Restore Rocklin Small Business, Hotel, and Restaurant FAQs

Where does this money come from?

In June 2022, the Rocklin City Council approved American Rescue Plan Act (ARPA) relief funds to support small businesses and non-profits in Rocklin. They selected Sierra Business Council to act as a third-party administrator of these funds. SBC will solicit and process applications, provide technical support, and maintain compliance with Federal guidelines.

How much funding is available through the Restore Rocklin Grant Program?

The City of Rocklin has allocated \$1.75 million in ARPA Relief Funds for Restore Rocklin Grants in the following categories:

• Restaurants, \$500,000 • Small businesses and hotels, \$750,000 • Nonprofits, \$500,000

What are the sizes of the awards?

Qualified businesses may receive funding to reimburse for revenue lost due to COVID-19 up to \$25,000 in a one-time payment dependent upon approval of application and availability of funds.

Will I need to pay the money back? Is this a grant program or a loan program?

This is a grant program, not a loan, so you will not need to pay the money back. The only exception is if you do not use all the funds, or if you do not use them in the manner stated on your application.

What can funds be spent on?

Grant funds may be used to offset or reimburse businesses for costs related to the negative impacts of COVID-19 that have not been covered by funds received from other COVID-related programs, including:

- General business operations
- Payroll expenses
- Supplier payments
- Rent, lease or mortgage payments for the business property
- Personal Protective Equipment (PPE) and/or sanitation supplies and equipment
- Investments in software or technology that allow for a shift to online operations
- Equipment purchases that expand and/or modify operations

Are funds allocated on a first-come, first-served basis for qualified applicants?

No. No applications will be considered until the application period has closed on February 24th, 2023, at 4:59 PM PST. Should the number of eligible applications received exceed the amount of funding available, a lottery will be performed.

Eligibility for Businesses

How do I know if my business is eligible for funding?

Before applying, everyone must go through an eligibility screening process, which will determine whether or not their business is eligible to apply. If your organization is deemed eligible, then

you will be automatically directed to the application. You can review the eligibility screening and application process at <u>www.rocklin.ca/arpa</u>

If you are deemed eligible, you will be automatically directed to the application. If you are deemed ineligible, you will not be able to proceed to the application. After reviewing the eligibility criteria below, please call Sierra Business Council at 530-582-5022 if you believe there has been a mistake in your eligibility process so that we can correct it.

Eligibility requirements for small businesses:

A business must meet all of the following criteria to be eligible to receive a grant:

- The business is an existing for-profit business with no more than **25 full-time equivalent employees ("FTEs")** and no more than \$3,000,000 in annual gross sales as of December 31, 2019. An FTE is defined as an employee who works at least 2,080 hours per year over a 12-month period. Part-time employees may be considered an FTE employee for purposes of this Program (for example, two part-time employees who regularly work 1,040 hours per year can be converted to one FTE and identified as one FTE on the Program application).
- A business is defined as a sole proprietorship, a partnership, a corporation, a limited liability company, or other lawful business entity with an active registration to operate within the State of California and engaged in for-profit operations.
- The business is physically located within the boundaries of the City of Rocklin.
- The business must have been opened and operational by January 1st, 2019 and still be operating.
- The business must demonstrate a need for funding due to the impacts of COVID-19 that have not been covered by funds received from other COVID related programs. Examples include but are not limited to:
 - Proof of a loss of revenue due to COVID-19.
 - Receipts for purchases made to support business operations through new requirements due to COVID-19 that have not been covered by funds received from other COVID related programs.
 - Documents indicating debt related to shuttered business operations.
 - Proof of high interest business debt (interest rate of 12% or greater) incurred due to the impact of COVID.
 - Quotes/invoices for modifications to business operations due to the impacts of COVID that have not been covered by funds received from other COVID related programs.
- For businesses with multiple locations, only employment and revenue figures for the Rocklin location(s) can be used to qualify for a grant under the program, and all grant funds received must only be used to support Rocklin business operations. Multiple locations within Rocklin operating under a single business entity will be considered one business for purposes of the program.
- The business is in good standing with the City of Rocklin (e.g., possess a valid business license and where applicable, is in compliance with all applicable zoning and permit

requirements, is current on all city bills and obligations, and is not subject to any liens or judgments by the city-related to the business).

- The business is in compliance with all city, state, and federal laws and regulations related to the operation of the business.
- Business owners that own multiple businesses are only eligible for one grant.

Can I apply if I received funds from the California Relief Grant program?

No, you may not apply if you received funds from the California Relief Grant Program.

Can I apply if I received funds from the Paycheck Protection Program (PPP)?

Yes, you can apply if you received funds from the Paycheck Protection Program or other pandemic-related grant or loan programs.

Can I apply if I already received a grant from Placer Shares?

Yes, you can apply if you already received a grant from Placer Shares.

Do I have to be a U.S. citizen to apply?

No, you do not need to be a U.S. citizen to apply.

Ineligible Criteria

What would make my business ineligible to apply for a grant?

The following businesses are **not** eligible to apply for the program:

- Nonprofit organizations, but there is a concurrent grant program for nonprofit organizations.
- Businesses and/or business owners with a 20% or greater ownership interest with tax liens without a repayment plan in place.
- Businesses and/or business owners with a 20% or greater ownership interest planning to file for bankruptcy or currently involved in bankruptcy proceedings.
- Businesses and/or business owners with a 20% or greater ownership interest with current or pending legal claims or lawsuits.
- Cannabis growers or related businesses
- Retail with only online offerings
- Real estate agents and independent brokers
- Independent vacation home businesses, such as Airbnb or VRBO
- Financial businesses primarily engaged in lending, such as banks, finance companies, and factors
- Passive businesses properties owned by developers, corporations, trusts or individuals ("Parties") where these parties do not operate a business that occupies at least 51% of the property.
- Life insurance companies
- Pyramid sale distribution plans and multi-level marketing businesses
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities.
- Businesses engaged in any illegal activity under California and/or federal law.

- Private clubs and businesses, which limit the eligibility or 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.
- Businesses with an owner who is incarcerated, on probation, on parole, or has been indicted for a felony or a crime of moral turpitude.
- Businesses in which a City of Rocklin elected or appointed official, staff member, contractor or agent has an ownership interest.
- Businesses presenting live performances of a prurient sexual nature.
- Businesses deriving 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
- Businesses primarily engaged in political or lobbying activities.
- Speculative businesses, such as oil wildcatting

How does eligibility screening work?

To access the application, you must first pass the eligibility screening, which will determine whether or not your business is eligible for funds.

Applying for the Grant

How do I apply?

You can apply online on this website. You can begin the application process at <u>https://www.grantinterface.com/Home/Logon?urlkey=sbc</u>

When does the application open?

The application period opens on January 24th, 2023 at 9am. This is **NOT** a "first come, first served" program, so *you can complete your application at any time before the deadline*. You can save your in-progress application, so it does not need to be completed in one sitting. Please take your time to complete the application. Incomplete applications will **NOT** be accepted.

What's the deadline to apply?

No applications will be accepted after the deadline of 4:59 PM Pacific Time on February 24th 2023. There will be no exceptions. This is NOT a "first come first served" program, so you can complete your application any time before the deadline.

Does the application save once I have started it?

Your application will AUTOMATICALLY save once you start it. You can leave the application or close the browser at any point, and the application will be automatically saved when you return.

You can also click the "SAVE APPLICATION" button at the bottom of the form to see a summary of your in-progress application.

Do I have to fill out the application online? Can I submit my application via mail or in person?

All applications must be filled out online. No physical applications will be accepted. Applications can be filled out with a mobile phone. If you need help accessing a computer with Internet access, please visit your local library for free access.

How can I get help with my application?

There will be an application workshop on January 31st at 10am. <u>Register here.</u> If you need assistance, you can contact Sierra Business Council, the grant administrator, at 530-582-5022, or email info@sierrasbdc.com

I own/operate more than one business. Am I allowed to submit an application for each business/nonprofit I own if they meet the qualifications?

No, you may only apply one time even if you own, co-own, or operate multiple businesses or nonprofits. Only one business will be eligible.

My business has multiple locations. How do I know if I qualify?

For businesses with multiple locations, only employment and revenue figures for the Rocklin location(s) can be used to qualify for a grant under the program, and all grant funds received must only be used to support Rocklin business operations. Multiple locations within Rocklin operating under a single business entity will be considered one business for purposes of the program.

If my business is declined, may I reapply?

You may not reapply if your application is declined. Please make sure you complete the application accurately and completely. A decline will likely be for ineligibility or incomplete applications. Please see eligibility information above.

What documentation will I need to submit my application?

Applicants who are eligible will be asked to provide backup documentation, including but not limited to:

- 2019 and 2020 federal business tax returns with all schedules (including Personal tax return Schedule C if appropriate)
- City of Rocklin Business License
- A Fictitious Business Name Statement for the following:
 - Business without an active corporate registration with the California Secretary of State
 - Businesses Doing Business As (dba) a different name than the name registered with the CA Secretary of State
 - Sole Proprietorship or Partnership
- <u>W-9 Tax Form</u> (for disbursement of checks)
- A photo, screenshot or scanned copy of a valid government-issued photo identification

Why do I need to fill out a W-9?

SBC is required to report grant funding information to the United States Treasury at the end of the year, which is done using W-9 forms. Filling out a W-9 now will help us send out checks more quickly to successful applicants. No funds will be disbursed without a W-9 and applications will be deemed incomplete without the W-9.

Why are you asking for a business financial statement or tax return?

Your financial statements allow us to verify that your business is active in the City of Rocklin; meets the eligibility requirements for revenue; practices sound financial management; and is financially viable.

How do I upload the required documents?

When you get to the upload part of the application, you can search your device for the document you need, and then upload it.

Do I need to submit all the documents? What if I don't have all the documents that I need to apply?

You must submit ALL the required documents. Incomplete applications will not be considered.

How can I prove my business was in operation prior on or prior to January 1, 2019?

You will need to attest that your business or nonprofit was in operation by clicking the box on the application. You must also submit your 2019 business documents listed above.

What if I have multiple locations for a single business, which address should I use? Please select what you might consider the "primary" business location.

What if I accidentally made a mistake or entered incorrect information on my application?

You can save and edit your application until you submit it. You do not need to complete it all in one sitting. <u>Please take your time on your application and do not submit it until you are sure it is complete and correct.</u>

What do I do if I need a W-9?

You can click to fill out a blank W-9 Form in English or in Spanish.

What is the definition of a woman-, veteran- or minority-owned business?

- For woman-owned: Be at least 51% directly owned and controlled by one or more women.
- For veteran-owned: Be at least 51% directly owned and controlled by one or more veterans.
- For minority-owned: To be certified as a minority-owned business, your company must be at least 51% owned, operated, and controlled by a minimum of one owner whose racial or ethnic background is Asian Indian, Asian Pacific, Black, Native American or Hispanic, as defined by the U.S. Small Business Administration 8A program for Disadvantaged Businesses (see 13 CFR §124.103). To read more, please <u>click here</u>.

Do applicants receive a confirmation that they submitted their application?

Yes, you will receive a confirmation email upon submission of your application.

Selection Process

Are funds allocated on a first-come, first-served basis for qualified applicants?

No. All qualified applicants will be considered together once the application period is closed. Should eligible applications exceed the amount of funding available, the selection process will be conducted by way of an electronic lottery

How will applications be selected to receive funding?

All applications received between January 24th and February 24th WILL be considered. This is NOT a "first come first served" program.

Applications will be evaluated and then randomly selected through an independent lottery process should eligible applications exceed the amount of funding available.

Receiving Grant Funds

How will I be contacted or know if I will receive a grant?

You will be notified by email in April 2023. <u>Be sure to check your email regularly, including your spam folders.</u> Emails to applicants will come from Sierra Business Council <administrator@grantinterface.com>.

Will I be contacted if I do not receive a grant?

Yes, you will be notified by email whether or not you receive a grant.

If I am selected to receive a grant, how much money will I get?

Available funds are limited and not all eligible businesses may be assisted. Grants will be awarded to qualified/eligible businesses based on direct revenue loss up to \$25,000. Actual amount will reflect loss of revenue when comparing 2019 to 2020 annual gross revenue.

How will I receive funds?

A paper check will be sent to the mailing address on your application.

Am I required to set up a new bank account specifically for these funds? No.

Will there be more grants available in the future?

At this point in time, no additional grant cycles are planned for the Restore Rocklin Grant Program.

Is my small business taxed on this grant?

The Restore Rocklin Grant Program cannot provide tax advice to those who receive payments. The administrators recommend that claimants consult with personal tax advisors for any questions regarding tax liability for these payments. Any taxes associated with accepting or using the grant funds are the responsibility of the awardee.

Using Grant Funding

If my business receives a grant, what can I use the money for? What can't I use the money for?

Grant funds may be used to offset or reimburse businesses for costs related to the negative impacts of COVID-19 that have not been covered by funds received from other COVID-related programs, including:

- General business operations
- Payroll expenses
- Supplier payments
- Rent, lease or mortgage payments for the business property
- Personal Protective Equipment (PPE) and/or sanitation supplies and equipment
- Investments in software or technology that allow for a shift to online operations
- Equipment purchases that expand and/or modify operations

What's required of me if I receive a grant? Are there any strings attached?

If selected, you must use these funds for valid COVID-19 related expenses identified in your application. Funds may not be used for a different business or personal expenses. Funding is not transferable.

Do I have to pay the money back, like a loan?

No. The funds you receive are a grant, not a loan, and do not need to be paid back.

Other Questions

My business is struggling, I need help. Where can I go?

You should contact the Sierra Small Business Development Center for free business counseling by sending an email to <u>info@sierrasbdc.com</u>.

If I have questions after reading this FAQ, what do I do?

Call Sierra Business Council, the grant administrator, at 530-582-5022, or email info@sierrasbdc.com