



COVID-19 SMALL BUSINESS GRANT PROGRAM OVERVIEW

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.

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/>.

OVERVIEW

1. **Eligibility:** Qualified for-profit small businesses in Yolo County that have documented expenditures incurred due to the COVID-19 pandemic.
2. **Use of Funds:** Grant funds may only be used to cover documented expenditures incurred between March 1, 2020, and the date of the grant application.
3. **Submission:** Grant applications may be submitted directly on the Yolo County webpage at www.yolocounty.org/Small-Business-Grant beginning September 28, 2020 at 9:00 am and ending October 4, 2020 at 5:00 pm.
4. **Grant Awards:** Grants will be awarded using a lottery system based on geographic location to ensure an equitable distribution of grant funds.

GRANT FUNDING

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.

ELIGIBLE BUSINESSES

Please carefully review the eligibility criteria below:

- For a grant award, 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 an 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). 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.

ELIGIBLE ACTIVITIES

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

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 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.

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.

APPLICATION REVIEW AND APPROVAL PROCESS

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.

County staff will make all final decisions on program eligibility and any related interpretations necessary to make a grant decision. The review and award notification process may take up to 30 days depending on the number of applications received. If any funds remain for one or more of the jurisdiction categories, those funds may be utilized towards a future round of grant applications at the County's discretion or reallocated to other geographic locations demonstrating a higher need.

For additional information please visit www.yolocounty.org/small-business-grants including the Frequently Asked Questions document. Additional questions may be directed to SBGProgram@yolocounty.org.