

City of Lakewood Small Business Relief Program Community Development Block Grant Program – CARES Act Funding (CDBG-CV)

The City of Lakewood is utilizing approximately \$450,000 in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding received from the U.S. Department of Housing and Urban Development (HUD) to stabilize and fortify small businesses negatively impacted by the COVID-19 pandemic.

The City's Small Business Relief Program provides emergency assistance to income eligible Lakewood businesses with five or fewer employees, including the owner, that have experienced a reduction in revenue as a result of the current public health emergency. Assistance is up to \$7,000 per business to cover rental expenses for the period April 1, 2020 through August 1, 2020 and payroll expenses. Please note that payroll only becomes eligible if the reimbursable amount of rent falls below the program's \$7,000 cap.

Applications will be accepted until all funds have been awarded. Applications are not prioritized in order of submission and assistance is not guaranteed. The City reserves the right to request additional documentation, change requirements and/or deny assistance if applicant is not qualified or has not supplied requested documentation. Please note, that federal guidance from the Department of Housing and Urban Development (HUD) is evolving; additional terms and conditions may apply.

ELIGIBILITY REQUIREMENTS

The Business Must:

- Be physically located in the City of Lakewood
- Be in good standing with the City of Lakewood (i.e. no tax delinquencies)
- Have been established prior to January 1, 2020
- Employ five or fewer employees including the owner (combined hours cannot exceed 200 per week)
- Rent a retail or commercial space and may not own or have an ownership interest in the building (home based businesses are not eligible)
- Provide financial documentation (See required documentation)
- Have a DUNS number in order to apply (Link <https://fedgov.dnb.com/webform/index.jsp>) or call Dun and Bradstreet at 1-866-705-5711 and let them know you are requesting a DUNS number in order to apply for a federally funded program.

The Business Owner Must:

- Meet established federal income criteria (see income limits) and provide required documentation (see income eligibility documents)
- Have been current with rent prior to April 1, 2020

If you meet the eligibility requirements, review these steps to help you prepare to apply for the program:

1. Gather Required Business Financial Documentation

Established businesses must provide:

- Lease or rental agreement for the business location
- Most recent certified/signed payroll statement
- Profit and loss statement for the period 1/1/2020 to 6/30/2020
- Profit and loss statement for period 1/1/2019 to 6/30/2019
- Federal Tax ID if applicable

Businesses not established prior to January 1, 2020, may provide:

- Profit and loss statement for January 1, 2020 to March 31, 2020, AND
- Profit and loss statement for April 1, 2020 to June 30, 2020

2. Determine Income Eligibility

Applicants' household income must fall under the below 2020 Income Guidelines (issued by the Department of Housing and Urban Development for the Cleveland/Elyria MSA)

Household Size	HUD Income Limits
1 person	\$42,600
2 persons	\$48,650
3 persons	\$54,750
4 persons	\$60,800
5 persons	\$65,700
6 persons	\$70,550
7 persons	\$75,400
8 persons	\$80,300

Gather Income Documentation

To qualify the business owner's household income must meet the HUD income guidelines. Please gather the following documentation is required under Federal law:

- Complete the attached Statement of Household Income
- A COPY of the last four most recent paycheck stubs for any household member 18 years and older who is occupying the home (does not apply to the business owner unless the owner receives income from another job).

**The paycheck stubs must have the year-to-date gross income listed and pretax deductions for health care, retirements etc...*

- If a household member is paid in cash or by personal check, you must provide a letter from your employer stating your year-to-date pay. This letter must be on company letterhead. Include phone, email and the employer's fax number for verification.
- A COPY of all other sources of income for ALL members of the household that are 18 years and older, including but not limited to current Social Security/SSI benefit letter and Unemployment checks/statement alimony received. Also include any other retirement pension statements.
- A COPY, for ALL HOUSEHOLD MEMBERS, of three months of bank statements for all taxable earnings from sources including checking accounts, savings accounts, money market, employer card, reload cards, etc.
- A COPY of the most recent year tax return for each adult member (18 years and older) including the applicant

3. Prepare Answers to these Supplemental Questions

Statement of Need

- Describe the negative impact the COVID-19 pandemic has had on your business. Include the number of employees that have been laid off, if any.
- Explain how the funding will help your business remain viable and prevent layoffs.
- If applicable, describe how will you create new lines of business and services to meet new demand during the COVID-19 pandemic and the number of new jobs created.

Duplication of Benefits

- List any other funds you have received or are receiving and the amounts and sources of those funds and total amount (e.g. SBA loan, IRS Employee Retention Tax Credit, unemployment insurance benefits, etc.).
- An application for, or receipt of, funds from a State or Federal assistance program does not disqualify you from receiving funds from the Small Business Relief Program. However, a grant received through this program may not be used for the same business purposes as funds received from other assistance programs (i.e. 'double-dipping' is not allowed).
- Explain how these funds will be used particularly if the funds have been used for rent or payroll expenses between April and August, 2020.

Available Assistance for Applicants

For questions or technical assistance, please contact Ian Andrews with LakewoodAlive at iandrews@lakewoodalive.org. General programmatic questions may also be directed to planning@lakewoodoh.net.