

Business Retention Grant Program: Round Two

Timeline:

Application Opens: Friday, September 8th at 9am

Application Closes: October 6th at 5pm

Available Funds

Available funds are limited and not all eligible businesses may be assisted. Grants will be awarded to qualified/eligible businesses based on six months of rental reimbursement up to \$15,000. Actual amount will reflect rent paid during mandated closure due to COVID-19.

Eligibility Criteria:

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

- The business must have been newly opened and operational in Rocklin between January 1, 2019 to December 31, 2020, *OR*
- The business must have expanded their physical footprint between January 1, 2019 to December 31, 2020 by either: moving to a larger location, opening a second location, or a comparable increase in commercial square footage that meets the criteria.
- The business must be a customer-facing brick and mortar, commercial operation outside of their home that is not an ineligible business type.
- The business must have been ordered to close and/or stop operations due to state-mandated COVID-19 restrictions.
- 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, 2020. 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.
- For businesses with multiple locations, only 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.

Ineligible Businesses

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

- Businesses that received a grant from the Rocklin Business Retention Program Round I that was open from June 15th to July 14th
- Nonprofit organizations
- Professional, nonretail businesses (for example: architects, lawyers, medical professionals, accountants, etc)
- Businesses that do not have a City of Rocklin business license.
- Businesses that were deemed essential and not required to close/stop operations at any point due to COVID-19.
- Businesses that do not have a physical storefront in Rocklin.
- Businesses in which a City of Rocklin elected or appointed official has an ownership interest.

- 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.
- 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 primarily engaged in political or lobbying activities.
- Speculative businesses.

Required Documentation

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

- City of Rocklin Business License
- An executed lease agreement for a physical retail space in Rocklin. Note: additional documentation to prove the validity of the lease will be required, like a copy of cleared check for rent payment
- W-9 Tax Form (for disbursement of checks)

- A photo, screenshot or scanned copy of a valid government-issued photo identification

Eligible Use of Funds for Businesses

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

Ineligible Use of Grant Funds

Grant funds may **not** be used to offset or reimburse the following:

- Loss that bears no relation or are grossly disproportionate to the type or extent of harm experienced due to the COVID-19 public health emergency.
- Contributions to rainy day funds, financial reserves, or similar funds.
- Payment of interest or principal on outstanding debt instruments.
- Inherently religious activities, such as worship, religious instruction, or proselytization and/or those that promote or inhibit religious interest.
- Lobbying, support of candidates for public office, or other political activities.
- Funding for programs or organizations that do not serve City of Rocklin residents.
- Activities that directly fund any private sectarian school or any school not under the exclusive control of officers of the public schools.
- Activities that are prohibited by law, or in the determination of the city, would be deemed illegal by a court of competent jurisdiction.
- Activities that aim to raise funds for a specific cause other than grant recipient.
- Applicants who discriminate on the basis of race, religion, sex, national origin, sexual orientation, age, or disability.