



# CV-19 SMALL BUSINESS RELIEF PROGRAM GUIDELINES

Funded by Community Development Block Grant funding from the U.S. Department of Housing and Urban Development under the CARES Act.

The following Guidelines describe the basic eligibility, documentation, reporting and reimbursement requirements for Augusta, Georgia businesses to receive Economic Recovery funding from the City of Augusta, GA.



## City of Augusta CV-19 SMALL BUSINESS RELIEF PROGRAM GUIDELINES

In response to the economic hardships experienced by businesses resulting from the CV-19 pandemic, the City of Augusta is launching the CV-19 Small Business Relief Program. The goal is to keep businesses open and retain jobs for low and moderate-income residents of Augusta, Georgia. This is a relief program in response to businesses that are at-risk of closing or laying off employees a result of the economic downturn resulting from the Covid-19 public health emergency.

**Funding Source** City of Augusta's Housing and Urban Development (HUD) Community Development Block Grant (CDBG) CV-19 Relief funds.

**Funding Amounts** Up to \$7,500 in Reimbursable Expenses for businesses with 1-20 employees. Up to \$15,000 in Reimbursable Expenses per business for businesses with 21-100 employees.

**Application Period** Up to \$1,250,000 is available for this funding opportunity. Applications will be accepted until all available funds are expended. Applications will be accepted on a rolling basis until all available funds are committed to eligible businesses.

### Basic Eligibility

- 1. For-profit and non-profit businesses located in City of Augusta with 1-100 employees at time of application to the Small Business Relief Program with active Augusta, Georgia Business Licenses.
- 2. Business can demonstrate ongoing business operations a minimum of 1 year prior to March 1, 2020.
- 3. Applicant is 51% + majority owner of business
- 4. Business must be able to demonstrate a reduction in sales/revenue due to COVID-19.
- 5. Business must agree to retain or create jobs for low or moderate income employee(s) for at least 1 year as a result of funding.
- 6. Not in bankruptcy, current with all local, state and federal taxes, fees, and be in compliance with all City of Augusta business obligations including, but not be limited to, licensure, insurance, tax obligations and zoning/land use requirements
- 7. Must certify on the application that use the grant funds will only be used to reimburse authorized business expenses.
- 8. Plan to resume normal operations after emergency guidelines are lifted.
- 9. Shall cooperate with appropriate officials for grant auditing purposes.
- 10. No owner, officer, partner, or principal actor of the business has a felony conviction for financial mismanagement within the last three years for which he or she is still serving a sentence (including prison, parole, and probation).
- 11. Business is NOT publicly traded, partially owned by a hedge fund, or a corporate-owned franchise.
- 12. Business does not have any current city, county, state or federal tax liens.



- Business does not have any current unpaid code enforcement liens and is not operating in violation of any state, federal or local laws.
- Commit to recommended COVID-19 Safety Guidelines put forth by local, State and Federal authorities.

## DISQUALIFIED BUSINESSES

- Companies that are publicly traded, partially owned by a hedge fund, or corporate-owned franchises are not eligible.
- Individuals or organizations who hold real property for passive sale or investment with no active ties to a for-profit business activity at the location.
- Businesses owned or operated by officials or employees of Augusta, Georgia government are not eligible grant recipients.
- Businesses with Unpaid code enforcement liens or violation of any state, federal or local laws.
- Businesses with legal actions against or from the City of Augusta Consolidated Government, including code enforcement liens are not eligible.
- Businesses whose Owner, officer, partner or principal actor of the business involved with financial mismanagement. This includes “Business Owner(s) with any conviction(s) for financial crimes within the last 3 years, with Business Owner(s) defined as: Managing Members and/or Officers.”

**Eligible costs** Basic working capital to pay wages to eligible employees, as well as for leasing costs, Insurance, and/or Utility expenses.

## Basic Terms

- Funds will be disbursed by reimbursement for documented eligible expenses incurred since March 1, 2020.
- Applicant will provide City of Augusta with information required for reporting purposes, including, but not limited to, income and demographic data from applicants and their employees.
- Funding under this program made in response to the Covid-19 Relief effort will be considered a loan that is deferred and forgivable over the term of the Agreement, so long as the recipient meets the conditions set forth in their Written Agreement with Augusta, Georgia. However, in the event that awarded businesses fail to comply with the terms of their Agreement, and repayment of loan balance(s) are recaptured by the City of Augusta, any loan repayments will be deposited into the local CDBG-ED Program Income account for future loans.

## Application Process

Applications are available for submission through HCD’s on-line application portal, Neighborly. A link to this application can be found [here](#) or by contacting Sara Scheirer, Program Coordinator, at [sscheirer@augustaga.gov](mailto:sscheirer@augustaga.gov). Additional details are available at [www.smallbusinessrelief.com](http://www.smallbusinessrelief.com).



In addition to the application, the following documents are required:

1. Completed [W-9 form for business](#). DBA, Tax ID Number (or Social Security Number for sole proprietor), and Mailing Address for Grant Check must match entries in General Information section.
2. [Completed City of Augusta “New Vendor Form”](#)
3. E-Verify Number. (For businesses with 10 or fewer employees, who are not required to use E-Verify by the State of Georgia, a signed and notarized Affidavit of Agreement must be submitted in place of an E-Verify Number.) [Click here to download the affidavit.](#)
4. Valid state issued photo ID of business owner/signatory (\*\*Only required for businesses with no E-Verify Number)
5. Copy of current City of Augusta business license
6. Bills/invoices for expenses meeting eligible reimbursable COVID-19 expenses along with proof of payment.
7. Itemized Summary of eligible reimbursable COVID-19 expenses. ([Click here to see an example](#)). In addition to the Itemized Summary of eligible reimbursable Covid-19 expenses, applicants must supply copies of the bill and proof of payment for these expenses.
8. Business operating agreement (for multiple owners)
9. DUNS Number (if you don't already have one, go here to get one: <https://www.dnb.com/duns-number.html>) and SAM registration ([www.sam.gov](http://www.sam.gov))

## **Business Financials**

### **For Individuals (Sole Proprietors and individual/single-owner LLCs)**

#### Sole Proprietor Certification

- [2020 Schedule C \(Form 1040\)](#) –OR–
  - If no 2020 Schedule C is available, provide 2019 Schedule C (Form 1040)
- Q2 (April, May, June) 2020 Profit and Loss Statement

### **For Corporations (C-Corps, S-Corps, corporate Limited Liability Corporations (LLCs))**

- 2020 Corporation Income Tax Return ([Form 1120](#) or [Form 1120-S](#)) –OR–
  - If no 2020 tax return is available, provide 2019 tax return
- Q2 (April, May, June) 2020 Profit and Loss Statement



### **For Partnerships**

- 2020 Return of Partnership Income ([Form 1065](#)) –OR–
  - If no 2020 tax return is available, provide 2019 tax return
- Q2 (April, May, June) 2020 Profit and Loss Statement

### **For Non-Profits**

- 2020 [IRS Form 990](#) –OR–
  - If no 2020 IRS Form 990 is available, provide 2019 IRS Form 990
- Q2 (April, May, June) 2020 Profit and Loss Statement

### **Application Review**

Applications will be reviewed by City staff for threshold requirements and scored on a pass/fail basis related to the requirements provided in the guidelines here. Applicants recommended for funding will be contacted by HCD to complete their Agreement signing to allow for distribution of funds.



### **Covid-19 Small Business Relief Program Eligibility Checklist:**

1. Is the Business located physically in Augusta-Richmond County, Georgia?
2. Does the business employ 1-100 or fewer employees at time of application to the Small Business Loan Program.
3. Does the business have an active Augusta, Georgia business license? If so, please include proof of licensure
4. Does the business have an active DUNS number? If so, please provide proof of DUNS number.
5. Is the business Current on its tax obligations to the City of Augusta? If so, please include proof of status from Augusta-Richmond County Tax Commissioner's Office
6. Does the business agree to enter into a written Agreement with City of Augusta and agree to provide documentation for eligibility and reporting confirmation as requested by Housing and Community Development?
7. Does the business agree to agree to participate in HUD-mandated Technical Assistance training made available through HCD? Obligation to complete mandatory Technical Assistance training is a regulatory requirement.
8. Can the business demonstrate through financial documentation an economic loss resulting from the Covid-19 public health emergency?
9. Does the business agree to comply with the Job Retention or Creation Requirements for at least one low or moderate-income employee in compliance with the requirements of this program?

If you answered "No" to any of these questions, your business may not be eligible for funding under this program. You may contact HCD at 706.821.1797 for additional information and/or clarification.



# Appendix A: Job Reporting Requirement Information

## Job Retention or Creation Requirement

The main outcome or deliverable that your firm is responsible for under the terms of the CV-19 Small Business Relief Program is the Retention or Creation of full-time equivalent (FTE) employment for at least one person who meets the US Department of Housing and Urban Development definition of low or moderate income. Two part time position, occupied by persons who meets the US Department of Housing and Urban Development definition of low or moderate income, can be substituted for one FTE.

## Low and Moderate Income Status

The US Department of Housing and Urban Development definition of low or moderate income constitutes individuals who live in households with Gross Annual Household Income that is 80% of the Area Median Income (AMI) or below. The following chart represents the Gross Household Income thresholds that constitute low and moderate-income status:

FY 2020 Income Limit Area	Median Family Income <a href="#">Explanation</a>	FY 2020 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
<b>Augusta-Richmond County, GA-SC HUD Metro FMR Area</b>	\$65,900	Very Low (50%) Income Limits (\$) <a href="#">Explanation</a>	23,100	26,400	29,700	<b>32,950</b>	35,600	38,250	40,900	43,500
		Extremely Low Income Limits (\$)* <a href="#">Explanation</a>	13,850	17,240	21,720	<b>26,200</b>	30,680	35,160	39,640	43,500*
		Low (80%) Income Limits (\$) <a href="#">Explanation</a>	36,900	42,200	47,450	<b>52,700</b>	56,950	61,150	65,350	69,600

\* Employees are qualified based on their Household Size, but for this program, every employee is regarded as a 1-person Household. For the Employee that your firm wishes to count towards the Job Retention or Creation requirement, you can determine if they are eligible by following the top line of the chart (*Persons in Family*) to the 1-Person Household size and determine if the Employee's Gross Income from employment at your business alone is at or below the bottom line dollar value (*Low 80% Income Limits*). For example, an Employee would have to have a Gross Annual Income of \$36,900 or less to qualify as a Low or Moderate Income Employee.



As an awarded firm, you will be asked to document the satisfaction of this requirement by submitting a CV19 Job Reporting Form, completed and signed by the Employee and a Witness, and accompanied by supporting documentation such as recent paystubs, W-2's or other forms of income verification.

This Job Retention or Creation Reporting Requirement will be done prior to the inception of your loan, and again at the 1-year anniversary of the loan. This second verification will be considered as the final obligation of your loan, assuming all other conditions of your Agreement have been satisfied by that time.





# Appendix B: Reimbursable Expense Information

## **Reimbursable Expenses**

To alleviate documentation and tracking of expenses moving forward, the CV19 Small Business Relief Program seeks to reimburse awarded firms for expenses incurred between March 1, 2020 and the date of their Agreement with the City of Augusta.

The Eligible Expenses that the CV19 Small Business Relief Program can reimburse awarded firms for are:

- Space Costs for your business: Rent, Mortgage, Lease and Insurance Costs
- Utility Costs: Electric, gas, water, internet and phone service directly supporting awarded firms' operations
- Payroll Costs: Payroll expenses for ANY employees that were continued to be paid between March 1, 2020 and the date of your Agreement with the City of Augusta
  - Note: Payroll expenses are not limited to the employee that awarded firms use to satisfy their Job Retention or Creation Requirement. Employee must simply be a regular worker associated with the operation of the firm receiving the award.
- Equipment: Equipment and supplies are eligible expenses, but require much more stringent monitoring and reporting requirements than the expenses listed above. If an awarded firm wishes to be reimbursed for these costs, they must contact Daniel J. Evans, CD Manager, at 706-821-1797, for Technical Assistance on that process.

## **Documenting Reimbursable Expenses**

To receive payment under the CV19 Small Business Relief Program, awarded firms must show documentation of the eligible expense(s) listed above that they wish to be Reimbursed for, up to the maximum award that they receive. In addition, awarded firms must show documentation demonstrating that they have paid the cost associated with the Eligible Expense.

### **Documentation for Expenses:**

- Space Costs: Awarded firms seeking Reimbursement for space costs must provide a copy of their Lease or Mortgage Agreement that clearly states the time period that they are responsible for these costs, and what the monthly cost for these expenses are.
- Utility Costs: Awarded firms seeking Reimbursement for Utility costs must provide copies of the bill(s) from the Utility provider that clearly associate with the firm and



their location of operation. The bill(s) must also clearly state the amount due from the firm and be separated from any non-business related expenses.

- Payroll Costs: Awarded firms seeking Reimbursement for Payroll costs must provide copies of their payroll register and check stubs that prove the amount that was paid to each employee whose compensation is being reimbursed.

### **Documentation for Proof of Payment**

For the Expenses listed above, in addition to the documentation requested demonstrating proof of cost incurred, awarded firms must also provide proof that their firm paid the outstanding amounts for these expenses.

This documentation can be in the form of a cancelled check, bank statement clearly stating the payment to the vendor, or an invoice that is marked Paid and signed by the Vendor.

### **New Vendor Documentation**

In addition to the Job Reporting and Expense documentation above, HCD will require some basic vendor information to process your payment. These documents are supplied to awarded firms in their email communication from HCD of their award, and include the following items:

- Current Company W-9 Form
- Affidavit Notarized (attached)
- Completed New Vendor Form (attached)
  - Vendor Name
  - Contact Name
  - Address
  - Email Address
  - Phone Number
  - E-verify will be N/A
  - Federal Tax ID#

Please feel free to contact Daniel J. Evans, CD Manager for HCD, at 706-821-1797 with any questions that you may have about the processes or requirements described above. HCD looks forward to assisting you in sustaining and growing your business, and providing needed goods, services and employment to our local community.