

City of Elk Grove 2021 COVID-19 Business Recovery Grant Program Webinar September 29, 2021

Prepared by the Office of Economic Development

investelkgrove.org

- Business and Employee Resources for COVID-19 www.elkgrovecity.org/covid19biz
  - Program details can be found here
- Total amount of available grant funds for businesses \$4,000,000
- Grant amounts range from \$500 to \$15,000



All businesses must meet the following criteria to be eligible for the program.

- Business is currently physically located within the boundaries of the City of Elk Grove and provides goods and services within the boundaries of Elk Grove.
- Business is in good standing with the City of Elk Grove (e.g., possess a valid business license and certificate of occupancy where applicable, is in compliance with all applicable zoning and permit requirements, is current on all City bills and obligations, and is not subject to any liens or judgments by the City related to the business).
- Business is compliant with all City, State, and Federal laws and regulations related to the operation of the business.



### Business Eligibility (continued)

- Business was operational as of March 1, 2020, is still in business at the time of application, and intends to remain open.
- Business had a net revenue loss of at least 25% for the calendar year 2020 compared to the calendar year 2019; the business must submit tax returns to validate this eligibility criteria.
- For businesses with multiple locations, only employment and revenue figures for the Elk Grove location(s) can be used to qualify under the Program, and all grant funds must be used only to support Elk Grove business operations. Multiple locations within Elk Grove operating under a single business entity will be considered one business for purposes of the Program.



Three grant categories and eligibility criteria for a business to receive a grant

- Home-based Small Business
- Non-targeted Small Business
- Targeted Business



### Home-based Small Business Eligibility

- Business earned \$3 million annual gross revenue or less in calendar year 2019.
- Business had a net revenue loss of at least 25% for the calendar year 2020 compared to the calendar year 2019; the business must submit filed tax returns to validate this eligibility criteria.
- Business employed 20 Full-Time Equivalent (FTE) employees or less, as of March 1, 2020.



### Non-targeted Small Business Eligibility

- Business earned \$3 million annual gross revenue or less in calendar year 2019.
- Business had a net revenue loss of at least 25% for the calendar year 2020 compared to the calendar year 2019; the business must submit filed tax returns to validate this eligibility criteria.
- Business employed 20 Full-Time Equivalent (FTE) employees or less, as of March 1, 2020.



### Targeted Business Eligibility

- Eligible business types:
  - Hospitality includes hotels
  - Entertainment includes bowling alleys, movie theaters, performing arts, and event venues
  - Restaurants/Food Service includes restaurants, caterers, bars, coffee and tea shops
  - Personal Services includes hair salons, nail salons, massage parlors, and fitness studios
  - Daycares includes adult and child daycares



### Targeted Business Eligibility

- Business had a net revenue loss of at least 25% for the calendar year 2020 compared to the calendar year 2019; the business must submit filed tax returns to validate this eligibility criteria.
- Business employed 40 Full-Time Equivalent (FTE) employees or less, as of March 1, 2020.



### **Funding Allocation Levels**

- Home-based small business \$500 flat grant amount
- Non-targeted small business grant amounts will be a flat amount determined by the 2019 Annual Gross Revenue for each business

Non-targeted Small Business Grant Funding	2019 Annual Gross	
	Revenue Brackets	Grant Amount
	\$1,000 - \$100,000	\$3,500
	\$100,000 - \$1,000,000	\$7,000
	\$1,000,000 - \$3,000,000	\$10,500

**FUNDING ALLOCATIONS** 



### **Funding Allocation Levels**

 Target business – grant amounts will be a flat amount determined by the 2019 Annual Gross Revenue for each business

Target Business Grant Funding	2019 Annual Gross	
	Revenue Brackets	Grant Amount
	\$1,000 - \$100,000	\$5,000
	\$100,000 - \$1,000,000	\$10,000
	Over \$1,000,000	\$15,000



#### **Use of Funds**

Grant funds can be used to offset or reimburse the business for operational costs or revenue loss caused by the COVID-19 pandemic, including:

- General business operations
- Payroll expenses
- Supplier payments
- Rent, lease, or mortgage payments for business real or personal property
- Personal Protective Equipment (PPE) and/or sanitation supplies and equipment
- Costs of compliance with County, State, or Federal requirements or recommendations

**USE OF FUNDS** 



#### **Application Process**

- October 11, 2021, Monday, at 8am initial application period opens
- November 9, 2021, Tuesday at 5pm initial application period will close
- Applications will be accepted via online portal, located at www.elkgrovecity.org/covid19biz
- Initial application period will be 30 calendar days; subsequent rounds may be initiated if funds are not exhausted during initial round.
- City Manager or his/her designee will make all final decisions on Program eligibility and adherence and any related interpretations to make a grant decision.

**APPLICATION PROCESS** 



### **Required Documents**

- Business License Certificate
  - If you do not have a business license, you can renew or apply for one at <a href="https://www.elkgrovecity.org/city">https://www.elkgrovecity.org/city</a> hall/departments divisions/business license
- Completed and signed W9
  - You can find a blank version of the form here <a href="https://www.irs.gov/pub/irs-pdf/fw9.pdf">https://www.irs.gov/pub/irs-pdf/fw9.pdf</a>

**DOCUMENTATION** 



### Required Documents (cont'd)

- 2019 and 2020 Filed Business Tax Returns (sample forms below)
  - Sole Proprietorship Form 1040, Schedule C
  - Partnership Form 1065, Schedule K-1 for each partner
  - Corporation Form 1120
  - Limited Liability Company
    - If LLC filed as a partnership, Form 1065
    - If LLC filed as a corporation, Form 1120

DOCUMENTATION



### Affidavit, Waiver, and Release Form

All applicants will be required to sign a nonnegotiable affidavit, waiver, and release form prior to payment being made. The affidavit will require the applicant to declare that all information contained in the application is true and correct and can be used as admissible evidence in any legal proceeding against the company if the City attempted to recoup any grant funds provided under false pretenses.

**RELEASE FORM** 



### Payment Method

Grant payments will be made by check or electronic deposit to a US based bank account in the business's name.

PAYMENT METHOD



**Sample Application** 

**APPLICATION DEMO** 



#### **Assistance for Businesses**

- The Elk Grove Chamber of Commerce is available to assist business with general questions about the program. Contact EG Chamber at <a href="mailto:apery@elkgroveca.com">apery@elkgroveca.com</a> or call (916) 691-3760.
- The <u>Capital Region Small Business Development Center</u> (SBDC) is available to provide free assistance and consulting to businesses needing help filling out this application. Contact the SBDC at <u>SBDC@metrochamber.org</u> or call (916) 319-4268.
- Language translation services are available upon request.
  - For assistance with Spanish, Mandarin, or Punjabi, please contact the SBDC at <a href="mailto:SBDC@metrochamber.org">SBDC@metrochamber.org</a> or call (916) 319-4268.
  - For all other languages, please email Economic Development staff at <a href="econdev@elkgrovecity.org">econdev@elkgrovecity.org</a> or call at (916) 627-3338, and City staff can coordinate with an on-call translator to assist with any questions.

**BUSINESS ASSISTANCE** 



Questions?

**QUESTIONS?** 

