



COVID-19 Small Business Economic Recovery Grant Program



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Program Overview

Columbus Consolidated Government's Community Reinvestment Department has partnered with StartUP Columbus and the Greater Columbus Chamber of Commerce to develop and administer an Economic Development Grant Program. The grant program will assist small businesses in Columbus that have been negatively affected by the COVID-19 pandemic.

Funding Source

Funding for this grant program is provided under the Federal stimulus package, the Coronavirus Aid, Relief, and Economic Security Act through the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program.

Funding Amounts

Up to \$4,000 in Reimbursable Expenses* for businesses with 1-25 employees.

- Assistance is in the form of a grant with no repayment requirement.
- Grant funding must be used for rent/mortgage and/or employee payroll. Payment to owner is not eligible.
- Assistance must result in continued employment of low-to-moderate income individuals.

Application Period

Up to \$112,000 is available for this initial funding opportunity. Applications will be accepted from May 1, 2021 until all available funds are expended. Applications will be accepted on a rolling basis until all available funds are committed to eligible businesses and expenses.

Program Eligibility

To be considered for this opportunity, a business must meet all eligibility criteria listed below:

- For Profit businesses that are NOT publicly traded, partially owned by a hedge fund, or a corporate owned franchise.
- For Profit businesses that have a current Muscogee County business license.
- For Profit businesses that are in good standing with the City of Columbus.
- For Profit businesses located in City of Columbus with 1-25 employees at time of application to the Small Business Economic Recovery Grant Program.
- For Profit businesses with a physical presence of an organization or business in a building or other structure.
- For Profit businesses who can demonstrate ongoing business operations since January 1, 2020.
- For Profit businesses that are not in bankruptcy, current with all local, state, and Federal taxes, fees, and be in compliance with all City of Columbus business obligations including, but not be limited to, licensure, insurance, tax obligations and zoning/land use requirements.
- For Profit businesses must agree to retain or create jobs for low- or moderate-income employee(s) for at least 1 year as a result of funding.
- For Profit businesses must certify on the application that use of the grant funds will only be used to reimburse authorized business expenses.
- * For Profit businesses that are operational at the time the grant is awarded.
**If the businesses temporarily closed due to the pandemic, the business must be opened prior to the grant being awarded.*

In addition to the above, the business applicant must meet HUD's CDBG Eligibility Requirements.

Application Process

The application will be available online at

<https://www.columbusga.gov/communityreinvestment> or <https://startupcolga.com/>

- Applications should only be submitted by the owner, partner, or authorized corporation member, and Applicant is 51% + majority owner of business.
- Incomplete applications will not be considered for funding.

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

- 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.
- 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.)
- Valid state issued photo ID of business owner/signatory (**Only required for businesses with no E-Verify Number).
- Copy of current City of Columbus business license.
- Bills/invoices for expenses meeting eligible reimbursable COVID-19 expenses along with proof of payment.
- Itemized Summary of eligible reimbursable COVID-19 expenses. 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.
- Business operating agreement (for multiple owners)

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)
- Profit and Loss Statement for period in which expenses occurred.

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
- Profit and Loss Statement for period in which expenses occurred.

For Partnerships

- 2020 Return of Partnership Income (Form 1065) –OR–
 - If no 2020 tax return is available, provide 2019 tax return
- Profit and Loss Statement for period in which expenses occurred.

Application Review

Applications will be reviewed by a selection committee convened by StartUP Columbus in consultation with Community Reinvestment Department staff for threshold requirements and needs evaluation. The application will be scored on a pass/fail basis related to the requirements provided in the guidelines here. Should more businesses qualify than funds allowed, the applicant will be measured on a point-based system related to the requirements provided in the guidelines here. Applicants recommended for funding will be contacted by the Community Reinvestment Department to execute their written agreement which will allow for distribution of funds.

Appendix A: HUD’s CDBG-CV Eligibility Requirements

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 Explanation	FY 2020 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Columbus, GA-AL MSA	\$62,300	Very Low (50%) Income Limits (\$) Explanation	21,850	24,950	28,050	31,150	33,650	36,150	38,650	41,150
		Extremely Low Income Limits (\$)* Explanation	13,100	17,240	21,720	26,200	30,680	35,160	38,650*	41,150*
		Low (80%) Income Limits (\$) Explanation	34,900	39,900	44,900	49,850	53,850	57,850	61,850	65,850

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 \$34,900 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 grant, and again at the 1-year anniversary of the grant. This second verification will be considered as the final obligation of the grant, 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 this grant, the COVID-19 Small Business Economic Recovery Grant Program seeks to reimburse awarded firms for expenses incurred between July 1, 2020 and the date of their written agreement with the City of Columbus.

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 Columbus
 - 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.

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 Expenses:

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, the Community Reinvestment Department will require some basic vendor information to process your payment. These documents include the following items:

- Current Company W-9 Form.
- Copy of current City of Columbus business license.

Appendix C: Additional Program Requirements

Online Training Certification Course

The U.S. SBA courses below are offered online and are free. Awarded subrecipients must choose at least one course from the list and complete the on-line module as soon as you can. The module will provide you the ability to print a customized Certificate of completion once you complete the module, UPLOAD the certificate once complete.

The list of courses are:

- **Social Media Marketing:** <https://www.sba.gov/course/social-media-marketing/>
- **Marketing 101: A Guide to Winning Customers:** <https://www.sba.gov/course/marketing-101-guide-winning-customers/>
- **Introduction to Pricing:** <https://www.sba.gov/course/introduction-pricing/>
- **Understanding Your Customer:** <https://www.sba.gov/course/understanding-your-customer/>
- **Financing Options for Small Businesses:** <https://www.sba.gov/course/financing-options-small-businesses/>

Please feel free to contact Robert Scott, Community Reinvestment Director, at scott.robert@columbusga.org or Ben MacMinn, StartUp Columbus Executive Director, ben@startupcolga.com with any questions that you may have about the processes or requirements described above. The City of Columbus, StartUp Columbus and the Greater Columbus Chamber of Commerce look forward to assisting you in sustaining and growing your business, and providing needed goods, services, and employment to our local community.