

Florida Small Business Emergency Bridge Loan Review Process - Frequently Asked Questions



Q. Why is it called an Emergency “Bridge” Loan?

A. The Florida Small Business Emergency Bridge Loan is intended to “bridge” the gap between when a declared disaster occurs and when additional funding sources, such as U.S. Small Business Administration or commercial loans, can be secured in order for business owners to maintain operations and pay employees.

Q. Do I need to pay back the Emergency Bridge Loan?

A. Yes, Emergency Bridge Loans are state funds that need to be paid back. The term of the loan is for one year and it must be repaid within 360 days of the loan closing date or until long-term funding is secured.

Q. Are Emergency Bridge Loans business loans or personal loans?

A. Emergency Bridge Loans are personal loans that are disbursed to the business owner from Florida First Capital Finance Corporation.

Q. How can I check the status of my application?

A. If you applied online, you may check the status of your application by visiting www.FloridaJobs.org/COVID-19 and clicking on Check Application Status under the Florida Small Business Emergency Bridge Loan. To login, you will need to provide the username and password you created when you submitted your application online. If you mailed or emailed your application, you will receive a notification by email with directions to view your application and check your application status.

Q. What does the status of my application mean?

A. Loan status details are as follows:

- **Eligible** = You meet the minimum eligibility requirements but have not submitted an application.
- **Denied** = Your application was denied and will receive correspondence with additional information.

The following loan status details indicate that the application has been submitted, but it was not approved. Completed applications will be considered, in order, if additional funding becomes available.

- **Submitted** = You submitted the application and it will be assigned to an SBDC consultant.
- **Pending Underwriting** = Credit will be pulled and a decision will be made by a Loan Review Committee.
- **Pending Loan Closing** = Your application was approved and pending loan closing prior to all funding for the program being disbursed.

Q: How was it determined to allocate \$50 million to the Emergency Bridge Loan?

A: The Florida Department of Economic Opportunity (DEO) works with its Bureau of Budget Management to receive the approved budget from the Executive Office of the Governor. Emergency Bridge Loan funds are intended to be a resource for businesses to bridge the gap until federal funds become available. Funding allocated to the Emergency Bridge Loan for businesses affected by COVID-19 is unprecedented at \$50 million; funding is typically \$25 million for declared disasters.

Q: In addition to the \$50 million that was originally allocated, will more Florida Small Business Emergency Bridge Loan funding become available?

A: At this time, additional funding has not been allocated for the Emergency Bridge Loan program because federal resources have become available. If additional funding becomes available, we will notify all applicants and additional information will be available at <http://www.FloridaJobs.org/COVID-19>. If additional funding becomes available and you have already submitted an application, you will not need to submit another application.

Q: How are submitted applications reviewed during a Florida Small Business Emergency Bridge Loan (Emergency Bridge Loan) activation?

A: Applications are reviewed on a first-come, first-served basis for complete applications. An application is certified as complete by Florida Small Business Development Center (SBDC) representatives throughout the state.

Q. What other funding is available for my small business?

A. Please visit www.FloridaJobs.org/COVID-19 for a complete list of available resources. The U.S. Small Business Administration (SBA) has been allocated additional funding for the Economic Injury Disaster Loan and Loan Advance (EIDL) and the Paycheck Protection Program. Visit the [SBA website](#) for more information on how to apply for Coronavirus Relief Resources available for businesses. You can access the SBA disaster assistance application [here](#). We also encourage you to reach out to your bank or lender for more information on commercial loan opportunities that may be available to you. Visit the [U.S. Treasury website](#) for a list of banks and lenders.

Q. How does the Florida Department of Economic Opportunity (DEO) decide who will be provided a loan under the Emergency Bridge Loan program?

A. Once an application is certified as complete, it is reviewed by an independent Emergency Bridge Loan Review Committee. Loan Review Committee members analyze and apply industry credit standards, including but not limited to assessing the personal credit score and credit history of the business owner. DEO does not interact with loan committees or make loan decisions.

Q. Are Loan Review Committees made up of volunteers?

A. Yes. Local Florida Small Business Development Centers recruit individuals to establish an Emergency Bridge Loan Review Committee. The Committees consist of no less than three (3) qualified individuals from across the SBDC-designated regions who represent various banks, business lending institutions and appropriate economic and business development community organizations. The nine regional SBDCs had 187 qualified individuals serving on an Emergency Bridge Loan Review Committee for COVID-19.

Q: What criteria does the Loan Review Committee use to approve Emergency Bridge Loans?

A: Emergency Bridge Loan Committee members assess and apply banking credit and lending standards for small and microbusiness loans, including but not limited to assessing the personal credit score and credit history of the business owner. A low credit score, or lack of credit history in itself, may indicate that the applicant has not used credit in the past and may not prevent loan approval if the credit history meets minimum standards.

The primary factor in a decision is the ability of the applicant to secure and repay the Emergency Bridge Loan in the agreed term of the program. Other factors to consider include, but are not limited to:

- probability of receiving federal disaster assistance, and/or
- probability of receipt of proceeds from insurance recovery (if any), and/or
- probability of qualifying for other long-term credit, and/or
- probability to generate sufficient cash flow from business operations to repay the debt service within the agreed upon loan term.

With the above in mind, Loan Review Committees consider the additional information and the business' extraordinary circumstances when making credit and loan decisions.

Applicants are required to designate their planned approach to repay the Emergency Bridge Loan during the application process and given the option to provide supplemental documentation in addition to the required loan application documentation to justify extraordinary or special circumstances that could impact a loan decision.

Committees may request additional documentation or information above and beyond the required application and required supporting documentation to make a loan decision. Approximately 10% of applicants have not been approved by Loan Review Committees.

Q. How long does it take to process a submitted application?

A. Once an Small Business Development Center (SBDC) consultant certifies they have a complete Emergency Bridge Loan application with all supporting documentation, it takes approximately seven (7) days to process under normal circumstances. The loan closing is scheduled after the application is approved and the loan closing documents are completed.

Q: How will I know if my application is approved for a Florida Small Business Emergency Bridge Loan?

A: A Florida SBDC representative contacts the approved applicant by email after loan closing documents are prepared to coordinate and schedule the loan closing. Applicants must execute the loan promissory note in the presence of an authorized Notary, who shall sign and stamp the agreement. Then, the applicant must deliver the signed and notarized promissory note and properly executed closing documents to the Florida SBDC representative within 48 hours upon the delivery (not the receipt) of the closing documents.

Q: What's the maximum loan amount that can be requested and are there exceptions?

A: The maximum loan amount is \$50,000; however, loans of up to \$100,000 may be made in special cases as warranted by the need of the business. In the underwriting process, the Loan Review Committee determines if the business' needs warrant a loan up to \$100,000.

Q: Why did some business owners get multiple loans?

A: One loan may be provided per eligible business. Eligible business owner(s) may have applied for and received one loan for each of their businesses.