



MEMO

To: The Honorable Chair and
Members of the Board of County Commissioners

From: Barry A. Burton

Subject: April 25, 2020

Date: Pinellas CARES Small Business Grant

Purpose

Pinellas County has identified up to \$35-million in emergency relief funds to support the small businesses hardest hit by the COVID-19 pandemic as part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Pinellas County will provide emergency financial support through the Pinellas CARES Small Business Grant for qualified small businesses that are negatively impacted by the COVID-19 pandemic through orders to close or limit operations. This program is intended to help offset the significant, temporary loss of revenue to these qualified businesses during this pandemic, and to assist businesses in retaining and paying employees.

The program will offer \$5,000 grants to qualifying small businesses to cover expenses such as employee wages, vendor bills and rent. The emergency relief is aimed specifically to help local brick and mortar businesses cover immediate financial needs. Grants are strictly limited to businesses located physically in Pinellas County. Funds can only be used to pay for losses directly tied by the pandemic that have not already been paid for by insurance or by another federal aid program.

Regardless of whether a business is or is not eligible for this program, it may still qualify for other existing funding programs. Visit www.pced.org/covid19loans for a list of federal and state programs assisting businesses impacted by the COVID-19 pandemic.

Eligibility

Businesses are eligible for a \$5,000 grant from Pinellas County, if:

- The business occupies commercial space within Pinellas County.
- Has at least 1, but no more than 25 full-time equivalent (FTE) employees, including the business owner. The firm can have many more part-time employees as long as the total weekly hours of all employees does not exceed 1000 (25 FTE x 40-hour work week).

- The business has been operating since at least October 1, 2019 and was still in operation on February 29, 2020.
- Firm is expected to return to full operations after local and state emergency guidelines for consumers during COVID-19 are rescinded.

Eligible business types:

- “Food Service Establishments” as defined in Chapter 500, Florida Statutes, and “Public Food Service Establishments” as defined in Chapter 509, Florida Statutes.
- Bars, pubs and nightclubs as described in Governor’s Executive Order 20-68.
- Short-term lodging establishments and vacation rental management companies that collect and remit Tourist Development Taxes.
- Non-essential businesses covered under Section 5 of the “State of Florida & Pinellas County ‘Safer-at-Home’ Guidance” document.” <http://www.pinellascounty.org/emergency/covid19/FAQ-Stay-at-Home-Order.pdf>.
- Places of public and private assembly covered under Section 2 of the “State of Florida & Pinellas County ‘Safer-at-Home’ Guidance” document.

These groups were chosen because they were either required to close based on the Governor’s or BCC’s order or were severely impacted by those orders in the case of food service and lodging establishments. While restaurants are allowed to remain open for carryout or delivery, this still resulted in a huge loss of employment and revenues and many restaurants were not able to adapt. The lodging industry depends heavily on our beaches, museums and attractions – all of which were closed by the orders – and non-essential travel is also restricted by government order. Hotel occupancy is normally around 90% at this time of year; recent occupancy levels have been as low as 17%.

The Pinellas CARES Small Business Grant is a companion to the grant programs that are currently offered by our municipal partners. Businesses that have already applied or received funding from municipal grant programs, are still eligible for this program.

We estimate that approximately 6500 businesses in Pinellas County would qualify for this grant. There are sufficient funds for each of these firms to receive a \$5,000 grant.

Ineligible Businesses

- Firms with more than 25 FTE. We have a limited pot of money, small businesses tend to be in more precarious financial condition, and we desire to preserve and promote small local businesses (as evidenced by the BCC implementing the SBE program).
- Publicly traded companies. These firms are owned by the stockholders, who may not be local residents and are not involved in the day to day operations of the company.
- Home-based businesses. These firms are technically not required to close under the Governor’s or the BCC’s order and many could continue to operate with sales being done online. They also tend to have very few employees and don’t have the rent or utilities expenses of brick & mortar firms.

- Non-profit organizations. 501c3 organizations are by definition “charitable organizations” and receive their funds primarily from private donors and governmental sources. Other 501c organizations are involved in lobbying activities and/or are supported primarily by member dues, rather than by sales of products or services.
- Firms with unpaid code enforcement liens against them.
- Firms with an owner, officer, partner, or principal actor who has a felony or financial mismanagement conviction within the last two years for which he or she is still serving a sentence (including prison, parole, and probation).

Application Process

- Applications will be submitted using a digital online portal.
- Applicants will be required to attach supporting documentation to prove their business location, status and employee count, and to demonstrate recent business income and expenses.
- Completing the application should only take 10-15 minutes if the applicant has the necessary documentation at hand.

Timeline

April 24 to May 3 -- Complete online application portal and process flow. Program outreach and education.

May 4 -- Application portal is open and submissions from small businesses begin. Staff begins application review process to confirm eligibility for Pinellas CARES Small Business Grant.

Staff will endeavor to communicate directly with applicant within 3 business days of submission regarding notice of deficiencies in the application or that the application is eligible and requires no further action from the applicant.

Approved applications will be submitted to Finance nightly. Funding should be disbursed within 10 business days after confirmation of an approved application.