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CITY OF GREENVILLE CDBG-CV SMALL BUSINESS ASSISTANCE GRANT POLICIES & PROCEDURES

PURPOSE: In response to the needs of small businesses impacted by the COVID-19 crisis, the City of Greenville will invest up to \$672,802 through its Community Development Block Grant (CDBG) program funded by the US Department of Housing and Urban Development (HUD) to assist small businesses located within Greenville, North Carolina. CDBG-CV funds will provide a \$50,000 maximum grant award to assist with up to six (6) months of qualifying expenses to eligible applicants that meet the requirements.

APPLICATION PROCESS: Businesses can apply and submit supporting documentation to greenville.business.assistance@civitassc.com. Applications will be accepted on a first come, first serve basis beginning December 8, 2021. Applicants will be required to submit evidence, testimony or documentation detailing the impact of COVID-19 on their business and how the requested grant funds will assist the business in preventing, preparing for, and responding to the COVID-19 pandemic. During the application process, applicants will be asked provide personal information including name, address, phone number, gender, race, and ethnicity of owners to satisfy federal CDBG reporting requirements. Applications will continue to be accepted until funds are exhausted or notice is earlier provided.

ELIGIBILITY REQUIREMENTS: Businesses must meet ALL of the following criteria to qualify for grant award consideration. Qualifying businesses selected to receive grants will be contacted by City Staff with a request to submit additional documentation prior to issuance of grant award. If an application is incomplete and requires additional documentation, applicants will be notified and given four (4) business days to respond or submit necessary documentation. If the applicant is unable to complete the application, it will be denied.

ELIGIBLE BUSINESSES:

- Must have a commercial business location within Greenville's city limits.
- Must be a for-profit business.
- Must have \$1 million or less in annual gross revenue (for calendar year 2019).
- Must have 50 or fewer W-2 employees (including the owner(s) of the business).
- May have applied for and received (or applied for and been denied) grant funding from the United States Federal Government for Federal COVID-19 related business assistance programs.
 - Documentation will be required to substantiate application and receipt of funds, denial, or lack of qualification for other COVID-19 Federal aid programs.
 - If applicant received federal funding (via a loan or grant), applicant will need to provide evidence to the City of a continued "unmet need" that the federal funding was not able to fulfill.
 - All grant awardees will be required to enter into a CDBG-CV Grant Agreement with the City prior to issuance of grant funds. The CDBG-CV Grant Agreement will require the awardee to return any funds to the City for which awardee may later receive federal funding to avoid Duplication of Benefits (DOB) per HUD policy.
- Must be structured as a sole proprietorship, partnership, corporation, S corporation (S subchapter) or limited liability company (LLC). Individuals who are self-employed are also eligible to apply.
- Must be owned by a person whose annual income is at or below the HUD low to moderate income guidelines for the City of Greenville; OR, the business must retain at least one low to moderate income job / position for at least three (3) months.
- Must have been in operation in the City of Greenville on or before January 1, 2020, and must be currently in compliance with all state or local regulations or requirements.

INELIGIBLE BUSINESSES:

- Home-based businesses;
- Nonprofit organizations/businesses;
- Businesses that involve the sale of medical or recreational cannabis;
- Private club or business that limits membership for reasons other than capacity;
- Businesses engaged in the production or wholesale selling of tobacco products, vaping, liquor or sexually explicit materials;
- Businesses engaged in the production or wholesale/retail selling of firearms;
- Pawnshop, liquor store, adult bookstore, non-therapeutic massage parlor, strip club or nightclub;
- Storage facility, trailer-storage yard or junkyard;
- A business in which a majority owner or member of the immediate family is an elected official or employee of Greenville;
- An establishment similar to any enumerated above; or
- Businesses deemed ineligible by the US Department of Housing and Urban Development (HUD).
- Multiple applications/applicants may not simultaneously compete for funding for the same property parcel or address.

ELIGIBLE EXPENSES:

Businesses may receive reimbursement under this program for only the following documented business expenses incurred during a period between **December 1, 2020 through May 31, 2021:**

- ✓ Rent / Mortgage Payments
- ✓ Employee wages
- ✓ Business insurance expenses

INELIGIBLE EXPENSES:

- Accounts payable
- Inventory / merchandise
- Renovations to, modifications of, or expansions of existing buildings
- Reimburse expenses incurred prior to Applicant approval of grant or grant.
- Pay off non-business debt, such as personal credit cards for purchases not associated with the business.
- Purchase personal expenses such as buying a new family car or making repairs to a participant's home.
- Direct financing to political activities or paying off taxes and fines.
- Purchase of personal items
- Support of other businesses in which the borrower may have an interest.

TERM AND DISBURSEMENT: Grantees will be required to enter into a CDBG-CV Grant Agreement with the City. The City will disperse grant **fund** award payments directly to the applicant. The awardee must provide the City with an IRS W9 form (Request for Taxpayer Identification Number and Certification) and a DUNS number.

ELIGIBILITY OF REIMBURSABLE EXPENSES: Below are examples of the forms of documentation that will be requested.

Itemized Receipt	Invoice	Proof of Payment
An original document from the merchant showing:	An original document from the merchant showing:	Needed in tandem with an invoice. The following are common proofs of payment.
<ul style="list-style-type: none"> • Merchant's Name • Transaction Date • Amount Paid • Description of purchased item(s) • Description of additional charges (taxes, service, delivery, etc.) • Form of payment used 	<ul style="list-style-type: none"> • Merchant's Name • Invoice Date • Amount Billed • Description of billed item(s) • Description of additional charges (taxes, service, delivery, etc.) 	<ul style="list-style-type: none"> • Photocopy of a cancelled check (front and back) • Credit card sales slip • Monthly credit card statement • Monthly business bank statement

In addition to expense documentation, applicants will also be required to provide the following:

- A copy of the applicant's government-issued identification card or driver's license.
- Applicant's most recently completed form 2018 or 2019 IRS Form 1040 (all owners 51% or business or more), Schedule C
- (Sole proprietorship), Form 1120 (corporations), and other IRS forms as may be necessary to evidence for-profit business status and \$1 million or less in annual gross revenue.
- At least one Low to Moderate Income (LMI) Full Time Equivalent (FTE) position must be retained by the applicant / Business Owner. The total annual pay for the FTE must not exceed 80% of the area medium income for a family of one (\$35,500). If this qualification cannot be met due to an FTE amount higher than \$35,500 then the applicant may use the chart below by family size to determine if the FTE is at or below 80% of the area medium income.

2021 HUD MODERATE INCOME LIMITS

Total Household Size	1	2	3	4	5	6	7	8
Income Limit Moderate 80% of Median	\$35,500	\$40,600	\$46,650	\$50,700	\$54,800	\$58,850	\$62,900	\$66,950

The City of Greenville reserves the right to reject any or all applications received and/or negotiate or cancel in part or in entirety grants resulting from application awards if it is in the City's best interest to do so. The City of Greenville further reserves the right to establish the amount of grant funds awarded; raise the individual grant ceilings; and to award funds to other applicant(s) should funds become available due to de-obligation, etc.