

## Overview of the CARES ACT Business Grant Program

### APPROXIMATE NUMBER AND SIZE OF GRANTS\*:

- 84 grants of \$10,000 for business with 2 – 10 employees
- 8 grants of \$20,000 for businesses with 11 – 20 employees
- 4 grants of \$50,000 for business with 20+ employees

\*if the number of applications varies significantly, the loan committee may adjust the number of grants accordingly.

**FOCUS ON IMPACTED SECTORS:** Small businesses in the Hospitality and Entertainment, Retail Trade and Tourism sector would be given preference, including (but not limited to) hotels, restaurants, retail stores, personal services establishments, and tourism venues. Statewide data shows these sectors have been the most impacted in terms of employees laid off. All small businesses, regardless of sector, would be eligible for the grants if they meet the criteria.

**FOCUS ON WOMEN, MINORITY AND VETERAN-OWNED BUSINESSES:** Small businesses that self-certify as being Women-owned or Minority-owned (as defined by the Virginia Department of Small Business and Supplier Diversity) or self-certify as a veteran of the armed forces (as defined by the Virginia Department of Veterans Services) will be given preference in the application scoring process.

**BUSINESS SIZE:** Business would be required to have a minimum of two and a maximum of 110 full-time employees on site in Albemarle County.

### OTHER CRITERIA:

- Have a physical location in Albemarle County
- Have a current Albemarle County Business License
- Be current on business taxes prior to March 1, 2020 (such as real estate, business tangible property tax, and BPOL)
- Minimum of two years of business operation
- Must be a for-profit business

### INELIGIBLE BUSINESSES:

- Banks and financial institutions
- Self-employed, with no employees
- Home-based businesses
- Franchise businesses, except those locally (Albemarle County) owned and operated
- Vape, tobacco, gambling, sex-related industries and weapons manufacturers

**USE OF FUNDS:** Grant funds shall be used in accordance with the CARES Act. Eligible expenses are costs incurred due to the public health emergency with respect to COVID-19, which can include ongoing expenses such as payroll, rent, insurance, or other operating expenses or adaptive costs such as the purchase of e-commerce equipment, website creation or upgrade to online sales.

**DOCUMENTATION REQUIRED OF APPLICANT:**

- Current County Business License (if applicable) and proof of payment of County taxes (i.e. business tangible tax, real estate tax and/or BPOL)
- IRS form W-9 and IRS form 941
- Evidence of existing expenses or lost revenue as a result of COVID-19
- Narrative section of application (to be scored)
  - a) Description of the business and existing business model
  - b) Description of any future changes to business plan in response to COVID-19
  - c) Description of how business supports tourism
- Disclosure of any other COVID19-related funding (PPP, EIDL, other loans) received since March 1, 2020
- Self-certification as a Woman, Minority, or Veteran-owned business

**ADMINISTRATION PROCESSES:****Appropriation Process:**

- Board of Supervisors' approve \$1,250,000 for the CARES Act Business Grant program
- Department of Economic Development, County Attorney, and Finance Department will finalize agreements
- Department of Economic Development will partner with the Community Investment Collaborative (CIC) to accept grant applications, which would include the applicant agreeing to the terms and conditions described above.
- CIC will be charging a 3% application fee to administer the program.

**Marketing Process:**

- Up to \$14,000 in funding will be used for marketing, outreach, and training to rural and under-resourced businesses.
- Department of Economic Development, in concert with the Communication and Public Engagement (CAPE) Office, would market program through County communication channels, social media, and other business/community partners.
- Department of Economic Development will host an informational webinar for potential applicants prior to the application opening.

**Application Process:**

- Businesses would apply by late July-early August 2020.
- The application period would consist of no less than a 7-day window.
- CIC will divide applicants by grant size for which they qualify.
- CIC will review applications and obtain any needed additional information from applicants.
- CIC and Economic Development will form a diverse grant application committee and make a recommendation of grant recipients based on the applicant pool.
- The grant committee will present recommendations to a separate entity who will have decision-making authority on grant recipients.

- All grant recipients (including the grant amount) will be posted on County website for transparency.
- Grant recipients will receive grant monies through the CIC.

**FOLLOW UP:**

- Businesses will provide written report to Albemarle County in 1<sup>st</sup> quarter of 2021. If applicable, this report will include evidence the business used the funds in compliance with CARES Act guidelines.
- The Office of Economic Development will contact each business monthly for status update.
- A Small Business Development Center mentor or counselor will be made available to each business as needed.