



San  
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THE SPANISH VILLAGE BY THE SEA



# Small Business Grants

2021 CDBG – Covid Relief Grant



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# Background

- The City received additional funding through the federal Community Development Block Grant (CDBG)
- These federal funds are intended to benefit low/mod income individuals and can be used for Economic Development
- City Council allocated the majority of the funding (about \$250,000) to this small business relief grant program
- Grants will assist small businesses for expenses such as PPE, rent, utilities and other eligible costs



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## Grant Amounts

- Grants of up to **\$10,000** per eligible business, six to twenty-five Full Time Equivalent (FTE) employees. (See explanation of FTE employees under eligible use of funds.)
- Grants of up to **\$7,500 per microbusiness**. Five FTE employees or less, one of which can be the owner.
- Minimum grant award of **\$3,000**



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# Number of Employees

- FTE Calculations:
- Full-time employees that work at least 40 hours per week in any month are counted as one full-time employee.
- Part-time employees are calculated by taking the hours worked by all part-time employees in a week and dividing that amount by 40.
- IRS.gov calculates FTE based off of total hours worked by employees for the entire year, divided by 2,080:



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# What can the Grant be used for?

- Payroll/employee retention
- Purchase of personal protective equipment
- Rental costs for temporary improvements to outdoor spaces.
- (Note: purchases of reusable equipment, such as portable heaters, ipads, etc. are not eligible under the federal guidelines)
- Rent or mortgage payments for periods where there has been a 15% drop in year over year revenue
- Utility costs, Gas, Water and or electric for those same time periods
- Facility cleaning/restoration
- *Other* grantor approved expenses related to addressing Covid-19 impacts on the business.



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# Grant Timeline

January 11

- Grant Webinar

January 12-24

- Application window

January 25-31

- Review app's for completeness & assist with documentation issues

February 1-4

- Grant committee reviews applications and announces awards



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# Eligibility

- ✓ Business must be located within the City of San Clemente, with an active business license for the prior 6 months.
- ✓ Business must have been affected by Covid-19. Business sales are down more than 15% compared with the previous year (for the period between April 1 – December 31) and provide documentation to support the economic impact.
- ✓ Business must have 25 or fewer full time equivalent (FTE) employees including the owner.
- ✓ Business must create or retain at least one low/mod FTE for a minimum of 2 months.
- ✓ Business must provide a Safe Reopening Plan that addresses employee and customer health referencing State and/or County business sector guidance (refer to <https://covid19.ca.gov/safer-economy/>).
- ✓ The business has or will obtain a Data Universal Numbering System (DUNS) Number if a grant is awarded (can be obtained at <http://fedgov.dnb.com/webform>).
- ✓ The business must disclose as of the date of the application whether they have received funding or capital through alternative sources and how the funds were used (e.g. Economic Injury Disaster Loan (EIDL) or Payroll Protection Program (PPP) Loan; Orange County Small Business Grant; SafeDine OC Grant. Receipt of grants does not disqualify an application for this program. However, funds cannot be duplicated for the same purpose.
- ✓ The business must submit the application and all required supporting documents.
- ✓ The business must be in good standing and not have any outstanding municipal code violations.
- ✓ Locally owned franchises (with majority ownership residing in Orange County, CA) may be eligible.



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# HUD / CDBG Requirements

- All grants in this program must benefit low- or moderate-income households in accordance with Housing and Urban Development (HUD) income guidelines. *For microbusiness applications only*, the business owner's current income is at or below 80% of the Orange County median income, adjusted for household size; or
- The business intends to retain at least one full-time equivalent, permanent low- and moderate-income job, of which 51% of its employees are low- and moderate-income, full-time or equivalent employees.
- As of July 1, 2020, the maximum annual gross income threshold is **\$71,750** for a single person household.





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# Application

- Web site will be live Tuesday, January 12<sup>th</sup>:

<https://www.san-clemente.org/departments-services/economic-development/small-business-covid-relief-grant>



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# Submittal instructions

- Applications will be accepted from January 12 to January 24, 2021. All Applications must be submitted by the deadline of midnight on January 24<sup>th</sup> by one of the following methods:
- By email (if 10MB or less) to [EconDev@san-clemente.org](mailto:EconDev@san-clemente.org); or
- By usb/flash drive or hard copy mailed to City Hall AND post marked by January 22, 2021, addressed as follows:

**City of San Clemente  
Attn: Economic Development  
910 Calle Negocio, San Clemente 92673**



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# Grant Awards

- Grant Committee will review applications Feb 1-4
- Target award announcement: February 4, 2021.
- IF there are not enough funds to award all eligible applicants, the Committee will prioritize those demonstrating greater revenue impact.
- IF there are remaining funds, the Committee will consider a 2<sup>nd</sup> Round of Grants.



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# Questions?

Note: Please submit additional questions to [EconDev@san-clemente.org](mailto:EconDev@san-clemente.org)

An FAQ will be published online



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# Additional Funding Opportunities

- California Small Business COVID-19 Relief Grant Program
  - Grants from \$5k - \$25k
  - Application closes end of day on January 13<sup>th</sup> (Wednesday)
  - <https://careliefgrant.com/>
  - [https://fullerton.zoom.us/webinar/register/WN\\_DNMLHwM5SSehzRxAKkSFZA](https://fullerton.zoom.us/webinar/register/WN_DNMLHwM5SSehzRxAKkSFZA)
- OC Fifth District Grants – coming soon
- Federal programs: PPP, EIDL, etc.
  - Ask SBDC webinars- information and questions around grant programs (PPP, EIDL and California grant programs- multiple languages): <http://bit.ly/3pRbxlv>

# Grants, Loans, and Assistance for Small Businesses

COVID-19 SMALL BUSINESS WEBINAR

## We will be discussing:

- State Small Business Grant
- California Rebuilding Fund Loan
- Other Funding Opportunities
- Updates on EIDL and PPP
- Additional Business Resources
- Q&A

## Webinars Schedule:

- Thursday, Jan 7 | 4 PM
- Saturday, Jan 9 | 9 AM
- Monday, Jan 11 | 4 PM
- Wednesday, Jan 13 | 9 AM
- Friday, Jan 15 | 4 PM

**Register: [bit.ly/3pRbxlv](https://bit.ly/3pRbxlv)**



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# Thank You

This webinar will be uploaded to the City's Youtube Channel under the ["PSA's and City Videos" Playlist](#)