



MICRO-ENTERPRISE SMALL BUSINESS ASSISTANCE PROGRAM (COVID-19)

**Community Development Block Grant - COVID-19 (CDBG-CV) Program
Office of Communications, Marketing and Economic Development**

The Micro-Enterprise Small Business Assistance Program (the "Program") is designed for critically-impacted businesses that had established success in their market prior to the COVID-19 disruption and were required to close or reduce operations due to the safer at home orders. This relief Program is funded by a supplemental appropriation of Community Development Block Grant (CDBG-CV) funding made available under the Coronavirus Aid, Relief and Economic Security ("CARES") Act. The total funding available for this Program is \$475,000. This relief Program does not have sufficient funding to cover businesses that were already struggling financially due to circumstances unrelated to the COVID-19 pandemic. This Program is intentionally targeted to assist eligible micro-enterprises to stabilize as allowed under CDBG regulations at 24 CFR 570.201(o)(1)(i), 24 CFR 570.201(o)(4), and 24 CFR 570.201(d).

PURPOSE OF THE PROGRAM

The goal of the Program is to provide financial relief to eligible micro-enterprises negatively impacted by local COVID-19 orders. The relief Program is an emergency grant focused on the most basic needs of the City's micro-enterprise small business community.

The Program will provide grants to qualified, for-profit micro-enterprises located in the City of Hollywood that are considered non-essential and were impacted due to the safer at home orders. Eligible businesses can receive grant funds of up to \$5,000 to pay for up to three months of allowable business expenses including, but not limited to, the salaries of current employees, rent/mortgage, utility payments, and coronavirus (COVID-19) mitigation protocols.

The City will remit payment directly to landlords, mortgagors, or to utilities on behalf of qualified relief recipients. For other eligible operating costs, the City will remit payments directly to the grantee following the approval of a reimbursement/advancement request form. This relief is a grant and does not need to be repaid. This grant is intended to provide assistance to micro-enterprises that were unable to secure state and federal funds OR the state and federal funds received did not provide enough funds for rental/mortgage and/or utility assistance.

PROGRAM SELECTION AND GRANT AWARD PROCESS

Due to the limited funds for this highly competitive Program, there will be a pre-application process limited to the first 300 submitted pre-applications. A lottery system will be utilized to determine which qualified pre-applicants can proceed to the full application process. A review team consisting of City staff will determine eligible applications and make final decisions. The City anticipates awarding at least 95 micro-enterprise small businesses with grant funds.

ELIGIBILITY CRITERIA

An Applicant must meet the following criteria:

1. Business should be legally operating for two years and in good standing with the City and have no outstanding property code enforcement issues.
2. Business must have no more than five employees (full-time, part-time, including owners).
3. Business must be a “for-profit” enterprise operating legally in the City of Hollywood. Not-for-profit organizations and home-based businesses are not eligible to participate in the Program.
4. Businesses in **critically impacted business sectors** are eligible to apply for the Program.
5. Business must have experienced at least a 50% reduction in revenue as a result of the COVID-19 disruption.
6. Business, if eligible, must have applied for any of the loan Programs from the SBA such as the Economic Injury Disaster Loan, the Payroll Protection Program, or a State of Florida Program such as the Emergency Bridge Loan Program. The business must provide copies of the submitted applications and documentation as well as the status of these applications (pending/approved/denied).
7. Business must be located in Hollywood, Florida census tracts that contain at least 51% of the residents qualifying as Low- and Moderate-Income (LMI) persons. [An interactive map of the LMI areas is located here](#). *Before submitting a pre-application online, all interested applicants should confirm that their business is located within the eligible boundaries (the pink shaded areas of the map). Enter your business address in [our interactive LMI map](#) to see if your business qualifies for this program.*

CRITICALLY IMPACTED BUSINESSES SECTORS

<p>Bars/Nightclubs</p> <ul style="list-style-type: none"> • Lounges • Taverns 	<p>Personal Care Services</p> <ul style="list-style-type: none"> • Child care • Adult care
<p>Cleaning Services</p> <ul style="list-style-type: none"> • Janitorial and/or window cleaning services 	<p>Professional Services</p> <ul style="list-style-type: none"> • Co-working spaces • Event space and services such as crafting art galleries, interior design, and other creative industries • Wedding planning
<p>Food Service, Trucks and Market Stands</p> <ul style="list-style-type: none"> • Farmer’s market • Food service trucks • Caterers 	<p>Small Retail</p> <ul style="list-style-type: none"> • Retail new/used • Grocery, less than 5K SF • Bakery
<p>Hair, Beauty, and Other Personal Services</p> <ul style="list-style-type: none"> • Barber Shop/Hair Salons • Spas/Cosmetology • Manicurists/Pedicurists • Music/Art Studios/Instruction 	<p>Sole Proprietors</p> <p>A sole proprietor may qualify based upon the underlying nature of the work performed, e.g., barbershop or salon owners, and not based upon a sole proprietor status</p>
<p>Independent Health Studios</p> <ul style="list-style-type: none"> • Gym • Yoga/Pilates • Fitness center • Dance/Karate studios 	<p>1099 Contractors</p> <p>An individual who receives a 1099 for income tax purposes may qualify based upon the underlying nature of the work they perform, e.g., manicurist, cosmetologist, etc., and not based solely upon receipt of a 1099</p>
<p>Independent Restaurants</p> <ul style="list-style-type: none"> • Full-service • Limited-service • Café establishments 	<p>Other Critically Impacted Businesses</p> <ul style="list-style-type: none"> • To be determined by City staff

APPLICATION PROCESS

To begin the application process, an interested micro-enterprise small business must first pre-apply online to verify business eligibility for the Micro-Enterprise Small Business Assistance Program. All Program eligibility requirements are listed above. If the business does not meet the requirements, the applicant will not be able to apply. If the business is deemed eligible, the applicant may continue on to the application process. Once the review process is completed, the business applicant will be notified of eligibility. No further action is needed after a pre-application has been submitted.

Pre-Application Process

The pre-application requires an uploaded copy of the pre-applicant's City of Hollywood Business Tax Receipt and State of Florida Business License (if applicable). Copies of these documents (a photo image is acceptable) are required before a pre-applicant can begin. Once the pre-application is submitted, the applicant will receive an e-mail indicating whether the business is eligible to continue onto the full application process.

Full Application Process

The full application will remain open until all eligible application slots are filled. The business must pre-apply AND be deemed eligible to continue to the full application process. Please note: If the business does not pre-apply, the business will not be able to submit an application for the Program.

Warning: The application must be complete with all required documentation in order to be processed. To prepare, the business applicant should review in advance the Online Application and Application Checklist.

The full application process closes when completed applications with proper documentation have been submitted sufficient to exhaust available funding.

All submitted applications will be pre-qualified verifying that all required documentation was received and business has no outstanding liens or unpaid taxes.

Submission of an application shall constitute acknowledgement and acceptance by the applicant of all terms and conditions contained in these policies and the application. Submittal of an application and acceptance of the application by the City does not constitute a contract and does not obligate the City to award funds.

Applications with supporting documentation should be [submitted online](#) beginning on Tuesday, June 9, 2020 at 10:00 a.m.

Selection and Grant Award Process

Due to the limited funds for this highly competitive Program, the pre-application process will be limited to the first 300 pre-applications. The Office of Communications, Marketing and Economic Development will review the pre-application submittals and provide determination of eligibility responses to pre-applicants. If the number of pre-applications that meet the eligibility requirements exceeds the available funding, a lottery system will be utilized to determine which businesses can proceed to the full application process. A review team consisting of City staff will determine eligible applications and make final decisions. The City anticipates awarding at least 95 micro-enterprise small businesses with grant funds.

PRE-APPLICATION REQUIRED DOCUMENTS TO BE UPLOADED

- Copy of State of Florida Business License (if applicable and a photo image is acceptable)
- Copy of City of Hollywood Business Tax Receipt (a photo image is acceptable)

FULL APPLICATION REQUIRED DOCUMENTS TO BE UPLOADED

- Copy of State of Florida Business License (if applicable and a photo image is acceptable)
- Copy of Broward County and City of Hollywood Business Tax Receipts (photo images are acceptable)
- Copy of Broward County Tax Collector receipt showing payment of 2018 property taxes (if applicable)
- Copy of driver license or government-issued ID
- Copy of most recent Form 941 - Quarterly Federal Tax Return Part 1 (showing # of employees) (if applicable)
- Year-to-date profit & loss statement
- Employee list (including each employee's name, phone number, and email address)
- Copy of lease (including landlord address and phone number, if applicable)
- Copy of most recent mortgage statement (if applicable)
- Copy of most recent utility bill (i.e. Electric, Gas, Water, if applicable)
- Most recent Business Income Tax Return
- Documentation reflecting a 50% or more loss of income due to COVID-19 on February 1, 2020. Documents may include year-to-date profit and loss statement through March 31st, the most recent 6 months of bank statements (summary page only), a notice of business closure, or other verifiable method to prove the revenue loss.
- If applicable, the business must provide copies of the submitted applications and documentation for loan programs from the SBA such as the Economic Injury Disaster Loan Program, the Payroll Protection Program, or State of Florida Programs such as the Emergency Bridge Loan Program as required. The business must provide copies of the submitted applications and documentation as well as the status of these applications (pending/approved/denied).

**** Note that the qualifications are largely based upon federal guidelines related to the use of CDBG-CV funds for this purpose ****

FREQUENTLY ASKED QUESTIONS

What are the qualifying criteria for an eligible micro-enterprise?

The Micro-enterprise Small Business Assistance Program includes businesses that meet the following qualifying criteria:

- Continuously operating for two years (since February 1, 2018)
- Be a designated 'critically impacted' business sectors (see list)
- A physical location in one of the City's designated Low- to Moderate- Income Census Tracts
- No more than five employees at the time of application
- A 50% or more reduction in revenue as a result of the COVID-19 crisis
- Payment of 2019 City business taxes and 2018 property taxes
- No outstanding code enforcement issues

Do I need to be a resident of the City of Hollywood to apply for business assistance?

No, but your business must be located within one of the City of Hollywood's Low- to Moderate- Income Census Tracts.

What types of businesses can apply?

Any critically-impacted business (see list) that meets the definition of a microenterprise and is located within a Low- to Moderate- Income Census Tract.

Why is the eligibility for businesses limited?

The primary goal of the Program is to assist small businesses that are most at risk while waiting for state and federal support funds to arrive or that have been denied state or federal relief funds. In addition, the use of federal Housing & Urban Development (HUD) funds requires the City to apply certain limiting criteria such as individual and household income eligibility and business revenue and employee size.

I own multiple businesses. Can all of them apply for assistance?

No. In an effort to provide assistance to as many micro-enterprise small business owners, we are limiting this Program to one business per owner.

What businesses are ineligible?

Ineligible Businesses:

- A business deriving more than one-third of gross annual revenue from legal gambling activities
- A business engaged in any illegal activity
- A business that presents live performances of an indecent sexual nature or derive directly or indirectly more than 2.5 percent of gross revenues through the sales of products and services, or the presentation of any depictions or displays, of an indecent sexual nature
- A business that has a primary purpose of facilitating polyamorous relationships
- Massage parlors, Hot tub facilities, Escort service

OFFICE OF COMMUNICATIONS, MARKETING AND ECONOMIC DEVELOPMENT
MICRO-ENTERPRISE SMALL BUSINESS ASSISTANCE PROGRAM
PRE-APPLICATION

Business Name: _____

Business Address: _____

City/State/Zip: _____ Business Phone: _____

Mobile phone: _____ E-Mail: _____

Website: _____

Federal Employer Identification Number (FEIN): _____

Length of time the business has been in Hollywood, FL: _____

Was your business closed or impacted by COVID-19?

Experienced at least 50% reduction in revenue as a result of the COVID19 crisis.

Yes No

How many people does your business employ (including owner(s))? _____

Have you been in business continuously since February 1, 2018?

That can be confirmed through the City Business Tax records and/or SunBiz.org

Yes No

Is the business within the City of Hollywood limits and in a Low- and Moderate- Income Census Tract?

Please verify on the [City website](#).

Yes No

Is the business in a designated critically impacted business sector?

Please see list on the [City website](#).

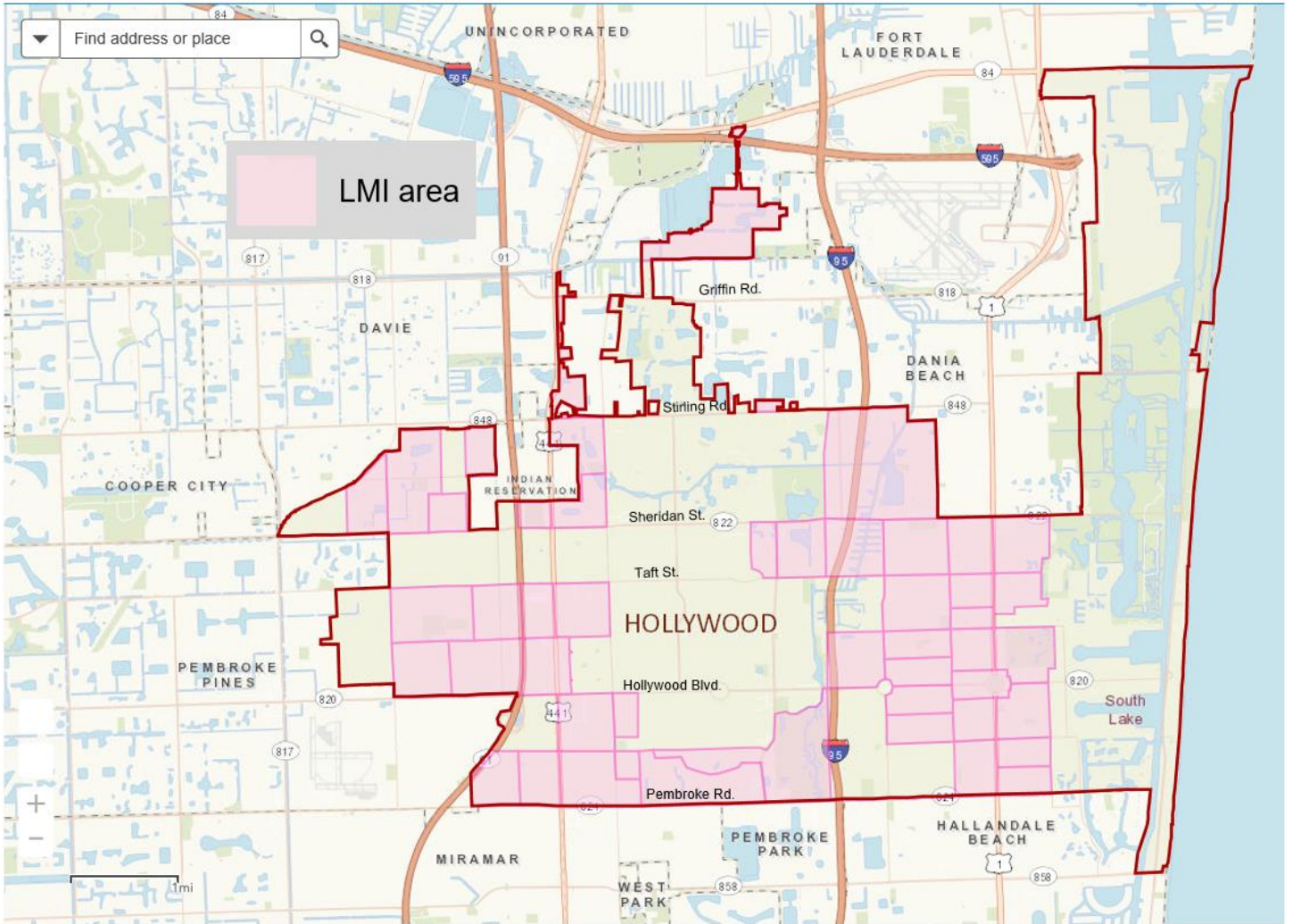
Yes No If yes, please specify the business sector: _____

Have you received COVID-19 emergency funding from the SBA, such as the Economic Injury Disaster Loan Program, the Payroll Protection Program, or a State of Florida Program such as the Emergency Bridge Loan Program?

Yes No If yes, please specify the program(s) and award amount: _____

This Pre-Application section must be submitted and approved by the Administrator before you can fill out the rest of the application.

Hollywood LMI Block Groups Areas CITY OF HOLLYWOOD FLORIDA



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**OFFICE OF COMMUNICATIONS, MARKETING AND ECONOMIC DEVELOPMENT
MICRO-ENTERPRISE SMALL BUSINESS ASSISTANCE PROGRAM
FULL APPLICATION**

Business Name: _____

Business Address: _____

City/State/Zip: _____ **Business Phone:** _____

Mobile phone: _____ **E-Mail:** _____

Website: _____

Federal Employer Identification Number (FEIN): _____

Number of consecutive years the business has been in existence: _____

Length of time the business has been in Hollywood, FL: _____

Product/Services: _____

Number of employees: _____.

Please describe names and titles of current employees (including owner(s))

1) Name: _____ Full-time Part-time Leased

Title: _____

2) Name: _____ Full-time Part-time Leased

Title: _____

3) Name: _____ Full-time Part-time Leased

Title: _____

4) Name: _____ Full-time Part-time Leased

Title: _____

5) Name: _____ Full-time Part-time Leased

Title: _____

Has the business been subjected to criminal or civil fines and penalties including city code violations and regulatory violations and penalties? Yes No

If yes, explain: _____

If eligible, have you applied for any of the loan Programs from the SBA such as the Economic Injury Disaster Loan, the Payroll Protection Program, or a State of Florida Program such as the Emergency Bridge Loan Program?

Yes No If yes, specify the program(s) and award amount _____.

Please upload copies of the submitted applications and documentation as well as the status of these applications (pending/approved/denied).

Are your property taxes current as of 2018 (paid in full)?

Yes No If No, explain: _____

Do you have any outstanding/open code enforcement issues?

Yes No If Yes, explain: _____

Have you paid your 2019 City Business taxes?

Yes No If No, explain: _____

Type of Relief Request:

- Operating Expenses
 - Salaries of Current Employees
 - Coronavirus COVID-19 mitigation protocols
 - Other operating expenses, (please explain): _____
- Rental Assistance ONLY
- Mortgage Assistance ONLY
- Utilities ONLY
- Rent AND Utilities
- Mortgage AND Utilities

What is your monthly rent/mortgage amount? _____

Is your rent/mortgage current? If no, explain how far behind:

- Yes
- No, explain: _____

Contact information for your landlord or property management company:

Name: _____

Phone Number: _____

Mailing Address: _____

Mortgage Account Number (if applicable): _____

What is the utility you are requesting payment for?

- City of Hollywood Public Utilities
- FPL Electric
- Gas
- Other, please explain: _____

Utility Company Name: _____

Phone Number: _____

Mailing Address: _____

Account Number: _____

I/We understand that Title 18, Section 1001 of the U.S. Code makes it a criminal offense to knowingly and willingly make fraudulent statements or misrepresentations of any material fact in the use of or obtaining the use of federal funds. If you knowingly and willingly make fraudulent statements or misrepresentations of any material fact in the use of or obtaining the use of federal funds you may be fined under this title or imprisoned not more than 5 years, or both. Failure to agree will deem your application ineligible.

Agree

Please select one:

Please select one of the below. 'Release' approves the City to share personal information, 'Opt-out' limits sharing information.

RELEASE: I hereby authorize the City of Hollywood to release nonpublic personal information it obtains about me to my creditors and any third parties necessary to provide me with the services I requested. I acknowledge that I have read and understand the above privacy practices and disclosures.

OPT-OUT: I request that the City of Hollywood make no disclosures of my non-public personal information to third parties other than those permitted by law. By choosing this option, I understand that the City of Hollywood will NOT be able to answer any questions from my creditors. I understand that I may change my decision any time by contacting the City of Hollywood.

SAMPLE