Clearwater's Back to Business Grant and Professional Services Program

Purpose

City of Clearwater has identified up to \$4 million in emergency relief funds to support the small businesses hardest hit by the COVID-19 pandemic. City of Clearwater will provide emergency financial support through the *Clearwater Back to Business Grant and Professional Services Program* ("Back to Business Program") for qualified small businesses that are negatively impacted by the COVID-19 pandemic due to orders to close or limit operations. This program is intended to: 1) help offset the significant, temporary loss of revenue to these qualified businesses during this pandemic; 2) assist businesses in retaining and paying employees; and 3) prepare businesses for recovery and resiliency post-pandemic.

The Back to Business Program

- 1. Will provide to qualifying "Brick & Mortar" Businesses:
 - \$3,000 "quick pay" grant to be used for business expenses including, but not limited to commercial rent or mortgage and/or utilities, vendor payments, employee wages, other.
 - b. Access to and payment of certain Professional Services. Services will be procured by and through contractual relationship with non-profit organization(s). Services will be funded in an amount not to exceed \$1,000 per qualifying applicant.
 - c. \$2,000 grant upon completion of Professional Services obligations.
- 2. Will provide to qualifying Home-Based Businesses:
 - a. Access to and payment of certain Professional Services. Services will be procured by and through contractual relationship with non-profit organization(s). Services will be funded in an amount not to exceed \$1,000 per qualifying applicant.
 - b. Grant equal to 1 month's revenue, not to exceed \$2,000, as evidence by appropriate financial records.
- 3. Will provide to nonprofit organizations that provide, facilitate, and coordinate Professional Services
 - a. Payment of Professional Services Fees as evidenced by invoices for completed services.
 - b. An administrative fee equal to 10% of professional services rendered.

Eligibility

Businesses are eligible to participate in the Back to Business Program if:

- The business has filed and paid for a Business Tax Receipt as of February 29, 2020, with the City of Clearwater for the operation of a qualifying business; and
- The business is located and operates within the incorporated limits of the city of Clearwater; and

- The business has at least 1, but no more than 25, full-time equivalent (FTE) employees which may include a combination of part-time employees who, together account for no more than 1,000 employee hours, (25 FTE x 40-hour work week) including the business owner; and
- The business has been operating since at least October 1, 2019, and was still in operation on February 29, 2020; and
- Business is expected to return to full operation within a reasonable period of time after local and state emergency guidelines related to COVID-19 are rescinded; and
- Business is identified as an Eligible Business Type as described herein.
- Special considerations for Home-Based Businesses:
 - Must provide evidence of a minimum \$12,000 in annualized revenue, and
 - 1 of the following conditions must exist:
 - Home in which business is located must be within a HUD-designed lowmoderate income census tract and the business serves clientele within that tract; or
 - The business owner's total household income is below 80% of area median income (AMI) as determined by HUD; or
 - The requested funding will allow the business to retain at least one employee whose total household income is below 80% of AMI; or

Eligible Business Types:

- "Food Service Establishments" as defined in <u>Chapter 500, Florida Statutes</u>, and "Public Food Service Establishments" as defined in <u>Chapter 509, Florida Statutes</u>.
- Bars, pubs and nightclubs as described in <u>Governor's Executive Order 20-68</u>.
- Short-term lodging establishments and vacation rental management companies that collect and remit Tourist Development Taxes.
- Non-essential businesses covered under Section 5 of the <u>"State of Florida & Pinellas County</u> <u>'Safer-at-Home' Guidance</u>" document.
- Places of public and private assembly covered under Section 2 of the <u>"State of Florida & Pinellas</u> <u>County 'Safer-at-Home' Guidance" document</u>.

These business types were selected because they were either required to close due to the Governor's or Pinellas County Board of County Commissioners' (BCCs') orders or were severely impacted by those orders, as in the case of food service and lodging establishments. While restaurants may remain open for carryout or delivery, the orders still resulted in a significant loss of employment and revenues. Many restaurants were not able to adapt or retain employees and closed entirely.

The lodging industry depends heavily on the City's beaches and attractions – all of which were closed by the orders. Non-essential travel is also restricted by government orders.

The Back to Business Program is a companion to the Pinellas County CARES Small Business Grant Program that is currently offered by Pinellas County. Eligible businesses that have already applied for or received funding from county, state and/or federal grant programs may still be eligible for the Back to

Business Program. Owners with more than one eligible business may submit an application for each legal entity.

Ineligible Businesses

- Firms with more than 25 full-time equivalent (FTE) employees.
- Publicly traded companies. These firms are owned by the stockholders, who may not be local residents and are not involved in the day to day operations of the company.
- Non-profit organizations. 501(c)(3) organizations are by definition "charitable organizations" and receive funding primarily from private donors and governmental sources. Other 501(c) organizations are involved in lobbying activities and/or are supported primarily by member dues, rather than by sales of products or services.
- Firms with unpaid code enforcement liens against them.
- Firms with an owner, officer, partner, or principal actor who has a felony or financial mismanagement conviction within the last two years for which he or she is still serving a sentence (including prison, parole, and probation).

Application & Review Process

- Applications will be submitted using a digital online portal.
- Applicants will be required to attach supporting documentation to prove their business location, status and employee count, and to demonstrate recent business income and expenses.
- Applicants will be required to digitally sign the application and attest, under penalty of perjury, that all information submitted is truthful.
- Completing the application should take approximately 15-20 minutes, if the applicant has the necessary documentation at hand.
- Staff will consider and review each application based on its completeness, the eligibility of the applicant, and the availability of funds;
- Program funds will be provided to eligible businesses that submit a complete application on a first-come, first-complete basis and until funds are exhausted. "Complete Application" is one that includes all required information, answers to all questions posed, and all required attachments.
- Incomplete or facially-deficient applications will be denied; city staff will notify applicants that have incomplete or facially-deficient applications within five days of submission, and the applicant can make necessary corrections and resubmit an application after this notification.
- All grant awardees will be required to execute a Grant Agreement(s) before funds will be disbursed.
- All awardees participating in the Professional Services program will be required to execute a Terms of Services Agreement(s) (Services Agreement(s)) in an amount not to exceed \$1,000 in total Professional Services, and complete the requirements of said Services Agreement(s) before (up to) \$2,000 grant is disbursed.

Partner Agency Responsibilities

- Non-profit organizations (Partner Agency(ies)) providing administrative and support services including matching of qualifying applicants to qualified Professional Service Providers (Providers) must execute a Subrecipient Agreement and/or Agreement to Provide Administrative Support for Clearwater's Back to Business Program (together, Agency Agreement(s)).
- Partner Agency will invoice the city of Clearwater in accordance with the terms of the Agency Agreement(s) inclusive of a 10% administrative fee equal to the total amount of Professional Services completed but not to exceed \$1,100 for each qualifying applicant that successfully completes Terms of Services Agreement(s) requirements.
- Partner Agency will remit payment to Provider (less administrative fee) upon receipt of funds from city of Clearwater.

Professional Service Provider Responsibilities

- Providers will receive Applicant referrals from Partner Agency and engage Applicant in accordance with the Agency Agreement.
- Provider, with guidance from Partner Agency, will negotiate, create and execute Terms of Services Agreement(s) with referred Applicant.
- Upon completion of Provider Services, Provider will submit to Partner Agency adequate records of completed services.
- Services provided in addition to those funded by city of Clearwater are to be expressly acknowledged and accepted by the Applicant. Applicant is responsible for any fees in excess of \$1000 inclusive of all services provided to Applicant under the terms of the program.

Timeline

- May 7 to May 10: Program outreach and education.
- May 11 to December 31, 2020 (or until funds are exhausted): Application portal open for submissions from eligible Clearwater small businesses.