



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Unfinished Business

I.1

7/7/2020

Subject:

CARES Act Funding for Economic Support Programs

Fiscal Impact:

During the Board's meetings in May and June, the Board allocated \$70.65 million of the \$105 million provided to Brevard County under the CARES Act to various Public Health and Safety Programs and Individual Assistance Programs. There remains \$34.35 million of unobligated CARES Act funds.

Dept/Office:

County Manager's Office

Requested Action:

Staff is requesting Board direction concerning the allocation of CARES Act funds for Economic Support programs that the Board may wish to consider implementing with available CARES Act funding.

Summary Explanation and Background:

During the Board's May 5, 2020 meeting, the Board directed staff come back to the Board with small business program options that could be funded with CARES Act funding received from the United States Department of the Treasury on April 23, 2020.

A Small Business Economic Relief Task Force (Task Force) was formed to provide the County Manager's Office with small business economic relief program options that the Board could consider providing to small businesses through the use of available CARES Act funding.

The Task Force met five times to review available data, compiled by the Chambers of Commerce, EDC of Florida's Space Coast, CareerSource Brevard, State and Federal resources, and small business programs offered by counties similar to Brevard County's demographics. Attached is the Task Force report including options the Task Force recommended be considered for establishing a small business relief program.

Based upon the input received from the Task Force, the following decision points and program options are provided for the Board's consideration. Staff is seeking Board direction to establish small business economic relief program(s) under parameters established and approved herein by the Board.

Board Decision Point - Whether to Establish a Small Business Economic Relief Program (If adopted, then)

1. Grant Amounts (Options for Board Consideration)

- a. A one-time grant, not-to-exceed \$10,000 for small businesses that have 50 or less full-time equivalent employees as of the end of February 2020; or
- b. A one-time grant, not-to-exceed \$5,000 for businesses that have 25 or less full-time equivalent as of the end of February 2020; and
A one-time grant, not-to-exceed \$10,000 for businesses that have 26 to 50 full-time employees as of the end of February 2020; or
- c. Any other direction provided by the Board

2. Eligibility Criteria (Options for Board Consideration)**Eligibility Criteria**

- Business must be physically located in Brevard County ✓
- Home based businesses are included ✓
- A business must have been in operation at of the end of February 2020 and currently in business. ✓
- Business agrees to follow current COVID-19 CDC guidelines ✓
- Business must demonstrate that they have been negatively impacted by COVID-19. The business must show that it continued to pay for certain expenses during the period of economic downturn or shutdown (March - June 2020), unreimbursed expenses which may include but are not limited to:
 - COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etc., not covered by other resources from local State or Federal programs.
 - Salaries and payroll
 - Inventories
 - Commercial lease, mortgage, or rent payment
 - Any other expense or loss of revenue that the business can demonstrate was incurred as a result of COVID-19 economic shutdown or downturn (March - June 2020)
- Expenses must not have been reimbursed or reimbursement is not expected through Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL), Small Business Administration (SBA) Debt Relief or other similar federal and state programs.
- The business has a current and valid County business license in Brevard County.
- The business meets all regulatory requirements of Brevard County
- The business is not operating in violation of any State, Federal or local laws

Ineligible

- Business not physically located and/or operated in Brevard County
- Nonprofit entities
- Businesses with legal actions against or from the County, including code enforcement liens.

- Businesses that are operating solely as an Internet business.

Eligibility/Ineligibility criteria (Board Decision Point)

- a. Adopt or modify the eligibility/ineligibility criteria as outlined above, or

Funding Allocation (Board Decision Point)

- b. Funding allocation as established by the Board (Task Force recommended a funding level of \$25 to \$30 million)

3. Administration (Options for Board Consideration)

- a. Chamber Consortium, (Chambers would process and review applications submitted);
- b. EDC of Florida's Space Coast;
- c. County staff, (oversight provided by County staff with economic development experience hiring temporary staff); or
- d. Outside Contractor - (current internal auditor contract or FEMA consultant contract would be modified)

4. Funding Allocation for Small Business Economic Relief Program - (Board Decision Point) (Projected Cost \$400,000)

- a. Funding allocation (not to exceed amount) as established by the Board

**Board Decision Point - Whether to Establish a COVID - 19 Safeguard for Nonprofits Program
(If adopted, then)****Grant Amounts (Options for Board Consideration)**

- a. A one-time grant, not-to-exceed \$2,000 for nonprofits entities with 1 to 25 employees that have COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etc., not covered by other resources from State or Federal programs, or
- b. Any other direction provided by the Board

Funding Allocation - (Board Decision Point)

- a. Funding allocation as established by the Board (Task Force recommended a funding level of \$1 to \$2 million)

Clerk to the Board Instructions:



September 22, 2021

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item I.1., CARES Act Funding for Economic Support Programs

This memo is to correct the memo dated July 8, 2020. The Board of County Commissioners, in regular session on July 7, 2020, approved allocating a one-time grant, not to exceed \$10,000 for small businesses that have 50 or less full-time equivalent employees as of January 1, 2020, with CARES Act funding; approved the Eligibility Criteria consisting of:

- Business must be physically located in Brevard County
- Home-based businesses
- Business must have been in operation as of January 1, 2020 and currently in business
- Business agrees to follow current COVID-19 Centers for Disease Control (CDC) guidelines
- Business must demonstrate that they have been negatively impacted by COVID-19 and must show that it continued to pay for certain expenses during the period of economic downturn or shutdown (March-June 2020) with unreimbursed expenses which may include, but are not limited to: COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etcetera, not covered by other resources from local, State, or Federal programs, salaries and payroll, inventories, commercial lease, mortgage, rent payment, or any other expense or loss of revenue that the business can demonstrate was incurred as a result of COVID-19 economic shutdown or downturn (March-June 2020)
- Expenses must not have been reimbursed or reimbursement is not expected through Paycheck Protection Program, economic Injury Disaster Loan, Small Business Administration Debt Relief or other similar Federal and State programs
- The business has current and valid County business license in Brevard County
- The business meets all regulatory requirements of Brevard County

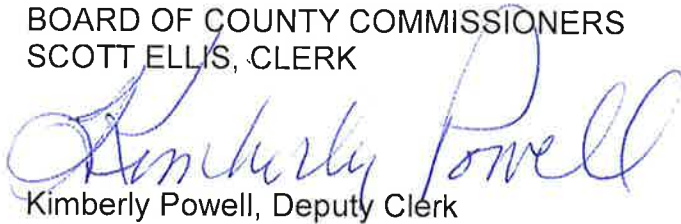
- The business is not operating in violation of any State, Federal or local laws
- Nonprofit entities and businesses that are operating solely as an internet business;

authorized you to determine administration of CARES Act Economic Support Programs as far as the options given by the Board, not to exceed \$400,000, if necessary, with an outside contractor, business' employees must be E-verified, including up to 1,000 businesses for up to \$10 million, a 10-day application period, and including a claw-back if the business receives reimbursement from another government agency or if the U.S. Department of the Treasury determines the business ineligible; authorized you to involve the Chambers of Commerce if determined cost-feasible; **and approved all eligibility criteria as contained in the Board's Package.**

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK



Kimberly Powell, Deputy Clerk

/sm

cc: Each Commissioner
County Attorney
Budget
Finance

MEMORANDUM

TO: FRANK ABBATE, COUNTY MANAGER

FROM: SMALL BUSINESS RELIEF TASK FORCE

DATE: JUNE 24, 2020

SUBJECT: TASK FORCE OPTIONS FOR SMALL BUSINESS ECONOMIC RELIEF PROGRAM

Introduction

As the economic impact of business interruption resulting from the COVID-19 public health emergency continues to unfold, the sustainable livelihood of many small business entrepreneurs, and their employees, remains uncertain. The implications to the Brevard County Tax Base, and the County's ability to provide a pre Covid level of sustained public services, is and will always be inextricably linked to the success of our business community.

The members of the Small Business Economic Relief Task Force want to thank you in calling upon us to assist in your formulating recommended small business economic relief options for presentation to the Brevard County Board of County Commissioners, that could be provided under the auspices and in accordance with the funding guidelines provided under the CARES Act funding to Brevard County. If the selected options are successful, ultimately and hopefully, our collective work will contribute to the economic recovery of Brevard County Small Businesses, speeding the return of their employees back to work, sustainable job retention, and the preservation of the Brevard County Tax Base.

About the Task Force

The Task Force members selected were comprised of a geographically representative Brevard County-wide group of experienced economic development professionals and agencies as follows:

- Doug Dombroski, Community and Economic Development, City of Melbourne
- Joan Junkala, City of Palm Bay Director of Community and Economic Development
- Larry Lallo, CECD, Executive Director Merritt Island Redevelopment Agency
- Troy Post, CECD, Executive Director, North Brevard Economic Development Zone
- Lynda Weatherman, Executive Director, Space Coast Economic Development Commission

Task Force Goals

The charge given to the Task Force, was to research the economic relief needs of the County's small businesses, and their employees; provide the County Manager with small business economic relief program options that the Board of County Commissioners could potentially provide to small businesses through the use of CARES Act Funding awarded by the United States Department of the Treasury.

The Task Force met five times, to review available data, compiled by the Chambers of Commerce, EDC of Florida's Space Coast, CareerSource Brevard, State and Federal resources; and other research organizations. The Task Force invited representation and input from the various Brevard County Chambers of Commerce and Economic and Community Developers as follows:

- Cocoa Beach Regional Chamber of Commerce, Jennifer Sugarman President and CEO
- Puerto Rican and Hispanic Chamber of Commerce, Samuel Lopez, President and CEO
- Melbourne Area Regional Chamber of Commerce, Michael Ayers, President and CEO
- Palm Bay Area Chamber of Commerce, Nancy Peltonen President and CEO
- Titusville Area Chamber of Commerce, Marcia Graedke, President and CEO
- Angela Essing, City of Cocoa Economic Development Manager
- Lisa Nicholas, City of Titusville Economic Development Director

The Task Force began with defining the term "Small Business" to determine which businesses should be given priority for economic relief. The definitions of "Small Business" throughout the economic development profession generally range from those businesses, having 1 to as many as 500 employees (SBA), depending on the capacity and goals of a particular agency or organization.

- Based on our research of the feasibility in reaching businesses with significantly impactful levels of economic relief, the Task Force recommended assistance for businesses, that have up to 50 employees. Given the notably diverse economic base of Brevard County, this includes businesses impacted, whether defined as essential or non-essential by the Governors Orders, and represents approximately 96 percent of the County's private employment sectors reported by the Florida Department of Economic Opportunity (DEO).

According to information sourced from DEO and CareerSource Brevard, Brevard County has approximately 13,100 employers who have 50 employees or less. The Unemployment Rate for May 2020 was 12.6%, this was a decrease of 1.6% from the April 2020 rate. CareerSource Brevard estimates that approximately 40,137 persons were unemployed, as a result of the Covid 19 economic shut down in Brevard County. It is estimated that June 2020 unemployment figures should be improved, based on general observation, however it is still necessary to expedite a full economic recovery, to avoid longer term fallout.

About our Small Businesses

The value of our small businesses is often underestimated because they are small. But that does not mean that the impact they have is small. In fact, it has been firmly established that small businesses have a huge impact not only on the national economy, but on the economy of Brevard County as well.

Small businesses are just as unique and individual as their owners and cover a variety of industries. They fuel the American dream and allow people to pursue their passion. Small businesses also allow people the opportunity to achieve financial independence, create employment opportunities and encourage innovation.

In 2018, there were 30.2 million small businesses in the United States., making up 99.9 percent of all businesses in America. Small businesses are the engines of job creation in this country and our county, accounting for 64 percent of the net new private-sector jobs and over 49 percent of private-sector employment.

Today, in the United States, 8 million of our small businesses are minority-owned and 9.9 million small businesses are women-owned. Small businesses are job creation powerhouses and enable minority groups, veterans, re-entries, and women to make an impact in the business world more easily, using their skills and hard work, to earn a living. The COVID-19 public health emergency, impacted small businesses, in the interest of overall Public Health.

Local Impact

A higher percentage of money spent at small businesses stays locally in the community and many small businesses love to give back to their community through programs and charities.

The Coalition of the Chambers of Commerce in Brevard County worked throughout the crisis to assess on the ground conditions of small business and to facilitate the distribution of federal and state resources that became available. On March 24th, a poll conducted of Chamber members throughout Brevard County received responses from 170 small businesses. According to Michael Ayers, Melbourne Chamber of Commerce President and Chief Executive Officer, the poll noted that the biggest impacts to local businesses were to sales and revenues. "When we asked them what they're doing to mitigate the potential impacts," said Ayers, "the No. 1 answer was to reducing variable costs."

With local reflection, a First National Bank of Omaha's 2018 Shop, Buy Give Survey found that 69 percent of Americans prefer to support local dining and retail establishments. Not only do local shoppers, tourists homeowners, and those seeking medical care prefer to support our small business community, they are also able to purchase unique products that may not be found in big box stores, or national franchises. A Plus One Chicago Study found that for every \$100 a person spends at a local business, \$68 will stay in the community.

Because our small businesses operate locally, their hiring of local people has a huge impact not only on our local economy, but on the overall health of the Brevard County community and its people. Small businesses also contribute to the identity of our community. Many small business owners participate in local organizations by sponsoring teams, participating in community events and donating to local

nonprofits. So, it is not just an impact on the local economy, it's also about being a member of the community and improving that community on many levels.

Impact of the COVID-10 Public Health Emergency on Small Business

- The local survey completed by the Brevard County Chambers of Commerce, mirrored, and underlines findings in a national survey completed by the RAND Corporation, citing that small business owners faced an array of challenges during the public health emergency, resulting in sharp reductions in revenue and created an existential threat to their future operation.
- Approximately 31% of small and medium-sized businesses shut down for a period of time due to the COVID-19 in the last three months.
- The situation has been particularly bad for tourism related and personal service businesses (52% of which report shutting down), such as hotels, cafes, and restaurants (43%) and services like wellness, grooming, fitness, or other professional services (41%), particularly in the medical and health professions, and small home service businesses.
- The research provided by our Chambers of Commerce, and RAND researchers reached out to small-business owners, especially those with a physical and visible presence in their communities, to gain a better understanding of the challenges that these businesses are facing as a result of the global COVID-19 pandemic and what kinds of programs and policies might help them survive.
- A variety of experiences, challenges, and ideas for making assistance programs more effective were revealed. The most common concern was *the need for assistance in covering fixed operating costs*—most prominently, rent and mortgage payments but also utilities and insurance. Concerns about worker safety and liability were also mentioned. Adjustments to existing policies were also discussed, such as better government communications, clear rules for reopening businesses, and coordinated reopening policies across neighboring jurisdictions.
- One key challenge identified will be finding working capital to replenish inventories and pay employees until revenue returns to normal.
- In addition, business owners believe it will take many months to return to normal, and that process can be aided by clear guidance from government or trade organizations about how to reopen safely during the pandemic. This includes how to keep both workers and customers safe.

The most pressing near-term needs the Task Force learned about is for assistance in meeting funds utilized to cover fixed operating costs—rent, mortgage payments, utilities, and insurance, and/or replenishment of lost working capital to cover payroll, rehire/train new workers, regain market place opportunities, and inventory replenishment.

Highlighted relief needs

- Paying fixed costs such as rent, mortgage, and insurance has been a struggle during the shutdown and such costs represent an existential threat. Business owners report that while existing programs help support payrolls, they do not go far enough in helping businesses with these fixed costs.
- For some businesses, it was better to lay off workers so they could receive enhanced unemployment benefits rather than trying to keep paying workers' salaries.
- Economic Relief is needed as a Backstop for lack of Business-Interruption Insurance coverage.

Business-interruption insurance has proved a particular disappointment for businesses during the COVID-19 pandemic because these policies typically exclude losses due to viruses, bacteria, and microorganisms.

Among the reasons cited by business owners as to what caused them to close, a majority *said it was necessary to comply with orders by governments or health authorities*, while a smaller share claimed it was due to financial challenges (9%) or a lack of client demand (7%).

But even when businesses stay or attempt to open, they still face significant challenges, including access to capital, workers, and customers.

One of the biggest challenges, not often managed, for small business owners has been balancing work with home life.

According to a study completed by Facebook, 10% of owners and managers of open businesses reported taking care of household members (children, elderly, dependent adults, and so on) as their chief concern. Nearly half (47%) of those reported have been or are feeling burned out trying to take care of business and household at the same time. And 29% were concerned about bringing COVID-19 home

Some of the biggest challenges among open businesses are accessing the capital they need to stay afloat, keeping their supply lines open, making sure their employees can work remotely, and balancing increased family demands.

Business owners' perspectives for the Future

Entrepreneurs by their very nature, are risk takers and most remain faithfully forward looking, with a can-do attitude. In fact, the majority of small businesses (57%) report that they are optimistic or extremely optimistic about the future of their businesses despite the COVID-19 public health emergency! The people who operate, manage, and work for Small Businesses are resilient. They're doing their best to find how to recover, with new ways to reach their customers online, they're making adjustments to how and when they do business, and they're working hard to meet their family obligations at the same time.

Despite this optimism, many small businesses will not succeed. Even more so without financial assistance.

Current CARES Act Small Business Relief Programs

The Task Force conducted a detailed review of a broad range of CARES ACT programs recently designed and put into action, by similar size counties in the State of Florida, receiving similar amounts of funding from the United States Treasury on a per capita basis. In addition, the Task Force reviewed other programs being rolled out, by what some would consider as traditionally modeled County governments throughout the United States, such as Maricopa County, Arizona, Fairfax County, Virginia, Mecklenburg, North Carolina, and Summit County, Ohio.

The Task Force considered adaptations of several of the other programs that have been launched as a result of the crisis to assist small businesses. Unsurprisingly, the initial funds allocated for the PPP and SBA programs were exhausted almost immediately by large, corporate beneficiaries.

Programs ranged from conditional loan programs and requiring substantial levels of supportive documentation, even business capacity information, to those providing grants based on Affidavits of business sales downturns, and losses.

In many of the federal programs' employees and employers most at risk of losing their livelihoods, were shut out completely or received reduced funding. The smallest of businesses have been saddled with bills, and a lost work force, and have the most to lose if they do not have the opportunity to create income for the money they need. Their working capital resources, if not lost in wasted inventory, in many cases have been exhausted on fixed expenses necessary to survive the crisis. Ultimately, however, small businesses need a program that prioritizes them.

With research and information at hand the Task Force discussed at length, various small business economic relief program options and taking in consideration:

1. Types of businesses to include
2. Levels of CARES funding available
3. Size of businesses to include
4. Inclusion of essential versus non-essential
5. Potential inclusion of not for profit organizations
6. Basis of determining COVID 19 impacted business
7. Home Based businesses
8. Levels of Documentation necessary
9. Levels of business owner affidavit and certifications necessary
10. Types of expenditures included for eligibility
11. Accountability procedures
12. Expediting accountable application intake, review, and fund issuance process
13. Program administration, and organizational management/structures
14. Legal review of procedures, business trade secrets and personal information confidentiality
15. Duplicity potential of other program awards provided at state and federal or local levels

16. Types of programs, be it loans, grants, work force training and personal protective equipment needs
17. Proposed Levels of Funding
18. Estimated Numbers of Businesses that we will reach or could apply
19. Economic Impact. For Example, for every \$10 Million of small business economic relief locally provided, \$6.8 Million will be spent locally.

RECOMMENDATIONS OF THE TASK FORCE

Goal of the Proposed Small Business/Nonprofit Relief Program: These programs are intended to expedite the provision of economic relief to small businesses/nonprofits in the County, whose operations and sales have been substantially negatively impacted as a result of the economic shutdown created by the COVID-19 public health emergency.

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and provided governments with funding to cover costs for necessary expenditures incurred to due to the public health emergency with respect to COVID-19. According to the United States Department of Treasury Guidance, on April 22, 2020, local governments may provide CARES Act funds for expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.

The Proposed Small Business/Nonprofit Relief Program Provides:

1. An economic relief program for small business with 50 or less full-time equivalent employees.
2. Assistance to small business that have been impacted by the COVID-19 public health emergency.
3. Provide a safe environment for nonprofits with 25 or less full-time equivalent employees.
4. Ability to provide small businesses with an opportunity to bridge the gap to economic recovery with a worker employment assistance program.

SMALL BUSINESS ECONOMIC RELIEF PROGRAM — Recommended Funding between \$25 to \$30 million

An economic relief program to support Small Business with 50 or less full-time equivalent employees to help offset the unintended expenses incurred, and necessary for staying in business, and the costs of reopening or relaunching their business as a result of being affected by the COVID-19 public health emergency.

The recommended relief program will be complementary, not duplicative, to Federal and State economic recovery assistance programs and is intended to fill in the gaps where local small businesses did not receive any assistance, and when insufficient amounts of assistance was available from other programs.

The applications will be processed through an on-line application platform. The economic relief program is subject to the availability of funds. Based on the information obtained from the Florida Department of Economic Opportunity (DEO) on Brevard County's Private Employment Sectors/Number of Companies by

Employment Size it is estimated the economic relief program will reach 4,800 small businesses. This is approximately 40% of the small businesses classified by DEO.

Option 1:

One-time grant not-to-exceed \$10,000 for businesses that have 50 or less full-time equivalent employees as of the end of February 2020; or

Option 2:

One-time grant not-to-exceed \$5,000 for businesses that have 25 or less full-time equivalent employees as of the end of February 2020; and

One-time grant not-to-exceed \$10,000 for businesses that have 26 to 50 full-time equivalent employees as of the end of February 2020

ELIGIBILITY CRITERIA

- Business must be physically located in Brevard County
- Home based businesses are included
- A business must have been in operation at of the end of February 2020 and currently in business.
- Business agrees to follow current COVID-19 CDC guidelines
- Business must demonstrate that they have been negatively impacted by COVID-19. The business must show that it continued to pay for certain expenses during the period of economic downturn or shutdown (March – June 2020), unreimbursed expenses which may include but are not limited to:
 - COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etc., not covered by other resources from local State or Federal programs.
 - Salaries and payroll
 - Inventories
 - Commercial lease, mortgage, or rent payment
 - Any other expense or loss of revenue that the business can demonstrate was incurred as a result of COVID-19 economic shutdown or downturn (March – June 2020)
- Expenses must not have been reimbursed or reimbursement is not expected through Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL), Small Business Administration (SBA) Debt Relief or other similar federal and state programs.
- The business has a current and valid County business license in Brevard County.
- The business meets all regulatory requirements of Brevard County
- The business is not operating in violation of any State, Federal or local laws

INELIGIBLE

- Business not physically located and/or operated in Brevard County
- Nonprofit entities
- Businesses with legal actions against or from the County, including code enforcement liens.
- Businesses that are operating solely as an Internet business.

SUPPORTING DOCUMENTATION

- Current W-9 Form
- Staffing documentation – W-3 Summary, IRS Form 1096, IRS Form 941 or Sole Proprietor Statement
- Valid Brevard County Business Tax Receipt
- Provide a copy of utility bill, rent agreement, or other documentation to demonstrate operational activities in February 2020.
- Provide documents which demonstrate the business' cost of business interruption caused by the required closure.
- Provide documents that demonstrate current business activities.

RECOMMENDED PROCEDURES FOR THE SMALL BUSINESS RELIEF PROGRAM

- On-line application platform.
- A week prior to opening the applications submissions, advertising through newspapers, press releases, radio broadcasts, Facebook, County, City, Chamber, and Economic and Community Development agency websites.
- County website will have a sample application, frequently asked questions, and eligibility criteria of documents needed for submission. This will give businesses the ability to get documents ahead of the submission date.
- Open the application submission for one-week.
- Applicant will be sent an email that the application was received.
- Evaluate application funding priority by using one of the following options:
 - Proportional share of the budget
 - Lottery
 - First-in, first-serve basis
- Applications that are not fully completed or all documents required are not submitted, the application will be returned to the applicant.
- Goal of awarding funding within 30 days of application approval.
- Goal of expending all necessary funds by December 30, 2020.

COVID-19 SAFEGUARDING FOR NONPROFITS - Recommended funding \$1 to \$2 million

Not-to-exceed \$2,000

For nonprofit entities with 1 to 25 employees that have COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etc., not covered by other resources from local State or Federal programs.

ELIGIBILITY CRITERIA

- Nonprofit must support current COVID-19 CDC guidelines
- Nonprofit must demonstrate that they have been negatively impacted by COVID-19 and incurred COVID-19 related expenses such as sanitation, Personal Protective Equipment (PPE), signage, outdoor seating, insurance, etc., not covered by other resources from local State or Federal programs.
- Nonprofit is legally established and not operating in violation of any State, Federal or local laws
- Nonprofit must have been in operation as of the end of February 2020 and currently operating.
- The nonprofit meets all regulatory requirements of Brevard County

INELIGIBLE

- Nonprofit not physically located and/or operated in Brevard County
- Nonprofit with legal actions against or from the County, including code enforcement liens.
- Nonprofit that operates solely as an Internet provider.

SUPPORTING DOCUMENTATION

- Current W-9 Form
- Nonprofit can provide IRS Form 990 for FY 19, if required by the IRS
- Provide documents which demonstrate the nonprofit has incurred COVID-19 expenses in safeguarding facilities.
- Staffing documentation.

RECOMMENDED PROCEDURES

- On-line application platform.
- A week prior to opening the applications submissions, advertising through newspapers, press releases, radio broadcasts, Facebook, County, City, Chamber, and Economic and Community Development agency websites.
- County website will have a sample application, frequently asked questions, and a check list of documents needed for submission. This will give businesses owners the ability to get documents ahead of the submission date.
- Open the application submission for one-week.

- Applicant will be sent an email that the application was received.
- Evaluate application funding priority by using one of the following options:
 - Proportional share of the budget
 - First come, first served
 - Lottery
- Applications that are not fully completed or all documents required are not submitted, the application will be returned to the applicant.

STOP GAP EMPLOYMENT PROGRAM – \$750,000

CareerSource Brevard has proposed to assist small businesses with 50 or less employees and unemployed, underemployed, and furloughed workers who have been impacted by COVID-19, with a short-term, stop-gap employment program utilizing \$750,000 of CARES Act funding. (See Attached proposal from CareerSource, who would administer this program)

RECOMMENDED PROCEDURES

This program would be administered by CareerSource Brevard.

ADMINISTRATION OF THE SMALL BUSINESS/NONPROFIT ECONOMIC RELIEF PROGRAM AND STOP GAP EMPLOYMENT PROGRAM

It is essential to expedite the Small Business/Nonprofit Economic Relief Programs, options to consider who will administer the Relief Programs:

- a. Chamber Consortium, (Chambers would process and review applications submitted);
- b. EDC of Florida's Space Coast;
- c. County staff, (oversight provided by County staff with economic development experience hiring temporary staff); or
- d. Outside Contractor – (current internal auditor contract or FEMA consultant contract would be modified)

It is estimated that the administration of the recommended Programs will cost approximately \$400,000.



CARES ACT PROPOSAL WORKFORCE RECOVERY GRANT

(Revised 06/17/2020)

INTRODUCTION

This proposal is provided in response to inquiries from the Board of County Commissioners in an effort to assist for-profit businesses and residents who have been impacted by COVID-19.

The Brevard Workforce Development Board, Inc. DBA CareerSource Brevard (CSB) is the designated workforce services provider for Brevard County and the recipient of federal and state resources designed to assist job seekers and businesses. CSB currently has in place a variety of tools to help businesses find and develop the talent resources needed to sustain and grow their business. These tools include:

- On-the-Job Training, Apprenticeships, Pre-apprenticeships, Incumbent Worker Training and Work Experience.
- Programs and services designed to assist job seekers such as Veterans, dislocated workers, new entrants to the workforce, youth, older workers, persons with disabilities, and those with English Language challenges and others.
- Individual Training Accounts (ITA) used to provide classroom and occupational training, workshops to assist with special topics such as resume writing, interviewing skills/use of social media and assessments to determine basic education and occupational preferences.

CSB also operates specialized grant programs designed to provide hurricane restoration work, persons with substance use histories, justice involved individuals and most recently our COVID-19 grant focusing only on government and non-profit agencies impacted by COVID-19.

Because CareerSource has existing programs already in place to assist businesses and job seekers, and an extensive database of employers throughout the county, it is ideally and uniquely suited to support businesses and residents affected by COVID. This will provide assistance to small businesses as they continue to rebuild their customer base while helping those who lost their job due to layoff or furlough.

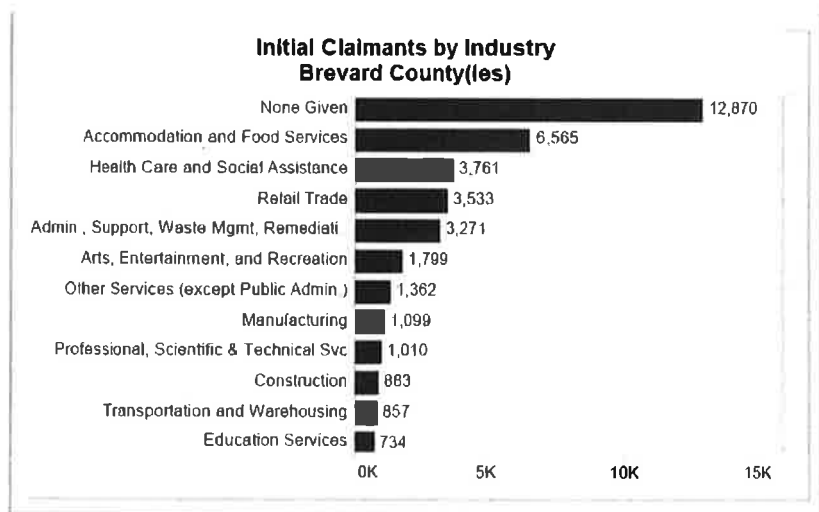
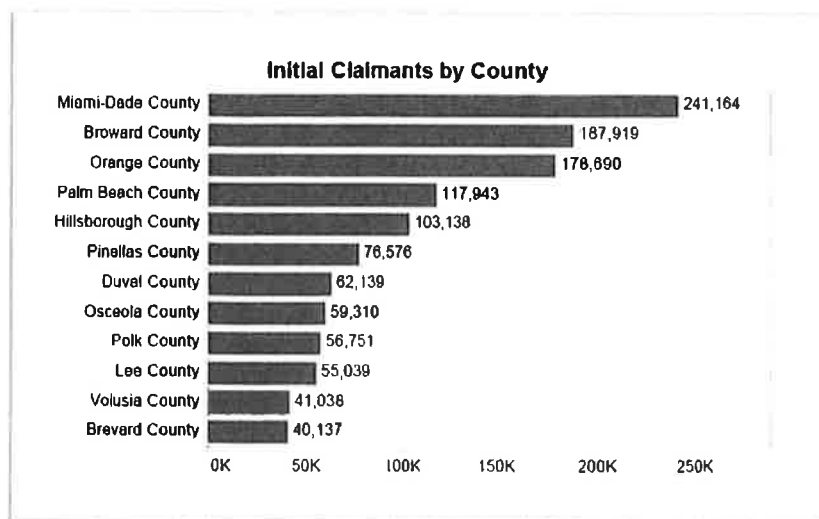
LABOR MARKET INFORMATION (LMI) & COVID-19

There are a variety of LMI sources available which have aptly described the current conditions in Brevard County. CSB regularly reviews the Department of Economic Opportunity (DEO) data issued monthly along with the recently developed Reemployment Assistance Claims Dashboard. CSB also has access to the Employ Florida (EF) system (Florida's online tool specifically designed to help connect job seekers and employers) which also provides data about COVID-19 impacted job seekers and businesses. The following provides an overview of Brevard (claim data is for the weeks of March 15 – May 30):

- Brevard has approximate 13,100 employers who have less than 50 employees.
- Claimants below represent 14.1% of the labor force with an Unemployment Rate of 12.9% (April 2020)

COVID-19 Related Initial Claimants Brevard County(ies)

40,137



PROPOSAL STATEMENT

In order to assist small businesses with 50 or less employees and unemployed, underemployed, and furloughed workers who have been impacted by COVID-19, CSB proposes short-term, stop-gap employment program utilizing \$750,000 of Cares Act funding. CSB proposes to utilize the *work experience* model which allows CSB, through the use of a staffing agency, to provided subsidized employees to business. This model provides needed resources to small businesses to be able to hire back their employees, while rebuilding their customer base, giving a boost to the economic recovery in Brevard County.

PROGRAM DESIGN CONCEPTS

The work experience program will be designed to serve COVID-19 impacted businesses & individuals. Design concepts include:

- Focus is on small business with 50 or fewer employees that have had to lay-off or furlough employees. Attestation by employer of payroll reductions due to COVID will be required as part of the worksite agreement.
- Maximum number of work experience contracts per business will be established based on business response.

- This grant is only for businesses who want to rehire their laid-off or furloughed employees due to COVID-19.
- Workforce Recovery Grant funds will be offered in accordance with the time period authorized by the county with completion no later than December 30, 2020.
- The number of persons who can be assisted by this program will be determined by the time period of the grant and the wage which is set by the employer based on the prevailing wage of other workers doing the same type of work.
- Maximum length of subsidized employment is 16 weeks.
- CSB will utilize existing arrangements with staffing agencies to pay workers. Businesses will simply approve time cards and supervise the worker. CSB will coordinate with the staffing agency and the business to ensure that the worker is meeting the needs. Staffing agencies can provide drug screens and background checks as requested by the business.
- CSB will determine eligibility for services under the grant by utilizing worksite agreements for eligible businesses and intake forms for eligible workers. Each worker may be provided services by a career center who will assist the workers after the work experience if they are not picked up by the business with the goal of finding long-term sustainable employment.
- CSB will provide periodic reports as requested by the Board of County Commissioners to track the success of the program. This will also include monthly invoicing and documents needed by the county to ensure fiscal integrity, monitoring and auditing standards required.

OUTREACH TO IMPACTED BUSINESSES & JOB SEEKERS

Key to program success will be to ensure that businesses and job seekers know about the opportunity to participate in this program. CSB will coordinate with chambers, economic development, community partners and business groups to reach out to their members. CSB will also utilize the Employ Florida database to send program collateral and social media messages to registered businesses. CSB will ensure coordination with the Board of County Commissioners on any outreach efforts they are involved in.

BUDGET

CSB must include a federally approved indirect rate and the cost of labor. The attached budget has been designed to maximize the value of those affected but stay within federal and state guidelines

Grant Funding Request COVID-19 Cares Act Funding from Brevard County Board of County Commissioners 5 1/2 Month Budget (July 15 – December 30, 2020)		
Expense	Description	Grant Total
Administrative Cost : Indirect Cost Rate & Staffing	15%	\$112,500
Wages to Participant	Includes Average Staffing Agency Mark Up 20%	\$637,500
Total Project Cost		\$750,000

OPTIONS

The following are offered as options that can be included in the grant or provided as a supplement handled by CSB or the Board of County Commissioners:

- **Long-term Workforce Sustainability Benefit:** As an incentive to encourage employers to hire employees being funded by this grant and to help defer the administrative cost of hiring and onboarding a new permanent employee(s), CSB is suggesting the payment of \$1000 per employee be paid directly to the business. This would be paid upon proof by the employer of permanent hire. It is estimated that an additional \$50,000 be budgeted to accomplish this.
- **SkillUp Brevard Training Resource:** This resource can be offered to employers or individuals involved in the program. SkillUp Brevard is a new online learning tool that provides customers access to 6,000+ courses for free. The tool allows customers to complete interactive courses at their own pace. Customers have access to take industry-specific courses that will help prepare them for certifications in a variety of subjects and fields. Courses are also offered in Spanish. Topics vary widely and include but are not limited to: Food Service, Healthcare, Customer Service, Administrative, Security Awareness, Workplace Safety, and Computer courses. Cost for six month unlimited licensure is \$10,000.

CARES Act Small Business Economic Relief Program

Eligibility Criteria

Application Number: _____

___ Statement affirming that business will practice COVID-19 CDC guidelines for a safe work environment

Applicant may provide a letter, on the business' letterhead or stationery, signed by the business owner and affirming compliance with CDC guidelines on COVID-19

___ Evidence that business was in operation, as of the end of February, 2020

Applicant may attach a copy of a utility bill, rent agreement, or other documentation to demonstrate operational activities in February 2020

___ Business address provided, along with contact information

Applicant must provide a physical mailing address for the business, and how to contact the applicant by phone and email. Note: business must have a physical presence in Brevard County.

___ Evidence that business has a license to operate within Brevard County

Applicant should attach a copy of its local business license, commonly referred to a Business Tax Receipt (BTR)

___ Evidence of business employment

Applicant may attach an IRS Form 941, Form 1096, Sole Proprietorship Statement, or similar documentation to show number of employees working for business.

___ Evidence of Loss or Expense due to COVID-19 economic shutdown (March 2020 through May 2020)

Applicant may show canceled checks showing payment for operational expenses during this period, or any other documentation that will evidence a loss of revenue or the payment of business expenses during the period when the Governor's order for business shutdown in Florida was in force, a period recognized to be March 2020 through May 2020.

NOTE: SUBMITTED APPLICATION MUST MEET ALL ABOVE CRITERIA IN ORDER TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE

Reviewed by: _____ Date: _____

Verified by: _____ Date: _____

FLOW CHART of CARES ACT ASSISTANCE TO BUSINESS

