



COVID-19 SMALL BUSINESS GRANT PROGRAM

Guidelines & Eligibility Requirements

Administered by the Office of Community Development
CONTACT: Lindsey Connors, Community Development Planner
lindsey.connors@saratoga-springs.org

Adopted by City Council: November 2, 2020



The City of Saratoga Springs does not discriminate on the basis of age, race, color, gender, religion, handicap, sexual orientation, familial status or national origin in employment or the provision of services.

Program Objectives

The COVID-19 Small Business Grant Program (hereinafter, SBG), administered locally by the City's Office of Community Development (OCD), was funded by a U.S. Department of Housing and Urban Development grant through the Coronavirus Aid, Relief and Economic Security (CARES) Act. All applicants must agree to federal program requirements.

SBG serves to preserve jobs available to or held by persons of low income, which would otherwise be lost due to the economic impacts of the COVID-19 pandemic. Relief to small businesses through the provision of 25 – 51 grants of \$5,000 - \$10,000 in working capital facilitates this job-retention.

Grant funds may be utilized in a variety of creative ways in order to support the small business, generate income, and ultimately preserve the jobs of low income employees. These uses may include, but are not limited to:

- payroll
- rent or mortgage payments
- utilities
- purchase/rental of equipment to facilitate the outdoor conduct of business during winter months
- purchase and installation of items and equipment that reduce risk of coronavirus transmission

Low income is defined as adjusted-gross yearly wages of \$33, 950 or less, as evidenced by the employer's most recent payroll records.

Applicants must employ less than 50 people and be able to demonstrate extreme financial hardship due to the COVID-19 pandemic. Sufficient documentation must be provided to indicate that the jobs to be retained would be lost without SBG support.

Grant applications will be accepted during a four-week period in the fall-winter of 2020 (exact dates to be determined).

Application Review and Decision Process

1. The SBG application review team is comprised of a sub-committee of the City's Community Development Citizen Advisory Committee (CDCAC). The review team evaluates grant applications based on predetermined criteria (*described in further detail below*).
2. The review team prepares a summary of all SBG applications with funding recommendations to City Council.
3. The Saratoga Springs City Council will consider the review team's recommendation at a regular meeting or any special meeting. Although any personal financial information is kept confidential, the funding requests are considered public information and will be voted on in open, public session. The City Council will review the provided summary, and by majority vote accept or reject the review team's recommendations. All decisions by the City Council are final.

OCD is responsible for developing application forms that are responsive to SBG guidelines and eligibility requirements. OCD is authorized to make changes and updates to said applications from time to time as needed.

SBG Eligibility Requirements

1. Applicant must have a business address within the Saratoga Springs city limits. The business location must either be owned by the applicant, or have at least 6 months left on the current lease with an option to renew.
2. Applicants must employ 50 people or less (including the owner).
3. Applicants must commit to retaining at least one FTE position held by (or available to) a low income employee for a minimum period of no less than 6 months. Applications identifying retention of additional low income jobs will be more competitive. These positions shall require no more than a high school education or previously acquired specialized skills or training (unless required training is provided to employees at no cost).
4. Applicant businesses must have generated less than \$3.5 million in 2019 annual gross receipts.
5. A significant financial burden directly tied to the COVID-19 pandemic must be demonstrated. Such financial burden may be demonstrated by a minimum of 40% reduction in gross receipts (overall 2020 YTD vs 2019), or comparable fiscal challenges.
6. Grant funds shall be used for working capital (rent, payroll, utilities, pandemic-related equipment, etc.). Grant funds are ineligible for use on projects which may have any type of environmental impact (major rehabilitation or construction).
7. Neither the business nor owner may be the subject of current bankruptcy filings or proceedings.
8. Applicant must agree to a personal and/or business credit history check. Must be in good standing prior to emergency circumstance which caused economic distress.
9. Applicant must prove the business's financial stability prior to the emergency circumstance which caused economic distress.
10. Real estate taxes and special assessments on all identified real property in the grant application, residential and commercial, must be current prior to the submission of any grant application.
11. Eating and drinking license for business must be current, if applicable.
12. Applicant must have no current zoning or public safety violations.
13. Applicant must demonstrate that the grant funds requested will not result in the duplication of any government-issued benefits. These may include, but are not limited to: U.S. Small Business Administration loan and debt relief programs (such as the Paycheck Protection Program, Economic Injury Disaster Loan, etc.) and the New York Forward Loan Fund.

Evaluation Criteria

The application review team assesses grant requests based on the following criteria:

- o Credit history
- o Financial stability (prior to pandemic)
- o Job retention feasibility

- Eligible use of grant funds
- Absence of benefit duplication
- Demonstrated ability to adhere to federal employment and program requirements
- Additional criteria as may be identified by the CDCAC or City Council.

The following will weigh favorably on application evaluation:

- Preservation of more than one FTE low income position
- Applicant has attained or is pursuing WMBE status
- Applicant is designated non-essential
- Applicant has been forced to lay off employees due to the pandemic
- Grant will enable applicant to rehire laid off workers

In a tie-breaker situation, priority will be given based on the length of time an applicant has operated in the City.

Should grant funding be exhausted, remaining eligible applicants will remain on a waitlist. If more funding becomes available, the City may utilize the waitlist.

Monitoring Activities

The City of Saratoga Springs will maintain current documentation of the performance for each grant, regarding all terms and conditions imposed by SBG for a period of one year following fund disbursement, as stated in the grant agreement.

These may include, but are not limited to, the following:

- Grant funded expenditures
- Other loan or grant financing
- Job retention
- Payroll
- Notice of available jobs and required hiring procedures
- Job training

The City will collect periodic reports and other documentation as required for each grant disbursed, which may include:

- Financial Statements
- Employment documentation
- Any other relevant documentation OCD deems appropriate

Failure to provide required documentation in a timely manner may be considered a breach of the grant agreement.