



Buena Park
COVID-19 Related
Small Business Emergency Relief
Grant Program

Program Guidelines

Program Overview

About the Program

The City of Buena Park has created the Small Business Emergency Relief Grant Program, which will provide funding to small businesses needing financial assistance in overcoming the temporary loss of revenue due to the COVID-19 outbreak. The program is based on the availability of funds, program guidelines and submission of all required information and supporting documentation. Small businesses with 10 or less employees may be eligible to receive a working capital grant of up to ten thousand dollars (\$10,000). The grant may be used for working capital to cover the day-to-day business operating expenses such as payroll expenses, rent/lease payments, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.

Funding Availability

Source of funds for the program are provided by the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act through supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV). The CARES Act provides the City of Buena Park with CDBG-CV funds in the amount of \$514,904 that may be used to support community and economic development efforts in response to the COVID-19 pandemic.

As a disbursing agent for these funds, the City's Economic Development Division shall be responsible for the administration of the Small Business Emergency Relief Grant Program. As such, the City's Program Partner, the Orange County/Inland Empire Small Business Development Center ("CSUF SBDC") located on the California State University, Fullerton campus, shall be responsible for program marketing, application processing, underwriting and packaging all grant applications for submission to the City's Grant Review Committee ("Committee") for review and approval. City staff is obligated to fulfill the terms and conditions of the funds as established by the City Council, these program guidelines, and Federal, State, and local rules and regulations.

Eligibility

To be eligible to apply for the Small Business Emergency Relief Grant Program, a business must meet certain criteria that has been established by both the Community Development Block Grant Corona Virus (CDBG-CV) and the City of Buena Park, and the must business must demonstrate that it has been negatively affected by COVID-19.

Business must have been affected by COVID-19

The business applicant must prove that their business has been affected by COVID-19 in one of the following ways:

- The business has been deemed non-essential and has been forced to shut down by the state or local government;
- Sales from the business are down more than 25% compared to the previous three months (Prior to February 15, 2020);
- The business has had to lay off at least one of its employees (full- or part-time employee); or
- One or more of the employees in the business have contracted COVID-19, while at work

and

General Terms and Conditions

The business applicant must meet the following minimum requirements to be considered for grant funding:

- The business must be physically located in Buena Park;
- The business must be located in a commercial or industrial space;
- The business must have an active Buena Park business license for a minimum of six (6) months;
- The business must have ten or fewer employees, including the owner;
- The business must submit the application and all required supporting documentation;
- The business must prove they are unable to access capital through alternative sources (e.g. Economic Injury Disaster Loan (EIDL) or Payroll Protection Program (PPP) Loan); and
- The business must be in good standing.

Eligible Activities

Eligible activities for the use of funds should be used to cover fixed expenses for the business. The primary fixed expenses will include rent or mortgage expense, payroll, utilities, inventory or other operational expenses for the business. Up to 25% of the funds can be used for general working capital as the business moves back to becoming fully operational again. Applicants will fill out a use of funds form that will breakdown how the funds will spent within their business. Each applicant will need to sign and verify that the use of funds will spent on business expenses, such as those expressed above. Any use of funding other than that to support the business is strictly prohibited.

Marketing and Outreach

The City of Buena Park and the CSUF SBDC will create marketing and outreach pieces to promote the Small Business Emergency Relief Grant Program. The goal will be to alert small businesses throughout the city about the grant program and bring awareness to those small businesses that need this capital to survive.

The Small Business Emergency Relief Grant Program outreach and marketing will include:

- E-flyers
- Facebook campaign
- City's website and social media channels
- City electronic monument signs
- Press release
- Webinars about the grant program in multiple languages

Webinars

The City of Buena Park and the CSUF SBDC will conduct three webinars, prior to the opening of the applications for the Small Business Emergency Relief Grant Program. The webinars will be conducted in English, Korean and Spanish and will outline the program, the application, and additional documents needed.

Press Release

Prior to the application period, the City of Buena Park will send out a press release to announce the program outlining program guidelines.

E-Flyers

City staff and the CSUF SBDC will create e-flyer's that will be sent out to all small businesses within the city. The flyer will outline the program and discuss eligibility requirements. Flyers will also be sent to other business development partners within the city such as, the North Orange County Chamber (NOCC), North Orange County Korean Chamber of Commerce, Orange County Hispanic Chamber of Commerce, Rotary Club, Buena Park Library District, and others who have direct links to small business owners within the city.

Applications

The Application

The Small Business Emergency Relief Grant Program application will include information about the small business, the number of employees in the business, location of the business, amount of time in business and month-by-month sales from January 2019 through April 30 2020.

Applications will be housed on the City of Buena Park website, through a link on the CSUF SBDC website. Paper applications can be filled out and submitted to CSUF SBDC, if necessary.

Application Period

Grant applications will be accepted until [REDACTED] or until 100 applications are received. If the number of applications exceeds the amount of funding available, then a lottery system will be implemented to prioritize applications.

Evaluation Criteria

Applications that meet the minimum eligibility requirements shall be further evaluated to determine grant priority using the following scoring model:

1. Length of time in business in the City of Buena Park
2. Number of employees
3. 2019 business revenue
4. Square footage of business
5. Ability to continue operation or re-open for business based on 2019 profit and loss statement
6. Total expenses of payroll, less owner/s

Application/Documentation Requirements

The following documents must be submitted for consideration of a grant request:

- Complete grant application
- 2018 and 2019 business and personal tax returns
- 2018 and 2019 business financial statements, which include balance sheets and profit and loss statements.
- Year-to-Date 2020 Profit and Loss Statement
- Bank statements for last three (3) months
- Current City of Buena Park Business License
- 2019 and 2020 – Form 940 and Form 941 report for employment verification.
- Copy of lease/grant deed demonstrating proof of commercial/industrial business address
- Documentation supporting economic impact that has resulted from COVID-19 (details of economic impact, i.e., revenue loss, reduction in employee hours,

- layoffs, furloughs, modified business hours, etc.
- Documentation supporting use of grant funds

Grant Review and Approval Process

- **Application:** The business applicant may apply for the grant program by submitting an application form and all required supporting personal and business financial documents via the application portal on the City's website at www.buenapark.com or via USPS mail to City of Buena Park Economic Development Division, 6650 Beach Boulevard, Buena Park, CA 90621.
- **Review:** The application and documents will be reviewed by the CSUF SBDC to determine application/documentation completeness. If the CSUF SBDC determines that additional information or supporting documents are needed to review an application, then the application is not considered complete.
- **Verification and Eligibility Determination:** The CSUF SBDC shall verify all application and information, as necessary. If the grant request meets the criteria for program funding and has submitted all required documentation, the application package will be prepared for submission to the Committee.
- **Grant Review Committee:** The CSUF SBDC will present the application package to the Committee for review. The Committee will be comprised of designated City staff and the Small Business Development Center (SBDC) Executive Director, or his designee. The Committee will review grant applications on an ongoing basis until all funds are disbursed. Funding decisions will be made within 30 days of receiving a complete application.
- **Final Approval:** Following Committee recommendation of approval, the final grant application package will be submitted to the City Manager for final review and approval.
- **Grant Disbursement:** Fifty percent (50%) of the eligible grant funds will be disbursed within two weeks of approval. The remaining fifty percent (50%) of eligible grant funds will be disbursed when the business becomes fully operational, but no earlier than 4 weeks from the initial disbursement. Applicant must also submit documentation supporting that the initial grant funds were used to pay for employee payroll, rent/lease, mortgage payment or utilities.

Expected Number of Applicants

The City of Buena Park is expecting the Small Business Grant Relief Program to have an overwhelming number of applications. If the number of applications far exceeds the amount of funding that is available for disbursement, the City will create a lottery system for all eligible small businesses. Once applications have been approved, they will be assigned a number and entered into a lottery. That lottery will take place on [REDACTED] and all winners will be contacted by phone, letter and on the city website.

Notice of Grant Award or Denial

Each applicant shall be notified in writing whether their application has been selected for a grant award or denied. All small businesses that have been awarded grants will be published on both the City of Buena Park's website and in marketing material that will be displayed throughout various channels.

Post Grant Follow Up

The CSUF SBDC will continue to work one-on-one with each grantee, throughout the next 12 months. All awardees will be required to update the city on their business and if additional employees have been hired. A six-month and twelve-month report will be created by the CSUF SBDC and the City of Buena Park, to highlight the success of the program.

Program Complaint and Appeal Process

Complaints concerning the Small Business Emergency Relief Grant program should be made to the City of Buena Park Economic Development Division. If unresolved in this manner, the complaint or appeal shall be made in writing and filed with the City Manager's Office.

Equal Opportunity Policy

The Economic Development Division shall not discriminate upon the basis of sex, age, race, creed, color, religion, national origin, marital status, ancestry or physical handicap in accepting applications and processing Program application.

Contact Information

For questions or additional information regarding the Small Business Emergency Relief Grant Program, please contact the following:

City of Buena Park
Economic Development Division
6650 Beach Boulevard
Buena Park, CA 90622
(714) 562-3586

For assistance in completing the Small Business Emergency Relief Grant and to set up a one-on-one consultation (at no cost), please contact the CSUF Small Business Development Center at:

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