Eligibility Requirements and Loan Process

Eligible Businesses

• The business must be physically located in the area of the designated disaster. Designated Area: All 67 counties in Florida per Executive Order 20-52.

• Business must have been established and actively operating prior to the date of the designated disaster. Designated Disaster Date: March 9, 2020. For purposes of this application, actively operating an established business means carrying out the performance of activities for the production of income from selling goods or performing services.

• The 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” means an individual who receive paid wages or salary, which 1) employment taxes (e.g. FICA, FUTA) and income taxes (not self-employment tax or corporate income tax) are withdrawn and remitted to the IRS, as evidenced by business tax returns filed, i.e. IRS Form 941 - Employer's Quarterly Federal Tax Return; IRS Form W-3 - Transmittal of Wage and Tax Statements, or IRS Form W-2s, or 2) IRS Form 1099-MISC.

• The business must have repaid, in full, any previous Florida Small Business Emergency Bridge Loan.

• The business applicant must demonstrate that the business has suffered a significant economic injury and unable to meet its obligations to pay ordinary and necessary operating expenses as a result of the declared disaster event.

Ineligible Businesses

The following businesses are ineligible applicants:

• Businesses deriving more than one-third of gross annual revenue from legal gambling activities;
• Businesses engaged in any illegal activity;
• Businesses facilitating or presenting live interactions or performances of an indecent sexual nature;
• Businesses deriving, directly or indirectly, more than 2.5% of gross revenue through the sale of products or services, or the presentation of any depictions or displays, of an indecent sexual nature.

Loan Requirements

Loans will be made to individuals who, individually or collectively, own at least 51% of the equity of the business and who certify that:

- Loan proceeds will be used only for purposes of maintaining or restarting business operations in the designated disaster area;
- Loan will be repaid by applying for other financial assistance, e.g. SBA Business Disaster Loan, bank loan, etc., or repaid by insurance reimbursement; and
- A borrower will be required to certify that the proceeds of insurance claims, other loans applied for or to be applied for, or other financial assistance will be used to repay the loan.

Loan Development Procedures

1. Applicant (eligible business owner(s)) may:
   • Apply online here.
   • Complete an application and submit it with required documents to FloridaBusinessLoanFund@deo.myflorida.com.
   • Submit a completed application and required documents by mail or courier to: Florida Department of Economic Opportunity, 107 E. Madison Street, MSC-160, Tallahassee, Florida, 32399-4120.
2. A Florida Small Business Development Center (SBDC) Representative will verify the applicant’s eligibility, identification, completeness of application and support documentation. If the applicant is deemed to be eligible, and the application and support documentation are complete, the Florida SBDC Representative will request a personal credit report for each applicant from Florida First Capital Finance Corporation (state appointed fiscal administrator of the program) and forward all materials to the Loan Review Committee for loan consideration. If the applicant is ineligible, the Florida SBDC Representative will notify the applicant. If the application or support documentation is incomplete, or the loan review committee requests additional information, the Florida SBDC Representative will follow up with the applicant for needed information.

3. The Loan Review Committee will review materials and approve or deny the loan request and notify the Florida SBDC Representative of the loan committee’s decision. Note: the decision concerning the granting of a loan is that of the independent loan review committee. The Florida SBDC Network, or any of its employees, are strictly prohibited from being involved in loan deliberations and/or decisions.

4. The Florida SBDC Representative will notify the applicant of the decision of the Loan Review Committee.

5. The Florida SBDC Representative will send all application materials to Florida First Capital Finance Corporation who will, if approved, prepare the loan closing documents and loan proceeds for distribution. If not approved, Florida First Capital Finance Corporation will send written notification directly to the applicant.

6. If approved, a Florida SBDC Representative will send loan closing documents to Applicant and schedule and execute the loan closing.

7. Florida SBDC Representative will send notarized and signed loan closing documents, including Promissory Note, to Florida First Capital who will distribute loan funds by ACH upon receipt.

Loan Closing

1. Loan Recipient: Loans will be made to individuals who are at least 51% owners of the business.

2. Use of Proceeds: A borrower will be required to sign an agreement that proceeds of the loan will be used only for purposes of maintaining or restarting the business in the designated area. Use of proceeds to pay off debts already incurred for qualifying business maintenance or restart purposes may be authorized on a case-by-case basis.

3. Dedicated Sources of Repayment: A borrower will be required to certify that the proceeds of insurance claims, other loans applied for or to be applied for, or other financial assistance will be used to repay the loan.

4. Closing Documents: Closing documents, prepared by the Program Administrator and provided to the applicant at closing, will include:
   1. Promissory Note.
   2. Business Purpose Statement.
   3. Loan Settlement Statement.
   4. Assignment of Proceeds from other Sources.
   5. Closing Checklist.
   6. Payment Coupon.

   Loan proceeds will be delivered to the loan recipient at the loan closing.