business has suffered a significant economic injury as a result of the declared disaster event.






How we help!

www.FloridaSBDC.org/locations

- answer questions and expectations about the loan program
- pre-screen potential applicants for program eligibility
- provide assistance in completion of the application package
- organize and facilitate bridge loan committees
 - SBDC does NOT participate in the loan decision making process
- act as primary point of contact for applicant throughout process
- if approved, facilitate the closing and distribution of the loan
- provide ongoing, no-cost professional business continuity and strategic planning consulting throughout recovery



Loan Application Process

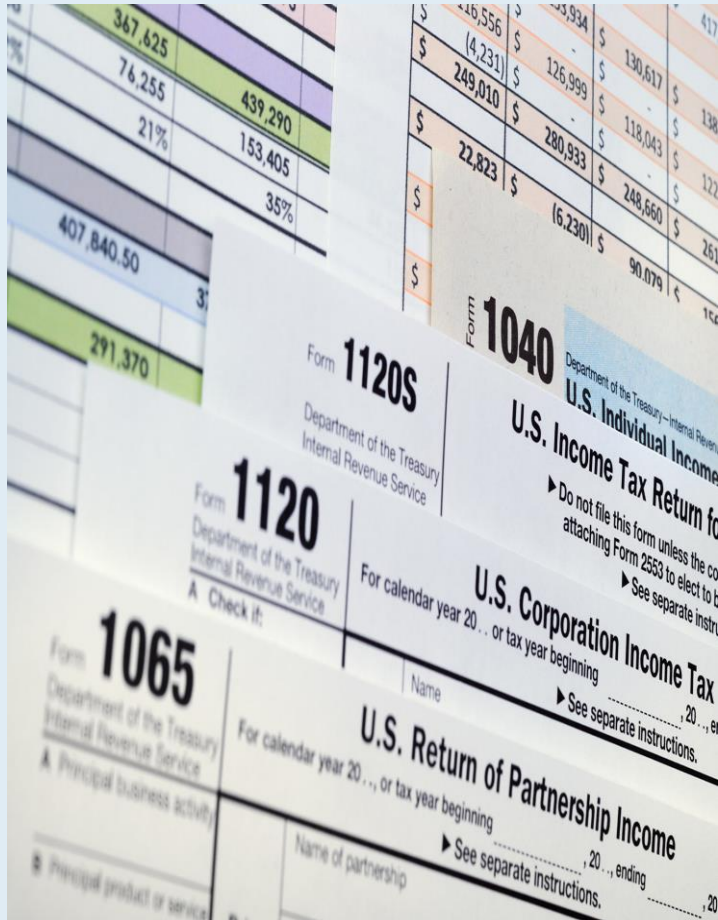
 SMALL BUSINESS EMERGENCY BRIDGE LOAN APPLICATION Disaster Event: COVID-19 Application Deadline: May 8, 2020	
LOAN AMOUNT REQUESTED: \$50,000 maximum. Loans of up to \$100,000 may be made in special cases as warranted by the need of the business.	APPLICATION DATE:
<input type="checkbox"/> Economic Injury (Loss of Sales or Revenues) <small>Attach written justification of economic loss or injury caused as a result of or period declared disaster, e.g. sales or income compared to previous year compared to current period.</small>	
EXPECTED SOURCE OF REPAYMENT: <input type="checkbox"/> SBA Disaster Loan(s) <input type="checkbox"/> Other Federal Aid <input type="checkbox"/> Insurance Proceeds <input type="checkbox"/> Bank or Other Loan	
<p>ONLY ELIGIBLE AND COMPLETED APPLICATIONS WITH REQUIRED SUPPORTING DOCUMENTATION WILL BE ACCEPTED. PLEASE READ ENTIRE FORM BEFORE SUBMITTING</p> <p>For assistance in completing the application, contact your local Florida Small Business Development Center (SBDC) office. To locate your local Florida SBDC visit www.FloridaSBDC.org/locations or contact us toll-free (866) 737-7232.</p> <p>To submit completed applications and required documents, send by mail or courier to:</p> <p>Florida SBDC Network Headquarters C/O Florida Emergency Bridge Loan Process 220 West Garden Street, Suite 301 Pensacola, Florida 32502</p> <p>OR</p> <p>Fax: (850) 696-2693</p> <p>Applicants may submit applications and required documents to Disaster@FloridaSBDC.org.</p>	

FloridaDisasterLoan.org

- Download Application
 - Complete (fillable PDF)
 - Print
 - Sign
 - Scan
 - Save (PDF)



Loan Application Process



Gather Required Documents

- Print
- Scan
- Save (PDF)
 - Business Tax Statements
 - Previous Two Years
 - If unavailable, explain
 - Employer Tax Statements
 - e.g. IRS Forms 941, W-3, W-2s, 1099-MICs
 - Personal Income Tax Returns for Each Applicant
 - Previous Two Years



Loan Application Process

Send to SBDC

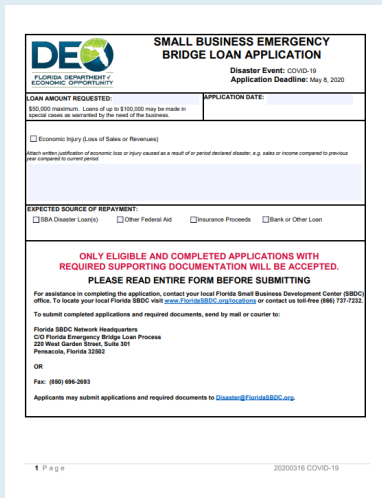
- Email to Local SBDC Office
 - www.FloridaSBDC.org/locations

- Mail to SBDC Headquarters

Florida SBDC Network Headquarters
C/O Florida Emergency Bridge Loan Process

220 West Garden Street, Suite 301
Pensacola, Florida 32502

- Email to SBDC Headquarters
 - Disaster@FloridaSBDC.org



The image shows a 'SMALL BUSINESS EMERGENCY BRIDGE LOAN APPLICATION' form from the Florida Department of Economic Security. The form includes fields for 'LOAN AMOUNT REQUESTED' (up to \$50,000) and 'APPLICATION DATE'. It also has checkboxes for 'Economic Injury (Loss of Sales or Revenues)', 'Disaster (Natural or Man-Made)', and 'Expected Source of Repayment'. A section titled 'ONLY ELIGIBLE AND COMPLETED APPLICATIONS WITH REQUIRED SUPPORTING DOCUMENTATION WILL BE ACCEPTED' is present. Contact information for Florida SBDC Network Headquarters is provided at the bottom.



The image shows several U.S. tax forms, including Form 1040 (U.S. Individual Income Tax Return), Form 1120 (U.S. Corporation Income Tax), and Form 1065 (U.S. Return of Partnership Income). The forms are partially overlapping and show various tax-related fields and instructions.



Helping Businesses Grow & Succeed



Loan Application Process



**Your Local SBDC Disaster Loan Specialists
Will Contact You**



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Federal U.S. SBA

Small Business Disaster Loan Assistance



- Serves to aid, counsel, assist, and protect the interests of small businesses
- **Plays a critical role** in assisting victims of natural and other declared disasters
- SBA disaster loan programs are the **primary Federal disaster loan assistance for private sector small businesses** impacted by disasters.



COVID-19

U.S. SBA Economic Injury Disaster Loan



One type of SBA business disaster loans for COVID-19:

- ~~– Business Physical Disaster Loans~~
- **Economic Injury Disaster Loans (EIDLs)**

Physical Damage Disaster Loans: Provides up to \$2 million in funds to businesses and private non-profit organizations of any size in the declared disaster area that have sustained physical damage to their property. Funds can be used to repair or replace business property damaged to pre-disaster conditions.

Economic Injury Disaster Loans: Provides up to \$2 million in working capital loans for small businesses and private non-profit organizations in the declared disaster area that suffer economic injury as a direct result of a disaster. Assistance is provided regardless of whether property was damaged.

COVID-19

U.S. SBA Economic Injury Disaster Loan

- **Direct federal loans** from the U.S. SBA
- **Applicants must:**
 - suffered and demonstrate “**substantial economic injury**” directly attributed to event
 - unable to meet its obligations and to pay ordinary and necessary operating expenses. EIDLs provide the necessary working capital to help small businesses survive until normal operations resume after a disaster.
 - not have credit available elsewhere
 - good credit history acceptable to SBA
 - demonstrate ability to repay all loans
 - pledge collateral where it is available
- Loan amount **up to \$2 M** (higher for “large” employers)
- Interest rate of **3.75 percent**
- Loan terms **up to 30-year** maximum
- Installment payment amount and corresponding maturity—based on borrower’s ability to repay



COVID-19

U.S. SBA Economic Injury Disaster Loan

Eligible applicants may apply online:

DisasterLoan.SBA.Gov

SBA's Customer Service Center at:

- **(800) 659-2955**
 - (800) 877-8339 for deaf and hard-of-hearing
- **DisasterCustomerService@SBA.Gov**

SBA (NOT Florida Bridge Loan) hard copy applications should be mailed to:

U.S. Small Business Administration
Processing and Disbursement Center
14925 Kingsport Road
Fort Worth, TX 76155



SBA Loans | FAQs

Q: What are the typical issues resulting in a **decline?**

A: technical application issues

lack of repayment ability

business do not have sufficient cash flow to support current and/or additional debt)

unsatisfactory credit history

Q: If an applicant is declined for a disaster loan, do they have the opportunity to appeal?

A: Yes, applicants have up to 6 months from date of the decline letter to seek reconsideration of SBA's initial decline decision.

There is also an opportunity to appeal the second decline decision.



SBA Loan Application Deadline

**DON'T WAIT
APPLY TODAY**

– If approved:

- Do not have to accept loan.
- Do not have draw down the full approved loan amount.





The Three Step Process: **Disaster Loans**

<https://disasterloan.sba.gov>

About Disaster Loans

The U. S. Small Business Administration (SBA) provides low-interest, long-term disaster loans to businesses of all sizes, private non-profit organizations, homeowners, and renters to repair or replace uninsured/underinsured disaster damaged property. SBA disaster loans offer an affordable way for individuals and businesses to recover from declared disasters.

STEP 1:
Apply for Loan

STEP 2:
Property Verified
and
Loan Processing
Decision Made

STEP 3:
Loan Closed and
Funds Disbursed

Seek assistance from local SBDC office

BEFORE

submitting the EIDL application

A light blue silhouette of a city skyline with various buildings, palm trees, and a wind turbine, serving as a background for the bottom text.



State (DEO) directs Florida SBDC to collaborate with SBA to coordinate federal business disaster assistance, including establishment of **Business Recovery Centers (BRCs)**

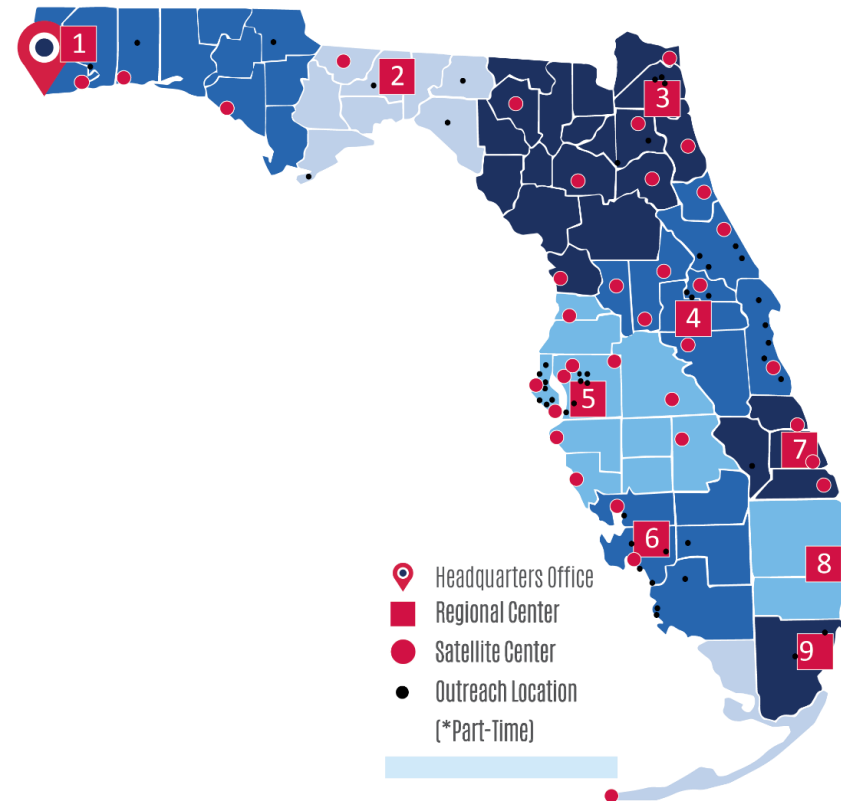
COVID-19 (Coronavirus)

“Virtual”

**Business Recovery
Centers**



- 1** **Florida SBDC at UWF**
 (850) 474-2528 | sbdc@uwf.edu
 Serving the following counties: Bay, Calhoun, Escambia, Gulf, Holmes, Jackson, Okaloosa, Santa Rosa, Walton, and Washington County
- 2** **Florida SBDC at FAMU**
 (850) 599-3407 | sbdcfamu@gmail.com
 Serving the following counties: Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla County
- 3** **Florida SBDC at UNF**
 (904) 620-2476 | smallbiz@unf.edu
 Serving the following counties: Alachua, Baker, Bradford, Citrus, Clay, Columbia, Dixie, Duval, Gilchrist, Hamilton, Lafayette, Levy, Marion, Nassau, Putnam, St. Johns, Suwannee, and Union County
- 4** **Florida SBDC at UCF**
 (407) 420-4850 | sbdc@ucf.edu
 Serving the following counties: Brevard, Flagler, Lake, Orange, Osceola, Seminole, Sumter, and Volusia County
- 5** **Florida SBDC at USF**
 (813) 905-5800 | USF@FloridaSBDC.org
 Serving the following counties: DeSoto, Hardee, Hernando, Highlands, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota County
- 6** **Florida SBDC at FGCU**
 (239) 745-3700 | sbdc@fgcu.edu
 Serving the following counties: Charlotte, Collier, Glades, Hendry, and Lee County
- 7** **Florida SBDC at IRSC**
 (772) 462-7296 | fsbdc@irsc.edu
 Serving the following counties: Indian River, Martin, Okeechobee, and St. Lucie County
- 8** **Florida SBDC at FAU**
 (954) 762-5235 | sbdc@fau.edu
 Serving the following counties: Palm Beach and Broward County
- 9** **Florida SBDC at FIU**
 (305) 779-9230 | sbdc@fiu.edu
 Serving the following counties: Miami-Dade and Monroe County





Questions? Let's Talk.

(850) 898-3479 | Disaster@FloridaSBDC.org

FloridaSBDC.org/Locations

Disaster Assistance At Your Fingertips

A statewide partnership program nationally accredited by the Association of America's SBDCs and funded in part by the U.S. Small Business Administration, Defense Logistics Agency, State of Florida, and other private and public partners, with the University of West Florida serving as the network's lead host institution. All opinions, conclusions, and/or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the SBA or other funding partners. Florida SBDC services are extended to the public on a nondiscriminatory basis. Language assistance services are available for individuals with limited English proficiency.