

Disaster Recovery - COVID-19

Presenter: Dorian Zwierewicz,
Associate Director
SBDC @ UWF

3:00 PM Central

Housekeeping

- **PLEASE** mute yourself
- **Disclaimer:** This video is recorded
- Do **NOT** ask personal questions



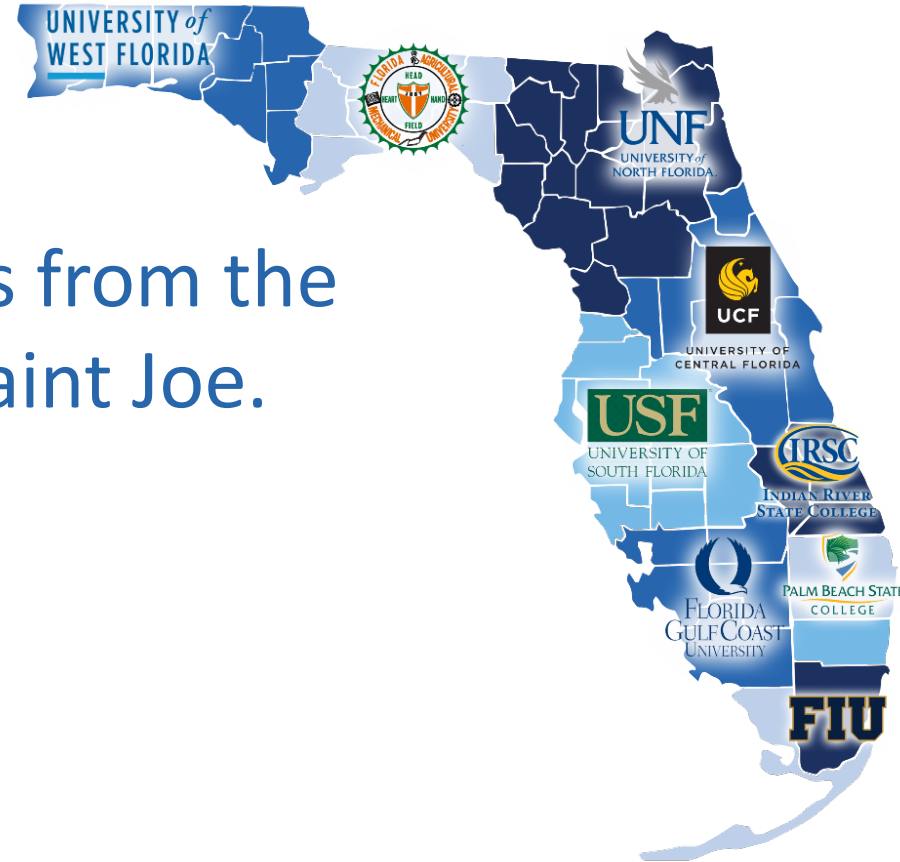
Florida SBDC and Disasters

- The Florida SBDC Network is the State of Florida's principal provider of business assistance (§ 288.001, Florida Statute).
- We have experience in business disaster and business recovery.



Audience

- Small business owners from the state border to Port Saint Joe.
- Community leaders.




Process

ANALYZE – Collect Business Damage Assessment Survey for Gov. DeSantis



DECIDE – Gov. DeSantis will determine whether to ask for Federal Funds and to activate the Florida Disaster Loan.



RECOVERY ASSISTANCE – SBDC consultants assist small business owners with loan processing.



Recovery Assistance from SBDC

INFORM – Inform the general public of the loan programs and help recommend loan programs for business owners.

LOAN APPLICATION – Assist small business owners with loan application process.

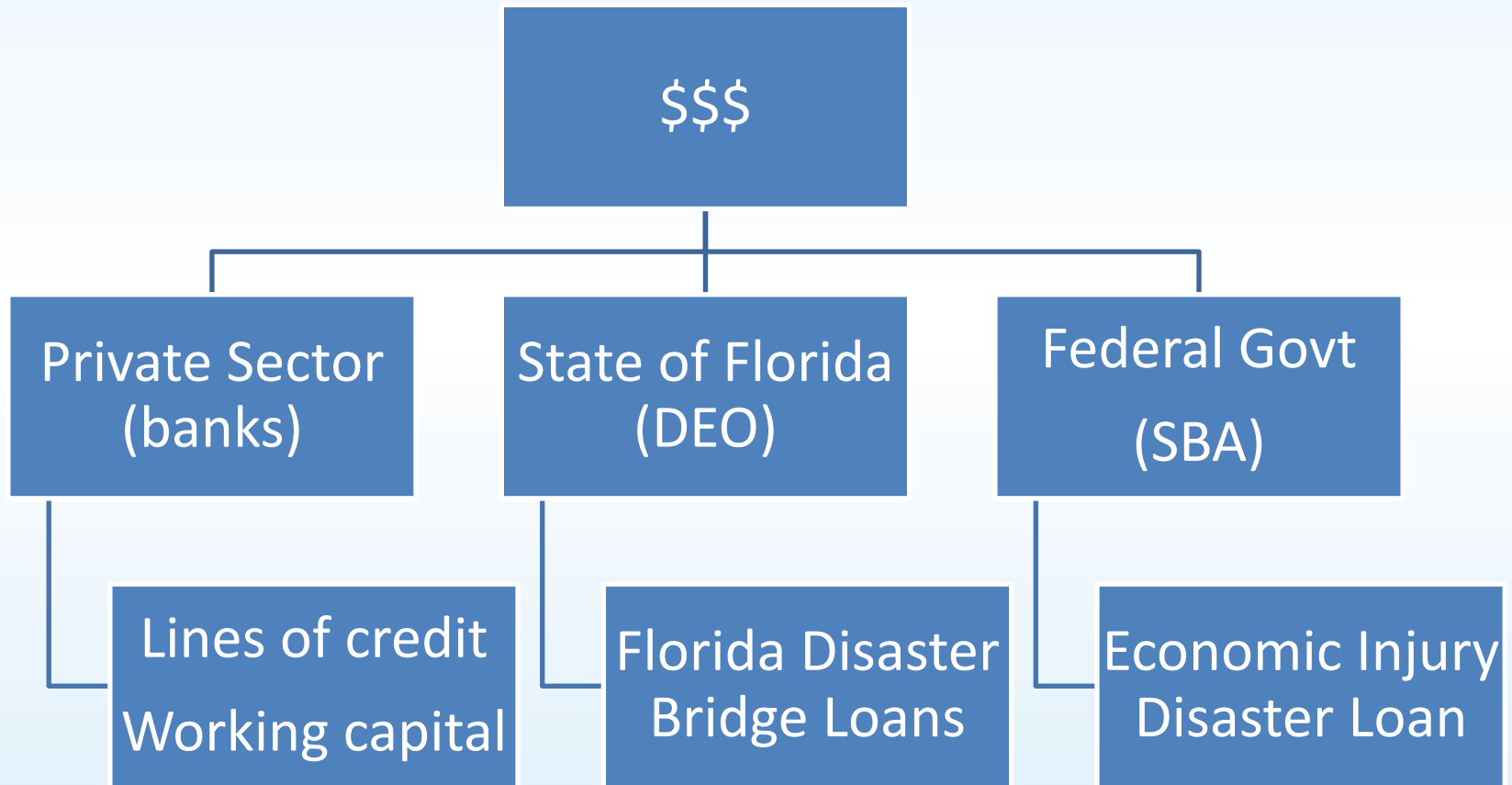
REFER TO LOAN COMMITTEE – Send completed loan applications to our network of volunteer bankers.

LOAN CLOSING – Assist small business owners with loan closings (State loans only).

POST RECOVERY – Regularly consult and mentor small businesses on business recovery.



Sources of Emergency Loans



State of Florida Assistance

- Florida Small Business Emergency Bridge Loan
- <https://FloridaDisasterLoan.org/>



Florida Emergency Bridge Loan

- Activated by our Governor
 - Activated as of March 16, 2020
- Uses
 - Working capital



Florida Emergency Bridge Loan

Amount	Up to \$50,000 per eligible business
Term	Up to one year (do not forget this)
Interest	0 percent; after one year the loan goes into default and the interest jumps to 12 percent
Payments	Must be repaid in full by the maturity date
Other	<ul style="list-style-type: none">• Only for small businesses with 2-100 employees<ul style="list-style-type: none">• Meant to “bridge the gap” until a business gets other long-term financing• SBDC consultants help you from start to finish (we can act as notaries during closing)• Can get up to \$100,000 for special cases



Marching Orders

1. Business owners interested in the Florida Bridge Loan should register with us at www.sbdc.uwf.edu.



SBDC Request for Consulting

- This binds us to a non-disclosure agreement
- This enables us to legally act in your best interest (nothing is done without your approval)
- SBDC services are at no cost to small business owners



Marching Orders

2. Go to FloridaDisasterLoan.org and fill out the pdf application
3. Collect required support documents
 - 2 years personal tax returns
 - 2 years business tax returns
 - At least two W-2s from different employees
 - Copy of voided check
 - Copy of ID
 - If 2019 taxes are **not** filed
 - 2019 Tax Extension
 - 2019 income statements
 - 2020 YTD statements



Marching Orders

3. Send it to your local SBDC (after completing a Request for Consulting)

- Mail it to 9999 University Parkway
Pensacola, FL 32514
- Share a Dropbox with us/email to us (instructions will be provided)



Federal Loans

- Economic Injury Disaster Loan

<https://disasterloan.sba.gov/ela>



Economic Injury Disaster Loan

- Given by the Small Business Administration
- Activate and open for applications!
- **Uses**
 - Working capital

“Working capital loans to help small businesses, small agricultural cooperatives, and most private non-profit organizations to meet financial obligations that can’t be met as a direct result of the disaster.”



Economic Injury Disaster Loan

Amount	Up to \$2,000,000 per eligible business	
Term	Up to 30 years; case by case	
Interest	Businesses & Small Agricultural Cooperatives	3.75%
	Non-Profits Organizations	2.75%
Payments	Subject to SBA; standard repayments	
Other	<ul style="list-style-type: none">Collateral is required for physical loans over \$25,000. SBA will not decline a loan for lack of collateral, but it requires you to pledge what is available.	



What Business Can Do



Capital

- Contact your bank for working capital products
- Apply for a Florida Bridge Loan
- Apply for the SBA Economic Injury Disaster Loan (EDIL)
- Cut unnecessary expenses



Workforce

- Take steps to protect you and your employees from the virus
- Consider remote work options
- Encourage sick employees to go home
- Realize that you may be the only source of income for employees. If you **can** help, try.
- Have up to date emergency contacts



Florida Short-Term Compensation

- The Short Term Compensation Program is a voluntary employer program designed to help employers maintain their staff by reducing the weekly working hours during temporary slowdowns instead of temporarily laying off employees.
- <http://www.floridajobs.org/office-directory/division-of-workforce-services/reemployment-assistance-programs/short-time-compensation-program-for-employers>



What Small Businesses Can Do

- **Prepare financial statements for loans**
 - 2 years of personal tax returns
 - 2 years of business tax returns
 - W-2s for employees
 - Interim Profit & Loss statements and Balance Sheets
 - Records of financial hardship (i.e., cancelled orders)



Insurance

- Contact your insurance agent to review your policies – specifically related to business interruption.
- Be aware though that, following the 2003 SARS outbreak, insurance companies began to exclude losses incurred by communicable diseases in most policies.
 - This may be something you keep in mind when shopping around for insurance or considering additional policies to add.



SBDC @ UWF Specific Information

- **We cannot conduct face-to-face meetings**
 - All clients are assigned to a consultant via conference calls and Google Hangouts
 - Clients with cybersecurity concerns are encouraged to mail Bridge Loan application documents to UWF's main office:
9999 University Parkway
Pensacola, FL 32514
(Note: documents will be quarantined for several days)



Warning!

- Do **NOT** pay for application assistance.
 - Filling out Florida Bridge loans and SBA EDIL loans is free
 - SBDC consultants are paid through taxpayers dollars to do this for free



FAQ

- **I have multiple businesses, can I apply for multiple loans?**
 - Generally, yes. If you have a business tax returns for each business, you can apply.
- **What are typical issues resulting in a decline?**
 - Lack of repayment ability.
- **Can I appeal a loan decision?**
 - Yes for SBA loans; No for bridge loans.



FAQ

- **For bridge loans, how long before I get my funding?**
 - We're trying for 10-14 business days. Caveat – this is bigger than anything we've seen before.
- **For SBA loans, how long before I get my funding?**
 - Unknown. SBA is preparing to have virtual assistance services.



FAQ

- **I defaulted on a previous SBA/state disaster loan, can I apply?**
 - No.
- **I started my business this year but don't have sales, do I qualify?**
 - Verbal response.
- **Can I get a copy of these slides/recording?**
 - Yes! Check out FaceBook for a link.



QUESTIONS



www.facebook.com/SBDCatUWF/

sbdc.uwf.edu

