



COVID-19 SMALL BUSINESS GRANT PROGRAM FREQUENTLY ASKED QUESTIONS

INTRODUCTION

To mitigate the impact of COVID-19 on Yolo County small businesses, the County of Yolo has authorized the issuance of CARES Act funding through the Small Business Grant Program.

The objective of this program is to offer immediate financial assistance to for-profit small businesses, with a maximum of 25 full time employees, located in the unincorporated and incorporated portions of Yolo County. The grant provides economic assistance to help sustain small businesses by reimbursing expenditures directly related to the impacts of the COVID-19 pandemic. There is a limited allocation of funds available for the program, therefore not all eligible businesses can be assisted.

The following frequently asked questions (FAQs) regarding this program and the grant application process is intended only as a guide for general and easy reference.

Q1: How do I apply for this grant?

All applications must be submitted electronically using the online application located at www.yolocounty.org/Small-Business-Grant. Applicants will be invited to submit completed applications beginning September 28, 2020 at 9:00 am and ending October 4, 2020 at 5:00 pm. All required documentation must be uploaded and submitted with the application. Documentation will not be accepted separately from the submitted application.

All applications must be filled out online. No physical applications will be accepted.

Q2: How much grant funding is available?

Eligible applicants will be invited to submit completed applications beginning September 28, 2020 at 9:00 am and ending October 4, 2020 at 5:00 pm.

Up to \$750,000 in funding is eligible to be dispersed from the grant program. Small businesses may apply for the following:

- Businesses with 1 to 10 FTE can apply for up to \$500 per FTE up to a maximum of \$5,000.
- Businesses with 11 to 25 FTE can apply for up to \$500 per FTE up to a maximum of \$10,000.

Q3: Who is eligible to apply for the grant?

- Applicants must be a small for-profit business that operates in Yolo County with at least one full-time employee (can include the owner) and no more than 25 full-time employees at the start of the pandemic. A business is defined as a sole proprietorship, a partnership, a

corporation, a limited liability company, or other lawful business entities engaged in for-profit operations. National franchises and fast-food chains are not eligible for this grant program unless locally owned.

- Applicants must operate out of a physical location within the boundaries of Yolo County, including home-based businesses. The applicant's operation can be in either an incorporated or unincorporated portion of the County.
- Applicants must verify the business has experienced expenditures due to COVID-19. The expenditures must have occurred at the applicant's place of business in Yolo County between March 1, 2020, and the date of the grant application.
- Applicants must not have been previously granted or at the time of the application plan to be granted County, State, or Federal financial assistance due to COVID-19. An exception is made for businesses that have received support from the Paycheck Protection Program or a Small Business Administration loan.
- For businesses with multiple locations, only employment figures for the Yolo County location(s) can be used to qualify for a grant under the Program, and all grant funds received must be used only to support Yolo County business operations. Multiple locations within Yolo County operating under a single business entity will be considered one business for purposes of the Program.
- Applicants must have been in operation in Yolo County for at least one year as of September 1, 2020. If not currently operating due to COVID-19, the business must have plans to reopen once permitted to do so.
- Applicant must have an active Business License in Yolo County and must be in good standing with the County and any associated city within Yolo County in accordance with the following:
 - Complies with all applicable zoning, permit, and municipal or County code requirements.
 - Current on all city and County bills and obligations
 - Not currently involved in litigation with a city or the County.
 - Not subject to any liens or judgments by a city or the County related to the business.
- Applicants must be in compliance with all city, County, State, and Federal laws and regulations related to the operation of the business.
- Applicants who are involved or have been involved in any of the following legal or financial issues are not eligible:
 - Applicant has been convicted of a criminal offense relating to the business.
 - Applicant or the business has outstanding judgments, tax liens, or pending lawsuits relating to the business.
 - Applicant or the business is presently involved in bankruptcy or insolvency proceedings relating to the business.

- Applicant or the business is delinquent on any federal taxes, direct or guaranteed federal loans, federal contracts or federal grants relating to the business.
- Applicant or the business is currently suspended or debarred from contracting with the federal government for receiving federal grants or loans.

Q4: Can non-profits apply for the grant program?

Only for-profit small businesses with no more than 25 full-time employees may apply for this grant program. Grant funding assistance is available to non-profit organizations through the Yolo COVID-19 Relief Fund, which includes CARES Act Funding provided by Yolo County, at <https://www.yolocf.org/grants/yolo-covid-19-nonprofit-relief-fund/>.

Q5: How are full-time or part-time employees counted?

Applicants must be a small for-profit business that operates in Yolo County with at least one full-time employee (can include the owner) and no more than 25 full-time employees at the start of the pandemic. Full-time employees (FTE) are defined as an employee who works at least an average of 30 hours per week. This does not include independent contractors.

Part-time employees can be considered a FTE employee for purposes of this program. For example, two part-time employees that regularly work 15 hours per week can be converted to one FTE and identified as one FTE in the program application. The applicant will indicate in the application whether they want to count part-time employees towards their FTE count. However, the applicant cannot exceed the total 25 FTE count once part-time employees are included. If they do exceed the total, then the applicant should opt to not include part-time employees towards their FTE count.

The number of FTE's for a business determines how much funding a business can apply for. Small businesses may apply for the following:

- Businesses with 1 to 10 FTE can apply for up to \$500 per FTE up to a maximum of \$5,000.
- Businesses with 11 to 25 FTE can apply for up to \$500 per FTE up to a maximum of \$10,000.

Applicants will need to provide a detailed payroll report as of February 15, 2020, which supports the number of employees reported in the application and evidence that these employees worked at least an average of 30 hours per week prior to the pandemic. This documentation must be submitted even if the applicant is not seeking payroll reimbursement.

Q6: What are the COVID-19 expenses eligible for reimbursement?

Grants funds can be used to reimburse the business for costs related to the negative impacts of COVID-19. Expenses must have been incurred between March 1, 2020 and the date of the grant application. The grant application must include documentation of these expenses.

Eligible activities for reimbursement funding is as follows:

- Innovation to promote outdoor business to protect employee and public health.
- Payroll/employee retention or supporting employees, including but not limited to Workers Comp Insurance premium and Unemployment Insurance premium increases related to COVID-19, paid leave for employees due to COVID-19 illness. Not applicable to businesses that collected Payroll Protection Program loans for that were forgiven or to home-based sole proprietors that collected Pandemic Unemployment Assistance.
- Purchase of Personal Protective Equipment (PPE) to protect employee and public health and efforts to sanitize the business environment.
- Rent or mortgage payments (excluding property tax payments) realized during the required closure of the business due to COVID-19, including the required closure of only indoor operations. For home-based businesses, this expense is only eligible for reimbursement if the residence is open to the public for normal business operations.
- Addressing temporary COVID-19 related restrictions on business activity.
- Increasing technology capacity to enable alternative work arrangements, such as telecommuting.
- Creating new marketing campaigns or business plans.
- Facility cleaning/restoration.
- Costs associated with additional training or virtual learning to implement COVID-19 safety measures.
- Expenses required to plan for a safe reopening such as expert assessments and/or to conduct research or market surveys.
- Other uses (a description of any "other uses" and their direct association with the COVID-19 pandemic will need to be provided in the application).

The list below provides examples of ineligible activities or costs:

- Expenses for the State share of Medicaid.
- Damages covered by insurance.
- Reimbursement to donors for donated items or services.
- Workforce bonuses other than hazard pay or overtime.
- Severance pay.
- Lost revenue.
- Legal settlements.

Q7: I own a business in Yolo County and a business outside of Yolo County – can I still apply?

Yes, but only for the business within Yolo County. Please also confirm that the business meets the remaining eligibility requirements for application.

Q8: I own/operate more than one business. Am I allowed to submit an application for each business I own if they meet the qualifications?

No, you may only submit one application even if you own, co-own, or operate multiple businesses. This application can be for one of your eligible businesses or for multiple business locations within Yolo County operating under a single business entity. If submitting an application that includes more than one business location, the combined number of full-time employees for all of the locations cannot exceed 25.

Q9: I have received financial assistance from other organizations. Will that impact my eligibility?

Possibly, depending upon the type and source of previous funding. Applicants must not have been previously granted or at the time of the application plan to be granted County, State, or Federal financial assistance due to COVID-19. An exception is made for businesses that have received support from the Paycheck Protection Program or a Small Business Administration loan.

Q10: What if I accidentally made a mistake or entered incorrect information on my application

Please take your time on your application and do not submit it until you are sure it is complete and correct. Incomplete applications will not be considered.

Q11: What kind of documentation must be included with the application?

All applications must include the following documentation:

- Current copy of W-9
- Current copy of Business License
- Detailed payroll report as of February 15, 2020, which supports the number of employees reported and evidence that these employees worked at least an average of 30 hours per week. This documentation must be submitted even if the applicant is not seeking payroll reimbursement.
- Documentation of the eligible expenses for which the business is seeking reimbursement. This may include payroll reports, unemployment insurance statements, workers' compensation bills/statements for payroll expenses; invoices, receipts, bank statements or check stubs related to purchases; or bank statements or check stubs along with a copy of a lease/mortgage for rent/lease expenses.

All required documentation must be uploaded and submitted with the application otherwise the application will be deemed incomplete and will not be considered for grant funding. Documentation will not be accepted separately from the submitted application.

Q12: How will grants awards be chosen and when will I receive notification?

Grants to eligible businesses will be made based on funding availability and eligibility. Due to limited funds, not all eligible businesses can be assisted. Grants will be made based on a lottery system by geographic location. In order to ensure equitable distribution of funds across the County, a random selection of applications will occur by jurisdiction and awarded up to the amount of available funds for eligible applications. The jurisdictions and amount of funds available for each jurisdiction are based on population accordingly to the US Census estimates for July 1, 2019, as follows:

- City of Davis: \$236,000
- City of West Sacramento: \$182,000
- City of Woodland: \$206,000
- City of Winters and unincorporated Yolo County: \$126,000

Jurisdiction will be assigned based on the physical location of the business. If a single business entity, applying on behalf of multiple locations within Yolo County, has locations in more than one jurisdiction, the entity must choose only one of the jurisdictions in which their business has a physical location for the lottery.

All businesses selected during the random drawing will be reviewed for eligibility, and pending eligibility approval will be notified and offered a grant up to the stated funding allocation until all funding is exhausted. The review and award notification process may take up to 30 days depending on the number of applications received. Notifications will be made via email to applicants whether or not they are awarded funding. **Be sure to check your email regularly, including your spam folders.**

Additional questions may be directed to SBGProgram@yolocounty.org.