



Florida's Dynamic
Waterfront Community

RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

2001 BROADWAY, SUITE 300
RIVIERA BEACH, FL 33404
Phone: 561-844-3408
Fax: 561-881-8043
Website: www.rbcra.com

MEMORANDUM

TO: Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

FROM: Scott Evans, Interim Executive Director, CRA

COPY: J. Michael Haygood, CRA Attorney

DATE: May 20, 2020

SUBJECT: Resolution Providing Funding of \$125,000 for COVID-19 Small Business Loan Program and Fund

REQUEST

The Agency requests approval of a Resolution providing funding of \$125,000 for the COVID-19 Small Business Loan Program and Fund to assist small businesses in the District up to \$5,000 each.

BACKGROUND

The Riviera Beach Community Redevelopment Agency (RBCRA) recognizes that small businesses suffered substantial financial loss due to the adverse economic impacts caused by the COVID-19 pandemic. In response to the negative economic impacts on our local businesses and the City of Riviera Beach's economy, to alleviate the spread of slum and blight, and to protect the capital improvements in the CRA, the RBCRA has created the RBCRA COVID-19 Small Business Forgivable Loan Fund (the "Fund"). The Fund is intended to provide direct financial relief to small businesses located within the RBCRA area (see attached boundary map).

PROGRAM DESCRIPTION

Through the Program, the RBCRA will provide businesses with 25 or fewer employees up to \$5,000 in an interest free loan. If the business can show compliance with the Fund and that the loan was used towards payroll, utilities, or inventory expenses within 1 year of the loan date, the loan will be forgiven, and the business will not be required to repay the loan. The loans will be awarded on a first-come, first-serve basis. Loan recipients will be required to sign a promissory note to ensure compliance with the Fund, loan terms, and conditions. The RBCRA has sole discretion to determine compliance with the Fund, loan terms, and conditions sufficient to allow forgiveness of the loan. (See Attachment "A").

ELIGIBILITY CRITERIA

Loan applicants must meet all the following requirements in order to be considered eligible to receive loan funding:

- Loan applicant must be a business that was or becomes operational (as evidenced by a Certificate of Occupancy or City of Riviera Beach Business Tax Receipt) prior to September 30, 2020.
- Loan applicant must be the business entity (or d/b/a) named on the corporate documents, and the application must be executed by the principal/owner(s) named on the corporate documents.
- Must be a for-profit, privately held business or sole proprietor with less than 25 employees. NOTE: Sole proprietors cannot use more than \$2,500 of the loan towards payroll expenses;
- Must be located within the RBCRA area (see attached boundary map). Businesses operating out of the Riviera Beach Marina are eligible;
- Must provide proof that the business is properly licensed by all necessary levels of government and professional associations or agencies (include copies of City and County licenses).
- If any individual is the Principal/Owner for more than one eligible business, the Principal/owner may only sign the application on behalf of one business. (Note: this means that if one or more eligible businesses has a Principal/Owner in common, only one of those businesses may apply for the Program, even if the business(es) has(have) more than one Principal/Owner).

LOAN TERMS

Loans shall be interest-free, and the loan amount shall be due to be repaid to the RBCRA one year from the date of the loan. Loan applicants will be required to sign a promissory note to ensure compliance with the loan, program terms, and conditions.

Loan funding must be used for payment of utility bills, employee payroll (excluding bonuses), or inventory.

BUDGET IMPACT

The initial program funding is \$125,000 to come from re-programmed funds for property acquisition budgeted for FY20.

RECOMMENDATION

The Agency requests approval of a Resolution providing funding of \$125,000 for the COVID-19 Small Business Loan Program and Fund to assist small businesses in the District up to \$5,000 each.

SE:aj