



# Placentia Small Business Emergency Relief Grant Program Application

Funded by:  
Community Development Block Grant  
Coronavirus Response  
(CDBG-CV)

Approved by:  
Placentia City Council on May 19, 2020

**Applications Due – Thursday, May 28, 2020 at 5:00 p.m.**

**PLACENTIA SMALL BUSINESS EMERGENCY RELIEF GRANT PROGRAM  
COMMUNITY DEVELOPMENT BLOCK GRANT  
CORONAVIRUS RESPONSE (CDBG-CV)**



**APPLICATION**



**I. APPLICATION INSTRUCTIONS**

**A. INTRODUCTION**

In response to the Coronavirus Pandemic (COVID-19) the U.S. Department of Housing and Urban Development Community Development Block Grant program has notified the County of Orange and the City of Placentia that they will receive a formula allocation from the first round of CDBG-CV funding to be used specifically for the prevention of, preparation for, and response to the Coronavirus. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed on March 27, 2020.

On May 19, 2020 the Placentia City Council approved the allocation of these funds to assist small businesses that have been directly impacted by the COVID-19 pandemic. The City of Placentia is accepting applications from businesses that meet the following requirements:

- Must be physically located in Placentia;
- Must be located in a commercial or industrial zone (brick and mortar);
- Must have an active Placentia business license for a minimum of six months;
- Must have fifteen or fewer employees, including the owner;
- Must have a minimum of one W-2 employee;
- Must provide proof of financial hardship due to COVID-19;
- Must not have any existing municipal code violation(s);
- Must not have a bankruptcy or foreclosure within the last six months;
- Must not be in default with their lease agreement or mortgage payment within the last twelve months;
- Must submit the application and all required supporting documentation; and
- Must disclose if they have received capital through alternative sources (e.g. Economic Injury Disaster Loan (EIDL) or Payroll Protection Program (PPP) Loan) at the time of application submittal.

## B. AVAILABLE FUNDING

The program is based on the availability of CDBG-CV funds, program guidelines, and submission of all required information. Based on the criteria stated above, eligible applicants will receive a working capital grant of up to ten thousand dollars (**\$10,000**) to support payroll expenses, rent, mortgage payments, utility expenses, employee salaries or similar expenses that occur in the ordinary course of business from March 1, 2020 to December 30, 2020. According to the City's CDBG-CV allocation, the City would be able to assist approximately twenty (20) small businesses within the City of Placentia.

## C. FEDERAL HOUSING AND URBAN DEVELOPMENT (HUD) REGULATIONS

**1. NATIONAL OBJECTIVE:** To be considered for CDBG-CV funding a program or project must first meet the following National Objective:

**a. Benefit to Low to Moderate Income (LMI) Persons**

To qualify for funding under the LMI category, the persons or households served must have income levels at or below 80% of the *area median income* (AMI). Some areas in Placentia and the surrounding communities are within the AMI geographical criteria to meet this National Objective.

**2. ELIGIBLE ACTIVITIES:** In addition to meeting a National Objective, applicant must be an Eligible CDBG-CV Activity including but not limited to:

**a. Small Business Job Creation or Retention Program-** Financial assistance to small businesses that employ LMI persons. The business must be able to prove they are hiring employees in response to Coronavirus OR they are at risk of losing employees because of the Coronavirus.

**3. LIST OF INELIGIBLE CDBG-CV ACTIVITIES**

- a. Any activity that is not directly related to the prevention of, preparation for, or response to the Coronavirus
- b. Reimbursement for expenses that have already be accrued – other than rental assistance prior to March 1, 2020
- c. Income payments prior to March 1, 2020
- d. Supplanting or substituting expenses currently paid for by other sources
- e. Political activities and lobbying
- f. Purchase of equipment, specifically for construction, unless it is specifically related in response to COVID-19

#### **4. THE COUNTY OF ORANGE'S CDBG-CV GOALS AND PRIORITIES**

- a. Provide a cohesive approach that supports the goals of the Orange County Health Care Agency's Coronavirus response
- b. Coordinate with the County of Orange to ensure basic needs services are available to the County's most vulnerable populations
- c. Ensure CDBG-CV funds are working in alignment with and not duplicating other funding sources

#### **D. APPLICATION GUIDELINES**

1. **CDBG-CV Application:** Provide an eligible CDBG-CV program that serves low to moderate-income residents or businesses. Please complete and submit the CDBG-CV Application and relevant attachments.

2. **FUNDING REQUEST RESTRICTIONS**

- a. Maximum Grant Request: **\$10,000** for expenses that occur from March 1, 2020 to December 30, 2020.

3. **SUBMISSION GUIDELINES**

All applications must follow the formatting described below or be subject to penalty points:

- a. Only one application per business will be accepted;
- b. Required and supporting documents shall be labeled. Extraneous information will not be considered;
- c. Required documents must be attached to this application;
- d. The full application with signature must be submitted to Jeannette Ortega, Assistant to the City Administrator via email at [jortega@placentia.org](mailto:jortega@placentia.org) or via address at 401 E. Chapman Avenue, Placentia, CA 92870.

#### **E. DEADLINES**

1. **SUBMISSION DEADLINES: Thursday, May 28, 2020 by 5:00 p.m.**  
**NO LATE APPLICATIONS WILL BE ACCEPTED.**

#### **F. REVIEW PROCESS AND SCORING**

1. **REVIEW PROCESS**

The CDBG-CV Grant Committee will review and score all applications based on the scoring categories. Staff will prepare a list of the rated applications from highest score to lowest score, including the CDBG-CV Committee's recommendation, this will be given to the City Administrator for review and approval.

A program timeline for the CDBG-CV Process is below but subject to change pending HUD's guidance:

May 21, 2020	Applications are available
<b>May 28, 2020</b>	<b>Applications DUE by 5:00 p.m.</b>
June 1, 2020	CDBG-CV Grant Committee reviews and scores all applications
June 2, 2020	CDBG-CV Grant Committee recommends funding allocations to City Administrator
June 4, 2020	Funds are distributed to qualifying businesses

## 2. SCORING CATEGORIES AND POINT DISTRIBUTION

Applications will be rated and ranked on the basis of their responses to the application elements.

1. Business Description.....20 points
2. Estimated Adverse Economic Impact.....20 points
3. Need for CDBG-CV Funds.....20 points
4. Budget.....20 points
5. Documentation.....20 points

## G. RESERVATION OF RIGHTS

The City of Placentia reserves the right, at its sole discretion, to award all, a portion, or none of the available CDBG-CV funding, and may reject any and all applications based on the quality and/or merits of the application, or when it is determined to be in the public interest to do so. Furthermore, the City may extend deadlines and timeframes, as needed.

The City of Placentia reserves the right to substantiate any applicant's qualifications, financial information, capability to perform and availability.

The City of Placentia reserves the right to waive any informalities in application, to accept any application or portion thereof, and, to reject any and all applications, should it be in the best interest of the City to do so.

## H. POST AWARD AND SUB-RECIPIENT CRITERIA

All awards are subject to the City's receipt of its CDBG-CV appropriation from the U.S. Department of Housing and Urban Development, through the County of Orange. All awards are subject to pre-contract negotiations with the recipient.

The City of Placentia is committed to monitoring the performance of grant recipients to ensure that Federal funds are used appropriately and in a manner to maximize low and moderate income public benefit. Monitoring each grant recipient

ensures that the goals and objectives identified within the County's HUD Action and Consolidated Plan are met.

Recipients that do not comply with the Post-Award and Sub-Recipient Criteria listed below will forfeit their award of CDBG-CV funds. The forfeited funds will be then returned to the CDBG-CV program for reallocation.

- CDBG-CV recipient shall not incur any costs or obligate any CDBG-CV funding until a release of funds is received from the U.S. Department of Housing and Urban Development by the County of Orange to the City of Placentia, a contract between County and the City is executed, and an environmental review is complete.
- The CDBG-CV Program Year will start as soon as the County receives funding from HUD. This is expected by June, 2020. CDBG-CV Programs will have one year to complete their program, ending June 30, 2021.
- CDBG-CV recipients shall ensure recognition of the role of the County and City's Community Development Block Grant program in providing services.
- CDBG-CV recipients will be required to maintain accurate records documenting the prevention of, preparation for, response to the Coronavirus AND records documenting targeted populations and/or areas being served by this program.
- Recipients may be asked to provide a final summary reporting all accomplishments and outcomes to be provided to the City and HUD. This includes a description of the impact or outcomes of this program.

**Signature of the Executive Authority**

My signature below confirms that I have read and understand the guidelines set forth in this application. If my application is approved, I will adhere to the terms described in the application and use the funds according to these guidelines and the guidelines set for by the Federal Housing and Urban Development. I will be able to provide the appropriate documentation to the City on the funds used for the stated purpose. I further acknowledge that I have not received other COVID-19 disaster assistance funds for the same recovery purpose as set forth in this application. Failure to meet these guidelines will require me to forfeit the funds to the City of Placentia upon City's request.

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

# Placentia Small Business Emergency Relief Grant Program

## Application

CDBG-CV Type	<input type="checkbox"/> Prevention of the Coronavirus <input type="checkbox"/> Preparation for the Coronavirus <input type="checkbox"/> Response to the Coronavirus		
Business Name			
Business Address			
Business Owner's Name		Phone	Email
Landowner's Name		Phone	Email
Person who completed the Application		Phone	Email
Amount of CDBG-CV Funds Requested \$ (Expenses must occur from March 1, 2020 to December 30, 2020)			
Estimated number of people who are served annually from this business:		<b>OR</b> Estimated number of businesses served annually:	
DUNS Number or Tax ID		When did your business begin to operate in Placentia? Month and Year.	

### **1. Business Description**

Describe the type of business you own and hours of operations?

## 2. Estimated Adverse Economic Impact as a Result of COVID-19

a. When did the impact start for your business?	
b. What were your business revenues during the affected impact date?	
c. What were your business revenues during that <b>SAME</b> period of the prior year?	
d. Amount of business interruption insurance received or anticipated, if any?	
e. How many people did you employ prior to the COVID-19 pandemic?	
f. How many people do you currently employ?	
g. How many employees will be employed if it receives CDBG-CV funding?	
h. How many employees will be employed if it does not receive CDB-CV funding?	
i. Do any of your employees live in Placentia? If yes, how many?	
j. What is your currently monthly lease/rent?	
k. Have you been in default with your lease agreement or mortgage within the last twelve months?	
l. Have you filed for bankruptcy within the last twelve months?	
m. How much sales tax, if any, did your business produce last year?	
n. Have you received COVID-19 related capital through other alternative sources? If so, how much?	

## 3. Need for CDBG-CV Funds as it relates to COVID-19

Please provide a brief explanation of what adverse economic effects the COVID-19 pandemic has on your business, and why CDBG-CV funds are essential to address this need.

#### **4. Grant Funding Purpose**

Describe exactly what and/or who will this grant funding be used for. Provide a narrative explaining the budget and expenses for the program (attach supporting documentation i.e., lease agreement, mortgage payments, payroll, budget, etc.). Expenses must occur from March 1, 2020 to December 30, 2020.

#### **5. Documentation**

What documentation will be used to prove the funds are going to the prevention, preparation or response to the Coronavirus? City will request receipts, invoices, payroll, utility bills, etc. for proof of funds remittance and use.