



## HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY

### MEMORANDUM

**DATE:** May 18, 2020

**TO:** HBCRA Board of Directors

**FROM:** Jeremy Earle, Ph.D., AICP, Executive Director/ Assistant City Manager

**SUBJECT:** Coronavirus Small Business Sustainability and Recovery Loan Program

On April 15, 2020, the Hallandale Beach Community Redevelopment Agency Board of Directors (HBCRA) approved the Coronavirus Small Business Sustainability and Recovery Loan Program (CSBSRLP). The goal of the loan program was to find a way to mitigate the extraordinary economic damage to businesses within the CRA boundaries due to the COVID-19 pandemic. Over the past 24 years, the HBCRA has spent millions of dollars to support both small and large businesses within the CRA.

It was incumbent upon the HBCRA to find a way to ensure that the 1,300 businesses within the CRA, which employ over 12,000 people, many of whom are Hallandale Beach residents, had some type of mechanism to help them during this time. The HBCRA's concern was that if many of our own local businesses failed, it may lead to the very slum and blighted conditions that the CRA has worked hard for 24 years to address. This would have a deleterious effect on every single neighborhood within the City.

The CSBSRLP was officially opened for applications on Monday April 20, 2020. During that first initial week, the HBCRA received approximately 46 applications. Those 46 applications were for a total of \$1.3 million dollars in request for funding. By Friday April 24, 2020, the HBCRA had to close the website and the application process due to the large amount requests.

In order to review those applications, every single HBCRA Staff member was marshalled and put to the task of reviewing the applications. The review process was very extensive. HBCRA Staff literally spend nights and weekends going over documents and working with the business owners on their applications. Staff had to review the eligibility of the businesses applying funding using various metrics, some of which include:

- Whether the business was located within the CRA or not.
- Tax returns
- Profit and Loss statements.
- Hardship letters
- Balance sheets
- Bank statements.

Businesses that were approved for funding, had to of course be located with the HBCRA boundaries due to legal reasons, and they had to have been in **operation AND profitable** for a certain period before the COVID-19 pandemic hit. They also had to be on the CRA's list of approved businesses that were included in the application. Preference for funding was given to for-profit businesses.

As of this date, of the forty-six (46) applications received by the HBCRA, Staff has approved a total of twelve (12) applications in an amount of approximately \$305,273. Of those forty-five (46) applications, twelve (12) were outside the CRA boundaries and were immediately rejected. The majority of the remaining applications were not approved for various reasons, including but not limited to: not providing the financial information to back up the request, not being an eligible business, or perhaps not being able to prove that they were profitable before the COVID-19 crisis hit. It must be said, however, that Staff took each application personally, and in no case was a decision to recommend denial of funding taken lightly by anyone. Staff understands the greater picture of what is happening in the world today, but there is still a fiduciary responsibility to make the best decisions possible with HBCRA dollars.

As promised, in the full spirit of transparency, attached you will find a list of all of the businesses that applied for the CSBSRLP, including funding requests, whether a business was within the CRA boundaries or not, and whether they were approved or not.

Exhibit 1 – Application Tracking Sheet