

Sarasota County Small Business Resilience Loan Program

April 22, 2020

Summary of Sarasota County Small Business Resilience Loan Program

- Loan/Grant program using Economic Development Incentive Funds available (approx. \$4.3 million)
- Require completed PPP application along with a short, web-based Sarasota County specific application
- Maximum \$25,000 based on verified categories: Payroll- 2.5 months, Rent/Mortgage- 2.5 months, Utilities 2.5 months
- Allowable expenses: above 3 categories plus Insurance (important to childcare), marketing, cost of goods sold (like materials and inventory) that have been incurred in the operation of the business in Sarasota County beginning on February 15, 2020
- Terms: 0% interest, no payment for first 12 months, must remain in compliance with loan agreement
- 3.5% interest rate on balance after 12 months 3 year pay back term
- Convert 20% of loan to grant if full amount is paid within first year

Eligibility Criteria

- Must include a completed PPP application and must be eligible under PPP (including 501c(3).)
- Must be 50 FTE employees or less
- Sarasota County Business Tax Receipt for past 3 years with County address as of February 15, 2020
- Sole proprietors, independent contractors, self-employed individuals and “gig” workers, and have a Sarasota County business tax receipt number for at least 3 years.
- Will attest to a hardship due to COVID-19

How to Secure Loan - Feedback from Businesses

- Personal guarantee?
- Not requiring a guarantee is consistent with PPP loan terms
- Risk posed by this event is not as a result of behavior of any applicant
- No one knows when reopening businesses will occur or how (reduce capacity due to distancing, limitations on business operations, etc.)
- Requiring a personal guarantee shifts risk from world wide unknowns to business owner
- Use of public funds requires some kind of pledge to payback under reasonable circumstances
- Perhaps some splitting of risk
- Irma bridge loans experienced a 40% default rate

Timeline for Program

- Incorporate any changes from today's meeting
- Modify online application handling system to accommodate those changes
- Begin accepting online applications Thursday April 23
- Accept online applications until funds are exhausted
- How long will applications be accepted: hours, days?
- Currently have 550+ signed up to receive notice that applications are being accepted
- Will send notices to all media, all chambers, trade associations, anyone on EDC contact list, social media, County and municipalities.

Review Process

- Intake and review at EDC on first come first serve basis
- up to 35 childcare loan/grants reserved for those who have applied by May 1
- Once qualified status is verified by reviewers and all required information is included, including a standard loan agreement, the package is forwarded to County
- County agencies conducting review and approvals: Govt Relations, OFM, County Attorney, Clerk Finance
- Applicant receives email notice of status as application moves through the system
- Incomplete applications require contact with applicant will lose place in queue until all information is received

Who are the reviewers?

- EDC staff
- Volunteers from - Greater Sarasota Chamber, City of North Port, S-One, Manasota SCORE, Sarasota-Manatee BIA, Venice Chamber, and GCBX.

Private Businesses Donating Time and Talent

- PerformCB - Erin Cigich
- Dealers United - Pete Peterson
- On Ideas - Patricia Courtois
- S-One – Art Lambert
- Small Business Development Center-Carl Hadden and Yanina Rosario
- Kerkering Barberio - Rob Lane, Dick Goble
- CenterState Bank- Shaun Merriman
- The Bank of Tampa-Charlie Murphy
- Early Learning Coalition of Sarasota- Janet Kahn
- GCBX – Mary Dougherty
- BIA – Jon Mast
- SCORE Manasota – Rick Ross

Sarasota County Childcare Facilities

- 180 total licensed facilities serving 9,500 - 9,800 children
50% are nonprofits serving 4,500 children

More details:

- Of the 180 licensed facilities 47 are family home providers serving 4-10 children.
- 130 are center facilities. About 60 are designated as non-profit, most are small facilities serving up to 60 children and within a church or other religious facilities.

List of business type NOT required to have BTR, therefore not eligible for this program

- Adoption Agency
- Automatic Teller Machines
- Bail Bondsmen
- Bingo
- Brokers
- Credit Unions
- Dental Hygienist
- Dog/Horse Racing
- Employees
- Gambling
- High School Students Selling Candy, etc. (unless they have product on hand that they are ready to sell)
- Hostess – Tupperware Parties – Avon, etc.
- Insurance Agents
- Interstate Hauling
- Interstate Sales
- Kicker & Catcher Machines
- Life Insurance Agency
- Lottery
- Newspaper Boxes
- Political Campaigns
- Postage Vending Machines
- Public Hospitals
- Public Recreation Center
- Public Schools
- Public Transportation
- Radio Broadcasting Station
- Railroads
- School Activities
- Solicitors
- Tattooing – Contact local County health department for licensure
- Telegraph Systems
- Television Broadcast Systems