



**City of Pompano Beach  
Policy & Procedures  
COVID-19 SMALL BUSINESS RELIEF GRANT PROGRAM**

All businesses interested in the City of Pompano Beach's CDBG Small Business Relief Grant Program are encouraged to reach out to City Staff by phone at (954) 786-4659 or by email at [OHUI@copbfl.com](mailto:OHUI@copbfl.com).



## 1.0 INTRODUCTION

COVID-19 SMALL BUSINESS RELIEF GRANT PROGRAM- In response to the economic hardships experienced by small businesses resulting from the COVID-19 pandemic, the City of Pompano Beach is launching the COVID-19 Small Business Relief Grant Program in an effort to retain jobs and stabilize local businesses. This program is designed to assist eligible small businesses with a one-time grant of up to \$25,000. Assistance will be provided directly to the owner/s of the small business. Assistance will be provided on a first-ready, first-served basis and a limited number of applications will be accepted based on funding availability.

This program is intended to assist small businesses retain or create jobs for Low-to-moderate income persons.

The City of Pompano Beach Office of Housing and Urban Improvement has modified its existing economic development program to serve small businesses with up to twenty-five (25) employees at the time of application.

Initial applications will be accepted on a rolling basis until all funds have been fully expended. Only complete applications will be considered for assistance.

## 2.0 PROGRAM REQUIREMENTS

### 2.1 Eligibility and Terms

Eligible businesses may be awarded up to \$25,000 in grant funds through the CDBG Relief Program.

- i. Eligibility (Applicants must meet all of the following eligibility criteria:
  - For-profit business located within the City of Pompano Beach.
  - 25 employees or less including the owner/s.
  - Must have a current/active BTR (Business Tax Receipt) with the City at the time of application.
  - Business must have been negatively impacted by COVID-19 (must be able to document loss of income as a direct result of COVID-19)
  - Business has been in operation for 24 months or more (from March 1, 2018).
  - Business with a net annual business income of less than \$500,000 based on their last federal tax return.
  - Applicant is 51% + majority owner of business.
  - Owner/applicant is a qualified Low/Mod Income household (for businesses with no more than 25 employees) OR business commits to retaining full time equivalent job held by a Low/Mod Income household. (See Appendix A for HUD Income Limits Chart)
  - Owner is 18 years or older.
  - Owner has a valid SS #, EIN & DUNS, Business Bank Account at the time of application.
  - Owner/Applicant is not currently in bankruptcy.
  - Owner/Applicant is current with property taxes and municipal fees, or has a payment plan in place with the municipality as of May 30, 2020.
  - Business will have active liability insurance at the time of application.
  - Business does not have a conflict of interest with the City of Pompano Beach.

ii. **Terms**

- Maximum Award: \$25,000

**2.2 PROGRAM SERVICE AREA**

Assistance under this Program is available to eligible for-profit businesses registered and located within the City limits of Pompano Beach. The location of the business will be determined by the business registration address.

**2.3 FUNDING SOURCE AND CASH ADVANCE METHOD**

The Small Business Relief Grant Program is funded through Community Development Block Grant funds provided by the Federal Department of Housing and Urban Development (HUD) to the City of Pompano Beach. As such, these funds have Federal requirements, as described below.

Funds will be disbursed by the cash advance method which involves the transfer of CDBG funds from the grantee based upon the subrecipient's request (and information on obligations) before the actual cash disbursements have been made by the subrecipient. The City will review, determine eligibility and weigh the risk prior to any funds being awarded. Funds will be awarded at the sole discretion of the City.

**2.4 ELIGIBLE APPLICANTS**

- For-profit businesses with up to twenty-five (25) employees at the time of application submission may apply, subject to restrictions set forth in 24 CFR 570.203 regarding Special Economic Development projects.
- Eligible applicants must have an active Pompano Beach Business Tax Receipt (BTR) as of the application date.

**INELIGIBLE APPLICANTS**

- 2.5**
- An ineligible existing business applicant is one that has a physical business location or registration outside of the City limits.
  - Nonprofit organizations are not eligible businesses, and will not be considered for funding.
  - Other ineligible businesses include home-based businesses.

**2.6 ELIGIBLE USE OF FUNDS**

The City of Pompano Beach will review the project scope of work submitted in the application. Grants are restricted to certain eligible costs, especially those related to basic operating capital for leasing space, insurance and/or utilities, and staff salaries. As secondary requests, the City will also consider requests for inventory/business supplies.

## **2.7 INELIGIBLE USE OF FUNDS**

In addition to CDBG-ineligible costs outlined in 24 CFR 570, funds under this Program may not be used to:

- Reimburse expenses incurred prior to Applicant approval of grant or grant.
- Pay off non-business debt, such as personal credit cards for purchases not associated with the business.
- Purchase personal expenses such as buying a new family car or making repairs to a participant's home.
- Direct financing to political activities or paying off taxes and fines.
- Purchase personal items, or support other businesses in which the borrower may have an interest.

## **2.8 APPLICANT CAPACITY**

The City must confirm that the business and the applicant(s) possess the capacity to execute the project proposal to be successful with the use CDBG funds. As such, grant applicants for the COVID-19 Small Business Relief Grant Program are required to demonstrate management capacity and ability to successfully operate a business through their applications.

## **2.9 JOB RETENTION/CREATION**

For the Relief Program, priority will be given to applicants that commit to retaining employees or jobs. Unless a business applicant's owner is a member of a low-/moderate-income household and the business qualifies as a HUD-defined microenterprise, then retention or creation of at least one job held by a low-/moderate-income household is required to access funds in this program. Job retention is defined as total full-time equivalent positions retained at 40 hours per week, or any combination of part-time positions combining for 40 hours per week, including owners. At least 51% of the positions retained or created must be held by employees who are a member of a low-/moderate-income household.

## **3.0 PROGRAM DETAILS**

### **3.1 GENERAL CREDIT REQUIREMENTS**

#### ***A. Outstanding Taxes, Fines and Fees***

Outstanding debts from municipal citations, child support, taxes owed to federal and state agencies, and delinquent property taxes do not disqualify applicants, IF proof of formal payment arrangements is provided.

#### ***B. Traditional Credit***

Applicants may elect to submit personal credit information if they feel it would strengthen their application.

### **3.2 OTHER REQUIREMENTS of HUD SOURCED GRANTS**

Grant Applicants must:

- Not be listed on the Federal Debarred list (SAM Search)
- Provide a valid DUNS number

### **3.3 PROGRAM ADMINISTRATION**

The City will:

- Originate Relief Grant funds
- Market the Relief Grant program and promote enrollment dates
- Accept and process applications
- Complete Income Eligibility qualification and document number of employees
- Collect third party documentation from applicant of job loss/business closure (if not for the grant assistance)
- Review and underwrite application requests
- Ensure timely disbursement of funds
- Maintain agreement documents and fiscal records
- Administer grants for this program
- Ensure compliance with program guidelines as they relate to the funding source

### **3.4 GRANT TERMS AND CONDITIONS**

Financial assistance from the program is designed to keep businesses operational and retain jobs. Terms and conditions are determined by material submitted in the application

- Grant – the funding is in the form of a grant. Business must be able to provide evidence (in the form of payroll records) of job retentions for at least 6 months, otherwise the funds must be repaid to the City of Pompano Beach. The City will be requesting payroll records at the time of the application and 6 months after the funds have been disbursed to ensure at least one LMI job has been created or retained in that time period.
- Allow City to collect certain income and demographic data from applicants and their employees.
- Allow the City to collect 3<sup>rd</sup> party documentation such as financial information that demonstrates that potential business closure or layoffs
- Amount – maximum grant award of \$25,000.

## **4.0 PROGRAM OPERATIONS AND GRANT PROCESSING**

### **4.1 PROGRAM MARKETING AND OUTREACH**

Program marketing will be conducted by the City. Examples of marketing include a formal press release, ads in local publication, a dedicated page on the City's website, various social media posts in both the City's and CRA's social media channels and the posting of flyers at City Hall.

### **4.2 EQUAL OPPORTUNITY COMPLIANCE**

The Relief Grant Program will be implemented in ways consistent with the City's commitment to State and Federal equal opportunity laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with

CDBG program funds on the basis of his or her religion, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental disability, sexual orientation, or other arbitrary cause.

**4.3 APPLICANT CONFIDENTIALITY**

All personal and business financial information will be kept confidential to the extent permitted by law. COVID-19 Small Business Relief Grant Program participant files with personal and business confidential information will be kept in locked, secured storage units.

**4.4 DISPUTE RESOLUTION/APPEALS PROCEDURE**

Applicants whose applications are not selected or not deemed eligible have the right to appeal the decision of the City, limited to procedural errors in the selection process. In the event that no such procedural errors are found to have occurred, the decision of the City shall be final. An aggrieved applicant may, within seven (7) business days after the selection of prospective eligible projects, appeal in writing to the Director of Housing and Urban Improvement or their designee. The appeal must state all facts and arguments upon which the appeal is based. The Director, or the appointed Designee, will review the content of the City's Small Business Relief Grant Program Guidelines, the applicant's application, and the facts which form the basis for the appeal. The Director, or the appointed Designee, will render a written decision within thirty (30) business days of the receipt of the appeal.

**4.5 EXCEPTIONS / SPECIAL CIRCUMSTANCES**

The City, however, reserves the right, at its sole discretion, to deviate from City-imposed policies and procedures in extenuating circumstances. A request for exception to program guidelines shall be submitted to staff in writing by applicant. Exceptions are defined as any action which would depart from policy and procedures stated in the guidelines.

**4.6 GRANT CLOSING PROCESS**

Upon successful completion of application process, the applicant will submit a written request describing what the grant funds will be used for. The City will review this request and determine the eligibility before any cash disbursement is made to the applicant. Funds will be awarded at the sole discretion of the City. If the applicant is requesting to use a portion of the funds in order to pay third party vendors for purchase orders this must be detailed in the applicants written request. The City reserves the right to request receipts from the applicant for these expenditures.

**4.7 APPLICATION REVIEW**

Applications to the Small Business Relief Grant Program are presented by business owners/agents to City staff. Staff will review the applications and score them according to the scoring criteria. Top scoring applications will be recommended for approval, until all funding is exhausted. Applications may also be approved subject to emergency authority granted to the City Manager of the City of Pompano Beach. In addition, the City Manager reserves the right to determine the award amount (not to exceed \$25,000).

**APPENDIX A**

**2020 HUD LOW/MOD INCOME HOUSEHOLD THRESHOLDS**

---

**2020 HUD Low to Moderate Income Guidelines for Fort Lauderdale, FL**

<b>Family Composition</b>	<b>Extreme Low Income 30%</b>	<b>Very Low Income 50%</b>	<b>Low Income 80%</b>
1	\$18,750	\$31,200	\$49,950
2	\$21,400	\$35,650	\$57,050
3	\$24,100	\$40,100	\$64,200
4	\$26,750	\$44,550	\$71,300
5	\$30,680	\$48,150	\$77,050
6	\$35,160	\$51,700	\$82,750
7	\$39,640	\$55,250	\$88,450
8	\$44,120	\$58,850	\$94,150