



City of Glendale Low-Income Small Business Grant (SBG) Guidelines

(CDBG Funded)

Are you a business with 25 or fewer employees?
You may be eligible to receive a \$ 5,000 Glendale Low-Income Small Business Grant!

1. What can grant funds be used for?

The Low-Income SBG program offers grants to Glendale business for working capital, i.e., capital that can be used for day-to day operating expenses. Examples of what SBG funds may be used for include:

- Employee payroll – 51% of your employees (employers may include themselves), must qualify as low-moderate income. See chart below for income eligibility.

2021 Income Category	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
Low Income (80%AMI)	\$ 66,249	\$ 75,699	\$ 85,149	\$ 94,599	\$ 102,199	\$ 109,749	\$ 117,349	\$ 124,899

- Business Rent;
- Employee sick time payroll;
- Day to Day expenses to continue operations;
- Outstanding Business Expenses; or
- Adaptive business practices needed to remain open.

2. Application Period and Selection Process

- **Application Period**

Applications will be accepted starting on **June 1, 2021** at **12:00 PM** and ending on **June 11, 2021** at **12:00 PM**.

- **Application Eligibility**

Businesses may only submit one grant application to either the Low-Income Small Business Grant or the Small Business Recovery Grant programs. **Multiple entries for either program will risk disqualification.** Individuals and businesses receiving funding from a **Round 1 or 2 Low-Income Small Business Grant** or **Small Business Recovery Grant are not eligible for Round 3 funding.** **Only one grant per household will be accepted.**

- **Selection Process**

Applicants will be selected for further review based on a random ranking established by an online lottery process (the “Lottery List”). Staff will contact Applicants in the order ranked by lottery in order to obtain the documentation necessary to support the Application (the “Information Request”).

Supporting documentation includes, but is not limited to, payroll records, tax returns, government-issued ID, and a copy of the Business Registration Certificate or Home Occupation Business Permit.

Applicants who do not provide all the requested documentation within two (2) weeks from receipt of the Information Request will not qualify for funding and be removed from the Lottery List.

3. **Business Eligibility Checklist**

Before submitting an application each applicant must confirm the following statements are true for their business:

- **Eligibility Checklist**

- Business **must** be located in Glendale.
- Business has been in operation for at least **one (1) year** as of June 1, 2021.
- Business has 1 - 25 employees, including the applicant.
- Business is defined as a “non-essential” business under the Safer at Home restrictions, (including but not limited to bars, bowling alleys, beauty salons and barbershops; retail stores; nail salons; gyms and fitness centers, and spas) or a restaurant.
- Business does not have any existing, non-resolved code enforcement violations as identified in a formal notice from the City of Glendale.
- At least 51% of the employees/business owner are of low-moderate income. Applicant should total the income of each employees’ household income using the following eligibility chart:

Maximum Income Limits per Household

2021 Income Category	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
Low Income (80%AMI)	\$ 66,249	\$ 75,699	\$ 85,149	\$ 94,599	\$ 102,199	\$ 109,749	\$ 117,349	\$ 124,899

- Applicant must show that their business retains or creates the equivalent of at least one full time employee (40/hrs./week).
- Business has not received any Federal COVID-19 Pandemic Funding (PPP, EIDL, EIDL Advance) at the time of applying for this grant.
- Business has suffered a 25% or more loss of revenue due to COVID-19.
- Business **must** provide a current Business Registration Certificate (BRC) if business is located in a commercial property or a Home Occupation Business Permit if the business is home-based. If applicant is in the process of obtaining either permit, they may provide proof of BRC/Home Occupation Business Permit payment via a receipt.
- Applicant is a legal resident of the United States and can provide documentation upon request.
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- **Required Documentation:**

The following documentation **must** be provided to staff if your application is selected as part of the Lottery process:

- **Proof of Financial Stability**

- Applicants must document they have had regular income prior to the start of the COVID-19 pandemic and had business operations for the most recent available tax year (2019 or 2020). If a business started in 2020 and has not yet filed their initial return, a profit/loss statement from 2020 will be accepted in lieu of a tax return.

- **Payroll Records**

- Applicant will need to provide payroll records documenting the number of employees working in the business.

- **Business Registration Certificate or Home Occupation Business Permit**

- Applicant will need to provide a Business Registration Certificate (BRC) if the business is located in a commercial property. If an applicant does not have a BRC, they may apply for one [here](#).
- Applicant will need to provide a Home Occupation Business Permit if the business is located in a private home. If an applicant does not have a Home Occupation Business Permit, they may apply for one [here](#).

- **Government Issued Identification**

- All business owners with a 20% or greater ownership interest must submit a copy of a government issued identification. Examples include:
 - Driver's License with a photograph
 - State Identification card with a photograph
 - Immigration and Naturalization Service Documents – must contain a photograph
 - Military Identification with a photograph
 - Alien Registration Card with a photograph
 - Valid passport
 - Citizenship papers with photograph

- **Applicant Proof of Legal Residence**

- The grant applicant may provide one of the following documents as proof of legal residency:
 - Permanent Resident Card, "Green Card" (I-551)
 - Reentry Permit (I-327)
 - Refugee Travel Document (I-571)
 - Employment Authorization Document (I-766)
 - Machine Readable Immigrant Visa (with temporary I-551 language)
 - Temporary I-551 Stamp (on passport or I-94/I-94A)
 - Valid/Current US Passport

- Certificate of Eligibility for Nonimmigrant Student Status (I-20)
 - Certificate of Eligibility for Exchange Visitor Status (DS2019)
 - Notice of Action (I-797)
 - Document indicating membership in a federally recognized Indian tribe or American Indian born in Canada
 - Certification from U.S. Department of Health and Human Services (HHS) Office of Refugee Resettlement (ORR)
 - Office of Refugee Resettlement (ORR) eligibility letter (if under 18)
 - Alien number (also called alien registration number or USCIS number) or I-94 number
- **Once documents submitted to staff are verified, in order to receive grant funds, applicants must submit the following completed documents within one (1) week of receipt of request (the “Confirmation Documents”). Failure to submit the Confirmation Documents will result in termination of the Application:**
 - W-9 Form
 - Electronic Funds Transfer (EFT) Form
 - Signed Grant Agreement
 - Voided Check

4. Businesses *Not Eligible* for a Grant:

- Businesses and individuals that received funding for a Round 1 or Round 2 Low-Income Small Business Grant or Small Business Recovery Grant;
- Businesses and individuals which have previously received Federal funding at the time of applying for this grant;
- Financial businesses primarily engaged in lending, such as banks, finance companies, and factors (including pawn shops);
- Businesses located in a foreign country (businesses in the U.S. owned by resident aliens may qualify if they meet CDBG income qualifications);
- Pyramid sale distribution plans;
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities;
- Businesses which have filed for bankruptcy as a result of the COVID-19 pandemic;
- Businesses engaged in any illegal activity;
- Businesses whose owners are delinquent in any City, Federal, or State taxes;
- Private clubs and businesses which limit the number of memberships for reasons other than capacity;
- Government-owned entities (except for businesses owned or controlled by a Native American tribe);

- Businesses principally engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting;
- Loan packagers earning more than one third of their gross annual revenue from packaging SBA loans;
- Owners or business associates who have been incarcerated, on probation, on parole, or have been indicted for a felony or a crime of moral turpitude;
- Businesses which present live performances of a prurient sexual nature; or which derive directly or indirectly more than *de minimis* gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature; or
- Business have an existing, non-resolved code violations as identified in a formal notice from the City of Glendale.

5. **Job Retention and Reporting Use of Grant Funds**

- **Job Retention**

Grantees must retain and/or creation of at least the equivalent of one full-time job for a low-moderate income individual.

- **Quarterly Reporting**

Following the execution of a SBG agreement and disbursement of funds, grantees shall provide, on no less than a quarterly basis, the following:

- A report demonstrating precisely what the grant funds were used for;
- The number of employees on payroll during that preceding quarter; and
- A summary of business operational status.

6. **Additional Questions?**

If you have questions about applying for this grant, reach out to City staff at (818) 548-2067 or submit questions via email to smallbusinessgrant@glendaleca.gov. If you call after normal work hours, please leave a message and staff will get back to you as soon as possible.