



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

---

### **Overview**

Executive Order No. \_\_\_\_\_ signed by Mayor Meyer on \_\_\_\_\_, 2020 established the **Emergency Business Assistance Grant Program**, which is designed to provide assistance to Covington businesses experiencing financial challenges and gaps as a result of the coronavirus impacts, in order to retain businesses and jobs in our community.

The program offers emergency financial assistance in the form of grant of up to \$50,000.00. Businesses will be able to apply starting in September 2020.

### **Eligibility**

Applicant must be an existing commercial enterprise and have an existing occupational license with the City. Applicant must have an active, executed multi-year lease or mortgage for its business enterprise. Businesses must keep regular operating hours that are equal to or greater than thirty (30) hours per week, unless otherwise ordered to close by legal mandate. Applicant must contact and be working with the Kentucky Small Business Development Center (SBDC) on business coaching, contingency planning, accessing federal disaster loans.

### **Eligible Activities/Uses of Funds:**

- 1) Supporting new businesses or business expansion to create jobs that manufacture medical supplies necessary to respond to infectious disease;
- 2) Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low-and-moderate-income persons;
- 3) Provide assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

There are low-and-moderate-income restrictions on these Federal CDBG Funds. Job creation and/or retention must meet a CDBG national objective by benefitting low- and moderate-income persons in one of the following three ways:

- 1) Be located in a predominantly L/M income neighborhood and serve the L/M income residents; or
- 2) Involve facilities designed for use predominantly by L/M income persons; or
- 3) Involve the employment of persons, the majority of whom are L/M income persons

Upon receipt of a completed application, City staff will consult with the applicant to determine the most appropriate category of eligibility. Additional documentation regarding the income levels of employees filling jobs created and/or retained may be requested. Please refer to the attached Exhibit B regarding detailed CDBG eligibility requirements.

\*City staff can help determine eligibility prior to application, if requested.

### To Apply

Applications are reviewed on a rolling basis. All applications must have the required attachments in order to be considered. The City has limited funding available. Applicants should demonstrate why their business should receive emergency support. City staff will evaluate the strength of an application based on the Rating Sheets attached as Exhibit A. Submission of an application is not a guarantee of funding.

PLEASE EMAIL APPLICATIONS TO:	To Contact the SBDC Office:
Suzann Gettys, Business Retention & Expansion Specialist	Catherine Glover
Economic Development Department, City of Covington	Phone: 859.448.8801
Email: <a href="mailto:sgettys@covingtonky.gov">sgettys@covingtonky.gov</a>	Email: <a href="mailto:Gloverc5@nku.edu">Gloverc5@nku.edu</a> Website: <a href="https://www.ksbdc.org/">https://www.ksbdc.org/</a>

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***





# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

### Application

---

#### **If Renting from Landlord:**

Landlord's Name: \_\_\_\_\_ Landlord's Email Address: \_\_\_\_\_

Monthly Rental Rate: \$ \_\_\_\_\_ Lease Expiration Date: \_\_\_\_\_

#### **If Mortgage from Lender:**

Lender's Name: \_\_\_\_\_ Monthly Mortgage Payment: \$ \_\_\_\_\_

#### **Other Financial Assistance:**

Are you receiving grant assistance from any other governmental agencies? Yes | No

If yes, please explain: \_\_\_\_\_

#### **CERTIFICATION AND WAIVER OF PRIVACY**

I, the undersigned, applicant(s) certify that all information presented in this application, and all of the information furnished in support of the application, is given for the purpose of obtaining a forgivable loan under the City of Covington Small Business Program, and it is true and complete to the best of the applicant(s) knowledge and belief. The applicant(s) further certifies that he/she is aware of the fact that he/she can be penalized by fine and/or imprisonment for making false statements or presenting false information.

I understand that this application is not a guarantee of funding assistance. Should my application be approved, I understand that the City of Covington may at its sole discretion discontinue subsidy payments or reimbursement at any time for cause.

I hereby give my consent to the City of Covington, its agents and contractors to examine any confidential information given herein. I further grant permission, and authorize any bank, employer or other public or private entity or agency to disclose information deemed necessary to complete this application.

I understand that if this application and the information furnished in support of the application are found to be incomplete, it will not be processed.

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

### Application

---

#### **Supporting Documentation Checklist**

Application packets must include the following documentation:

- Completed and signed application
- Attach the business' current balance sheet, P & L statement, or Cash Flow Statement
- Attach an email or letter from the Kentucky Small Business Development Center (SBDC) stating that the applicant is an active client (see below for contact information)
- Attach your City of Covington occupational license
- Attach a signed W-9 with Employer Identification Number (EIN)

To contact the Northern Kentucky office of the SBDC, please reach out to Catherine Glover at:

<https://www.ksbdc.org/>  
Catherine Glover  
KSBDC Business Coach and Center Director  
[Gloverc5@nku.edu](mailto:Gloverc5@nku.edu)  
1.859.448.8801

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

### Exhibit A

### Rating Sheet

Applicant: \_\_\_\_\_ **FOR REFERENCE ONLY – DO NOT FILL OUT** \_\_\_\_\_

Address of Business \_\_\_\_\_

Project Rating Categories Score = 33 Possible TOTAL

1. **Financial documentation (up to 5 points)**
  - Current Balance Sheet; P & L Statement; or Cash Flow Statement = \_\_\_\_\_
2. **Is the business a Minority-owned or Woman-owned business?**
  - Yes = 5 points No = 0 points = \_\_\_\_\_
3. **Number of Employees: (up to 4 points)**
  - How many staff did you have before the pandemic? \_\_\_\_\_
  - How many staff do you have now? FT\_\_\_\_\_/PT\_\_\_\_\_ \_\_\_\_\_
  - Have you had to lay off any staff? Y/N How many? \_\_\_\_\_
  - Will you be bringing back staff if you receive this grant? Y/N \_\_\_\_\_  
How many? \_\_\_\_\_
4. **Number of Jobs Created or Retained: (up to 4 points)**
  - # of L/M Jobs Created = \_\_\_\_\_ (up to 4 pts)
  - # of L/M Jobs Retained = \_\_\_\_\_ (up to 4 pts)
5. **Narrative of Financial Need (up to 10 points)** = \_\_\_\_\_
  - Business owner's description about hardship, level of need, including impact on business's revenue, hours, employees and suppliers; (up to 6 pts)
  - Actions currently being done by owners to offset the impact; and (up to 2 pts)
  - Utilization of other financial resources (PPP Program, EIDL Loan, etc.) (up to 2 pts)
  - Any business insurance, emergency bank accounts, or lender/landlord concessions on fees/payments in place to lessen the impact (to understand the current scenario and understand any discussion with lenders/landlords and financial reps)
6. **Working with KSBDC (up to 5 points)** = \_\_\_\_\_
  - Active client of KSBDC
  - Implementing contingency planning and coaching strategies

TOTAL SCORE: \_\_\_\_\_

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

### Exhibit B CDBG Eligibility Requirements

Businesses participating in the Emergency Business Assistance Program must meet certain CDBG eligibility requirements.

Job creation and/or retention must meet a CDBG national objective by benefitting low- and moderate-income persons in one of the following three ways:

- 1) Be located in a predominantly L/M income neighborhood and serve the L/M income residents. Examples of this would be a grocery store or laundromat serving a L/M income neighborhood. Most areas of Covington would qualify as L/M income neighborhoods.
- 2) Involve facilities designed for use predominantly by L/M income persons.
- 3) Involve the employment of persons, the majority of whom are L/M income persons. A L/M income jobs activity is one which creates or retains permanent jobs, at least 51% of which, on a full time equivalent (FTE) basis, are either held by L/M income persons or considered to be available to L/M income persons. One FTE is required for every \$35,000 in CDBG assistance.

General rules regarding CDBG employment:

Jobs that are not held (filled) by L/M income persons may be claimed to be “available to” L/M income persons only when both of the following are met:

- Neither special skills that can only be acquired with substantial (i.e., one year or more) training or work experience nor education beyond high school is a prerequisite to fill such jobs (or the business nevertheless agrees to hire unqualified persons and train them); and
- The grantee and/or the assisted business takes actions to ensure that L/M income persons receive “first consideration” for filling such jobs.

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***



# OVERVIEW

## Emergency Business Assistance Grant Program To Support Coronavirus Disease Response

Principles involved in providing “first consideration”:

- The business must use a hiring practice that under usual circumstances would result in over 51% of L/M income persons interviewed for applicable jobs being hired,
- The business must seriously consider a sufficient number of L/M income job applicants to give reasonable opportunity to fill the position with such a person, and
- The distance from residence and availability of transportation to the job site must be reasonable before a particular L/M income person may be considered a serious applicant for the job.

Special rules for retained jobs:

In order to consider jobs retained as a result of CDBG assistance, there must be clear and objective evidence that permanent jobs will be lost without CDBG assistance. For these purposes, “clear and objective” evidence that jobs will be lost would include:

- Evidence that the business has issued a notice to affected employees or made a public announcement to that effect, or
- Analysis of relevant financial records which clearly and convincingly shows that the business is likely to have to cut back employment in the near future without the planned intervention.

To meet the L/M income jobs standard, 51% or more of the retained jobs must be either:

- Known to be held by L/M income persons at the time CDBG assistance is provided, and/or
- For jobs not known to be held by L/M income persons, reasonably expected to “turn over” to L/M income persons within two years.

**\*\*SUBMISSION OF AN APPLICATION IS NOT A GUARANTEE OF FUNDING\*\***