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Financial Resources May Be Available for Small Businesses in Florida

In this time of national, state, and local declarations of emergency due to the escalating coronavirus (a/k/a COVID-19) threat, many businesses face difficult decisions. In Florida, the Governor has issued Executive Order 20-68 requiring licensees authorized to sell alcoholic beverages for consumption on premises that derive more than 50% of gross revenue from the sale of alcoholic beverages to suspend all sale of alcoholic beverages for 30 days and reducing capacity at restaurants by up to 50%. There have been many local orders, including in Hillsborough and Pinellas County, that also limit the customers that can visit or be serviced at restaurants and other locations. Additionally, the reduced travel and cancellation of events have severely impacted the hospitality industry.

With all the efforts to slow the spread of the virus, many businesses are going to be severely affected by this disaster. However, there is some assistance available because of the declarations of emergency and the dedication of certain funds to assist businesses.

National SBA Assistance May Be Available

The U.S. Small Business Administration (“SBA”) has activated its disaster assistance program. The SBA provides low-interest, long-term disaster loans to businesses of all sizes; private non-profit organizations, homeowners and renters based on certain property damage and economic injury incurred during a disaster declaration. Based on the current disaster declaration, the incident period in Florida for COVID-19 is from January 31, 2020 and continuing. The amount of the loans available depends on the type of business, type of loss and credit worthiness of the borrower. The use of the funds loaned may be limited to specific purposes. More information is available at <https://sba.gov/funding-programs/disaster-assistance> and loans can be applied for online at <https://disasterloan.sba.gov/ela/>.

Florida Has Additional Limited Bridge Loans and Other Funds Available

The Florida Small Business Emergency Bridge Loan Program is currently available and accepting applications from small business owners located in all Florida counties that have experienced economic damage as a result of COVID-19. Applicants must be qualified for-profit, privately held small businesses (between 2 and 100 employees), that were established in Florida prior to March 9, 2020 and have suffered an economic injury because of the designated disaster. As of today, \$50 million has been allocated for these bridge loans, and the application period runs through May 8—although these amounts and dates are subject to change. Loans can be obtained up to \$50,000 and, in special cases, up to \$100,000. Loans are typically interest free for a one-year term with interest at a rate of 12% per annum on the unpaid balance thereafter. Certain limited industries are excluded from this program. More information about eligibility can be found at <https://floridadisasterloan.org/eligibility-and-loan-process> and the application is available for download at <https://floridadisasterloan.org>. In Hillsborough County, the Florida SBDC has



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business consultants available to assist in preparing the loan applications at no cost. Visit <https://HCFLGov.net/FSBDC> to request an appointment

Additional Relief May Be On Its Way As Well

In addition to the above resources, the U.S. Treasury Department recently detailed a \$1 Trillion relief proposal that included loans and other relief efforts targeted to benefit consumers and industries hit most hard by the pandemic. There may be additional state, local and federal funding available as our Country continues to advance through this unprecedented state of emergency.

However, many of the resources have limited funds and will likely have many applicants, causing delays in payouts and administration. Businesses in need should not delay in seeking these resources to assist during these difficult times.