



EASTVALE Emergency Enterprise Grant

COVID-19 Economic Relief Funding for Small Businesses

PROGRAM OVERVIEW

To be eligible to apply for the one-time City of Eastvale Emergency Enterprise Grant, a business must meet certain criteria that have been established by the City of Eastvale and both the CARES Act and the U.S. Department of Treasury for activities utilizing CARES Act Coronavirus Relief Fund allocations. The business must also demonstrate the need for financial relief resulting from business interruption due to the economic impact of COVID-19.

- Grants available in the range of \$8,000 through \$12,000; award amounts are based on a ranking system
- Grant only available to small businesses located within the City of Eastvale boundaries
- Grants will be awarded on a first come, first serve basis based upon the date the City received the completed application and supporting documentation.
- Grant can be used for retention of employees, creation of jobs, or for working capital for operational costs (i.e. rent, utility payments, etc.)

Minimum Requirements

- Business must have an existing location in Eastvale, a valid business registration as of March 1, 2020 and proof of six months in business prior to March 1, 2019
- Business must be for-profit
- Business must be able to show a loss of income due to COVID-19 business interruption
- Business must demonstrate grant will be used for operational needs (i.e. rent, utility payments, payroll, etc.)
- Business must have valid City of Eastvale business registration as of March 1, 2020, insurance, and all applicable required permits
- Businesses must be in good standing with the City (current on bills, no liens or judgements, etc.), unless directly correlated to COVID-19 impacts
- Awards will be based on eligibility determined by criteria set forth by federal and local regulations and a ranking system
- Business must have a minimum of 1 employee (including business owner) and qualify as a small business under the U.S. Small Business Administration's criteria

Award Amounts

Grant awards will be based upon a point system, each item listed below garners the applicant a point.

1. The applicant is the owner of the business and lives in the City of Eastvale
2. The applicant plans to utilize the funds to create additional jobs or preserve existing jobs
3. The applicant's business employs less than 25 employees
4. The applicant's business generates less than \$50,000 gross revenue each year
5. The applicant's business generates local sales tax to the City of Eastvale
6. The applicant's business is in one of the following industries:

- Service
- Retail
- Restaurant

7. The applicant's business has not received other federal, state, or local assistance

Tier One: \$8,000 award; 0-2 points

Tier Two \$10,000 award; 3-5 points

Tier Three: \$12,000 award; 6-7 points

Application Process

Application window is from August 27, 2020 through September 10, 2020. Applications must be submitted by 5:30 p.m. Applications will be reviewed the week of September 14, 2020. Grant awards will be disseminated by US mail on September 24, 2020.

Applications available at:

<https://www.eastvaleca.gov/government/community-development/economic-development/eastvale-emergency-enterprise-grant-program>

A link to the webpage is also provided on the City's Main Webpage:

<https://www.eastvaleca.gov/>

Required Documentation for Application

- Tax returns for 2019 OR 2018 if 2019 not filed yet;
- Current City of Eastvale business registration number as of March 1, 2020;
- Documentation supporting employee wages/counts such as 940's/941's or excel list of employees;
- Business bank statements for April and May;
- Business lease agreement or commercial mortgage deed;
- Receipts from any allowable expenses that were incurred from March 1 to current;
- Proof of six months in business prior to March 1, 2020; and
- Completed W-9 form

Ineligible Applicants

Grants shall not be available for the following types of businesses:

- Any Eastvale business that has been approved or already received grant funding from the City of Eastvale
- Any business not located with the City of Eastvale boundaries
- Any business involved in bankruptcy proceedings at time of application
- Speculative investment companies
- Real estate investment companies
- Lending institutions
- Gambling operations
- Nonprofit organizations
- Businesses that are not a "small business" under the U.S. Small Business Administration's criteria applicable to the business' industry. See <https://www.sba.gov/size-standards/>
- Other businesses not serving the interests of the City of Eastvale

Eligible and Ineligible Activities

Eligible activities for the use of funds should be used to cover fixed expenses for the business. The primary fixed expenses include such items as rent or mortgage expense, utilities, inventory, PPE, or other operational expenses for the business. Each applicant will need to sign and verify that the use of funds will be spent on business expenses, such as those expressed above. Any use of funding other than that to support the business is strictly prohibited.

The U.S. Department of Treasury has issued guidance on the use of funds and the following is a nonexclusive list of expenditures that shall not constitute Eligible Expenses payable from the grant amount:

1. Damages covered by insurance.
2. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
3. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
4. Reimbursement to donors for donated items or services.
5. Workforce bonuses other than hazard pay or overtime.
6. Severance pay.
7. Legal settlements.

Frequently Asked Questions

Q. Who is eligible to apply for the grant?

A. For-profit businesses with 1 + employees (including the business owner(s)), facing economic hardships as a result of the coronavirus, and with an existing, commercial location in City of Eastvale for at least the last 6 months prior to March 1, 2020. The business history will be verified through the City's business registration records.

Q. What can the grant funding be used toward?

A. Grant funds can be used for retention of employees, creation of jobs, or for working capital for operational costs (i.e. rent, utility payments, etc.).

Q. Do I have to pay back the grant?

A. No. Grant recipients do not have to pay back any portion of the grant if the grant guidance is followed. If the recipient utilizes the grant for ineligible expenses, makes material misrepresentation on the application, or it is otherwise subsequently determined through a State or federal audit that the grant money was improperly obtained or expended then the recipient will be liable to return the grant funds.

Q. How many grants will be awarded?

A. Total funding is available for an estimated 35 small businesses (based on the full estimated grant amount of \$8,000 - \$12,000).

Q. How can I apply for the grant?

A. Business owners can apply online at www.eastvaleca.gov, email completed applications with supporting documentation to BusinessGrant@eastvaleca.gov, or drop off applications at Eastvale City Hall.

Q. When will applications be available?

A. Applications will be available between August 27, 2020 and September 10, 2020. However, grants will be awarded on a first come, first serve basis based on the date the City received the completed application and supporting documentation.

Q. When are applications due?

A. Applications must be submitted by September 10, 2020 at 6:00 pm.. However, grants will be awarded on a first come, first serve basis based on the date the City received the completed application and supporting documentation.

Q. I operate a home-based business. Can I apply?

A. Yes, home-based businesses are eligible for the Eastvale Emergency Enterprise Grant.

Q. My organization is a nonprofit. Can I apply?

A. Nonprofits are not eligible for the Eastvale Emergency Enterprise Grant.

Q. I don't have any employees. Can I apply?

A. Only businesses with at least one (1) full-time equivalent employee, and qualify as a small business under the U.S. Small Business Administration's criteria are eligible for grants.

Q. I have independent contractors as employees. Can I apply?

A. Only businesses with a minimum of one (1) employee are eligible to apply. 1099 employees/independent contractors are not considered employees for this program.

Q. How much money can a business receive?

A. Business can receive up to \$12,000, based upon the requirements and tiers listed in the award eligibility section above.

Q. What kind of documentation do I need to provide for the application?

A.

1. Tax returns for 2019 OR 2018 if 2019 not filed yet;
2. Current City of Eastvale business registration number as of March 1, 2020;
3. Documentation supporting employee wages/counts such as 940's/941's or excel list of employees;
4. Business bank statements for April and May;
5. Business lease agreement or commercial mortgage deed; and
6. Receipts from any allowable expenses that were expensed from March 1 to current.

Q. I received an Economic Injury Disaster Loan or Paycheck Protection Program Loan. Am I eligible?

A. Preference will be given to business owners that have not received financial assistance from other lending sources. All applicants, regardless of whether or not they have received additional funding, are eligible to apply.

Q. How will businesses be selected to receive a grant?

A. Grants will be awarded on a first come, first serve basis based on the date the completed application and supplemental information was received by the City. Applications will be reviewed and ranked upon the system detailed in the award eligibility section above. Awards will be granted based upon the tiered system.