

Save Our Community Businesses Program

Program Guidelines

Description of Program and Business Rules

Pursuant to the _____ adoption of Resolution No. _____ by the Council of the City of Chowchilla authorizing the creation and implementation of the “Save Our Community Businesses Program” to be administered by the Community and Economic Development Department, City of Chowchilla, CA.

The program is available to for-profit small businesses with fifteen or fewer employees that are impacted by the COVID-19 state and local “Stay in Place” orders; the funds available for this program is \$200,000.

Definitions

Applicant (Business): A for-profit business submitting an application

Recipient: A for-profit business receiving a distribution from the Save Our Small Businesses fund

Administrator: Mark Hamilton, Director of Community and Economic Development

Goals

Small businesses in the City of Chowchilla subject to the Shelter in Place orders need immediate help to stay viable under the current circumstances.

1. The program guidelines shall ensure that the funds are distributed fairly and equitably
2. The program shall distribute funds quickly
3. At least twenty-five percent (25%) of funds shall be distributed to businesses with ten (10) or fewer employees
4. The application process shall provide privacy protection of financial and business data consistent with applicable law
5. The application shall be readily accessible to all of Chowchilla’s small business-owners
6. The program will be widely publicized on the City’s website, Facebook Page, and all businesses with current business license will receive a flyer in the mail so no business is excluded

The following process for ensuring a fast and fair distribution:

- An application period of (10) ten business days shall be open during which applications shall be accepted
- Applications will be reviewed for eligibility requirements
Applications will be funded on a first come, first served basis. Incomplete application will be returned to the business owner to complete and resubmit

Business NOT Eligible for Program Funding

- Lending/Mortgage establishments

COUNCIL RESOLUTION ###-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHOWCHILLA, CALIFORNIA DIRECTING STAFF TO CREATE THE SAVE OUR COMMUNITY BUSINESSES PROGRAM

WHEREAS, on March 13, 2020, President Trump declared a National Emergency concerning the Novel Coronavirus Disease (COVID-19) outbreak; and

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency in the State of California related to COVID-19; and

WHEREAS, the City has declared a State of Emergency related to COVID-19; and

WHEREAS, small businesses seek assistance to avoid layoffs, business closures, and economic disruption during this emergency; and

WHEREAS, the City anticipates significant adverse local economic impacts in the form of job losses, along with businesses and sales tax revenue reductions as a result of the COVID-19 outbreak; and

WHEREAS, the City desires to help assist small businesses to help them remain viable and to secure our tax base.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chowchilla hereby finds, determines and declares the following:

1. The recitals above are true and correct; and
2. The Council hereby directs City staff to create a grant/loan program for small businesses, with fifteen or fewer employees, that are directly and adversely impacted by COVID-19 pandemic to be initially funded by \$100,000 from City General Fund, with potential additional source funding, including CDBG funds, of up to \$100,000; and
3. The grant/loan program shall be administered consistent with the policy set forth in Exhibit A; and
4. To be eligible, a business must not have any unpaid judgments or tax liens, and shall have a valid City of Chowchilla business license filed prior to December 31, 2019. The business must be viable and have been operating for more than six (6) months prior to March 4, 2020; have been required to close or reduce operations by the City's Emergency Order; and demonstrate a loss of 25% or more of revenue due to COVID-19 pandemic; and
5. Assistance shall be structured as a grant, the owner of the business will have no obligation to the City of Chowchilla to reimburse the City any of the amount received, unless the funding source requires repayment; and
6. City reserves the right to amend or eliminate this grant/loan program as future conditions necessitate.
7. These authorizations are effective per the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Chowchilla this 17th day of April, 2020 by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Waseem Ahmed, Mayor

ATTEST:

Joann McClendon, CMC
City Clerk

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Business NOT Eligible for Program Funding

- Lending/Mortgage establishments
- Gambling establishments

- Not-for profit businesses or Non-Profit Organizations
- Adult Entertainment establishments
- Pyramid establishments (that make their profit off of the direct recruitment of other members)

Eligibility Requirements

- Applicants must be a for-profit Business physically located and operating in the City of Chowchilla
- Funds are limited to (1) award per business entity
- Applicant (Business) must have been operating with a current and valid City of Chowchilla Business License/Tax Certificate since at least December 31, 2019
- Applicant (Business) must have 15 or fewer employees as of March 4, 2020
- Applicant (Business) must demonstrate that they have been negatively impacted (25% or more revenue loss) by the state or local emergency “Shelter In Place” orders
- An Applicant Business must not have declared bankruptcy and have no outstanding local, state, federal, tax liens, judgments, municipal code violations
- Any business that was determined as non-essential business or was recently required to close or reduce operations by the City's Emergency Order
- Have an existing store front located within the City of Chowchilla

Program Terms

- A \$5,000 award for eligible small businesses with five or fewer employees prior to December 31, 2019
- A \$7,500 award for eligible small businesses with 6 to 10 prior to December 31, 2019
- A \$10,000 award for eligible small businesses with between 11-15 employees prior to December 31, 2019

Program Administration

Program Launch

- Applications will be accepted for a seven (7)-day calendar period from April 24, 2020 through May 1, 2020.
- Applications must be submitted by email to Mark Hamilton at mhamilton@cityofchowchilla.org or by facsimile at (559) 665-7419 no later than 4:00 PM, Friday May 1, 2020
- Applicants are encouraged to apply early. There will be no exceptions! Applicants will receive an email notification/confirmation the application was received.
- Administrator will promote the City's program through a dedicated webpage, television, radio, and social media outlets
- Administrator will provide program information to other economic and community development organizations, civic, and business associations encouraging them to disseminate awareness of the program to their membership

Award Selection

- Administrator will review all applications received as they are submitted and verify them for eligibility
- Applications will be reviewed as they are submitted and will be determined if they are eligible the same day in which they are received

- Eligible applications selected on lottery basis to be held Tuesday, May 5, 2020.
- Incomplete applications will be returned to the submitting business the next business day with a letter on City Letterhead stating why the application was determined to be incomplete
- Once all funds have been awarded, all remaining unfunded applications will be returned to the business

Award Distribution

- Applicants will be notified by telephone and/or receive email notification/confirmation when the application is approved and funded.
- Administrator will report the final distribution of awards to the City Administrator; reporting shall consist of the total number of applications during the application period with the final award distribution for each Recipient

- Gambling establishments
- Not-for profit businesses or Non-Profit Organizations
- Adult Entertainment establishments
- Pyramid establishments (that make their profit off of the direct sales of other independent contractors?)

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Save Our Community Businesses Program Checklist

A. Application Documents (submit for approval)

- Application
- Statement of how your business has been impacted or business model has changed
- Copy of Owner(s) Driver's License or Identification
- Voided Check or Direct Deposit Form Proof of Business Liability
- California DE-6 Form, Quarterly Wage and Withholding Report
- W-9

Save Our Community Businesses Program APPLICATION

1. APPLICANT INFORMATION

Business Legal Name:		Employer/Tax ID #:
Business Structure: <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> LLC		
Business Address:	City:	Zip:
Mailing Address (if different):	City:	Zip:
Phone/Cell:	Email:	

Referral Source:			
<input type="checkbox"/> Social Media	<input type="checkbox"/> Word of Mouth	<input type="checkbox"/> Website	<input type="checkbox"/> Other

Business Tax Certificate Number:	Expiration Date:
2019 Annual Gross Sales:	# of Employees prior to 2/15/2020: FT _____ PT _____
Date Business Established In Chowchilla:	# of Employees after 2/15/2020: FT _____ PT _____

All owners with >20% ownership must apply. Credit will not be checked nor reported

Owner Name:	SSN#	DOB:
Title:	% Ownership	
Home Address:	City:	Zip:
Owner's Gender:	Owners Ethnicity:	
Owner Name:	SSN#	DOB:
Title:	% Ownership	
Home Address:	City:	Zip:
Owner's Gender:	Owner's Ethnicity:	

2. BUSINESS INFORMATION

- A. Have you applied for, expect to apply for, or have been approved for an SBA Economic Injury Disaster Loan (EIDL)?
 - Yes
 - No

- B. Have you applied for, expect to apply for, or have been approved for a Payroll Protection Program Loan?
 - Yes
 - No

- C. Does the business have any unpaid local, state, federal tax liens, judgments or municipal code violations?
 - Yes
 - No

- D. Does business have a valid City of Chowchilla business license/tax certification filed prior to December 31, 2019?
 - Yes
 - No

3. Use of Funds:

Working Capital: <i>(rent, payroll, utilities or other fixed operating expenses)</i>	Award Amount Requested:
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4. ADDITIONAL QUESTIONS

- Has your business been negatively impacted by the state or local emergency “Shelter in Place” orders?
- Has your business been partially closed due to the state or local emergency “Shelter in Place” order?

Have you been operating for more than six (6) months prior to March 4, 2020?

- Yes
- No

Do you give the City Administrator permission to request and verify information from the City of Chowchilla on status of local tax account and verification of business license?

- Yes
- No

5. REQUIRED APPLICATION DOCUMENTS

Please include all of the following:

- Application
- See *Application Check List*

6. CERTIFICATION

To the best of my knowledge and belief, I certify: The information in this application is correct and complete.

Name applicant:	Title:
Signature:	Date:

Name co-applicant:	Title:
Signature:	Date:

For internal use only:

Application Status: <input type="checkbox"/> Approved <input type="checkbox"/> Denied	
Reason for Denial:	Date:
Award Amount: <input type="checkbox"/> \$5,000 1-5 employees <input type="checkbox"/> \$7,500 6-10 employees <input type="checkbox"/> \$10,000 11-15 employee	