

# City of Cupertino Small Business Emergency Relief Grant Program Overview

# Thank you for your interest in Cupertino's Small Business Emergency Relief Grant Program.

In an effort to mitigate the impacts of the COVID-19 pandemic on Cupertino small businesses and their employees, the City of Cupertino has established the Small Business Emergency Relief Grant Program offering one-time emergency relief grants of \$5,000 to eligible small businesses. The City is utilizing its CDBG-CV CARES Act fund allocation to provide grants to enable local businesses to survive and continue providing jobs to low-moderate income persons. The Enterprise Foundation, a 501c3 organization, is the City's partner to administer this grant program.

**Maximum Grant Award:** \$5,000 grants to eligible businesses with no more than 25 full-time equivalent employees that include low-moderate income individuals, or the business owner must qualify as a low-moderate income person. The grants do not need to be repaid.

**Allowed Use of Funds:** Must be used for working capital for payroll, rent, utilities, or insurance for the specified business address. Grants cannot be used for refinancing debt.

Application Period: Friday, July 17, 2020 at 8:00am PST through Thursday, July 23, 2020 at 4:00pm PST

**GRANT APPLICATIONS** will be available to download on the City's website, beginning Friday, July 17 at 8:00am PST at: <a href="https://www.cupertino.org/covidsmallbusinessgrants">www.cupertino.org/covidsmallbusinessgrants</a>

**COMPLETED APPLICATIONS** can be submitted online via the application portal or delivered hardcopies. The application period will close on Thursday, July 23. No applications will be accepted after 4:00pm on July 23, 2020.

**Drop-Off:** Alternatively, grant applications may be dropped off at Cupertino City Hall in the "Small Business Emergency Relief Program Application Mail Slot" at the main entrance door. The application must be placed in a sealed envelope. Cupertino City Hall is located at 10300 Torre Avenue. The City cannot guarantee receipt of applications that are mailed.

**APPLICATION ASSISTANCE:** Multilanguage assistance is available from the Silicon Valley Small Business Development Center (SBDC) in partnership with the Enterprise Foundation. Languages include Mandarin, Cantonese, Vietnamese, and Spanish. Please contact SBDC Business Advisor Allie Lopez at <a href="mailto:allie4svsbdc@gmail.com">allie4svsbdc@gmail.com</a>.

### **Application Eligibility**

**ALL ELIGIBLE APPLICANTS ARE ENCOURAGED TO APPLY.** For business owners with multiple businesses, you may only apply for funding assistance for one business or business location.

Qualified applicants must be able to meet ALL of the following criteria:

- Have demonstrable financial impact stemming from the COVID-19 pandemic;
- Have a City of Cupertino business license for the specified business location valid as of March 17, 2020;
- Operate or have operated a permanent physical commercial storefront location within Cupertino that is open to the public (home-based businesses do not qualify);
- Be a for-profit business in good standing (e.g., no outstanding code violations or compliance orders, etc.);
- Be a business that is not otherwise prohibited or restricted in the City;
- Have been in business for at least one (1) year based on its Cupertino business license;
- Commit to retaining or (re)hiring at least one full-time equivalent employee who qualifies as a
  low-moderate income person or the business owner must qualify as a low-moderate income
  person based on the Maximum Income Limits below. To qualify for a grant you must be able to
  retain or rehire 1 full-time equivalent low-moderate income employee. One full-time
  equivalent employee is equal to (2) two part-time employees.

\*\* Low-Moderate Income is defined as 80% or below the Area Median Income (AMI), by household size:

Persons in	1	2	3	4	5	6	7	8
Household								
80% AMI	\$78,550	\$89,750	\$100,950	\$112,150	\$121,150	\$130,100	\$139,100	\$148,050

- Have a maximum of 3 business locations in Santa Clara County;
- Agree to utilize the free services and resources of the Silicon Valley Small Business Development Center (SBDC);
- Agree to provide a status update after 3 months (90 days);
- Have no more than 25 full-time equivalent employees (FTE); and
- Generate no more than \$5 million in annual gross receipts.

# **Eligibility Exclusions**

- Any national chain that is not locally franchised
- Businesses with active City of Cupertino municipal code violations (open, unresolved code cases)
- Home-based businesses, businesses with no bona fide ground-floor commercial storefront

### **Lottery Selection Process**

Applications that are deemed complete and that meet the eligibility requirements will receive a Lottery Number. A lottery will be held one week after the application period closes to select grant recipients at random. If selected from the lottery, applicants may be asked to provide additional clarification or documentation. Completing the application and being selected from the lottery does not guarantee your business will receive the grant if the required documentation is not provided and if you do not agree to enter into the required Grant Agreement.

# **Verification and Grant Award Process**

If selected from the lottery, applicants will be required to verify application eligibility and sign the Grant Agreement. Should any applicant not be able to provide necessary documentation for verification, they will be removed from the list and will not be considered further.

### Required documents for verification may include (as applicable) copies of:

- Copy of current City of Cupertino business license valid as of March 17, 2020
- o Documentation showing the number of employees (e.g., copy of payroll schedule)
- Copy of qualifying low-moderate income employee paystubs from April, May, and June 2020
- Current W-9 (download here)
- Photo identification
- 2019 Profit & Loss/Income Statement (see sample <u>here</u>)
- One of the following: copy of lease agreement that shows monthly payment amount, copy of May utility bill, copy of payroll schedule, or copy of business insurance statement
- o Completed Economic Injury Worksheet (download <a href="here">here</a>)

# Note: If selected to receive a grant, applicant must agree to the following:

- Register for free business counseling services through the Silicon Valley Small Business Development Center (SBDC). The SBDC in partnership with the City of Cupertino, offers free services to help you sustain your business through free workshops, one-on-one advising, and can help you apply for federal and/or other funding sources.
- Make every effort to continue operating the business in Cupertino.
- Provide a status update on the business after 3 months (90 days).
- Agree to additional terms in the Grant Agreement.

Grant funds will be issued upon execution of the Grant Agreement. The program will remain in effect while funds are available.

All decisions are final.