



City of La Habra

Small Business Assistance Program (SBAP)

American Rescue Plan Act (ARPA)



Program Guidelines

July 2022

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1.0 INTRODUCTION

In response to the Coronavirus Pandemic (COVID-19), Congress approved the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as part of the American Rescue Plan. The SLFRF delivered \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The SLFRF program ensures that governments have the resources needed to fight the pandemic and support businesses struggling with its public health and economic impacts.

The City of La Habra as a recipient of the SLFRF funds has established the Small Business Assistance – American Rescue Plan Program (SBAP-ARPA) to assist small businesses in their economic recovery as a result of the negative impact of the Coronavirus pandemic. The program provides grants of up to \$10,000 to eligible businesses to respond to the negative impact of COVID-19. The City has made an initial allocation of \$300,000 to fund this program.

Applications will be accepted on a first-come, first-serve basis beginning August 1, 2022 until funds are exhausted

2.0 ELIGIBILITY AND MINIMUM REQUIREMENTS

Eligible applicants include private for-profit businesses, inclusive of corporations, limited liability companies, partnerships (general and limited), or sole proprietorships, that have legal standing as a business and are licensed by the City of La Habra.

To be eligible for the SBAP-ARPA, the following minimum requirements must be met:

- a. The business is a for-profit business and located within the corporate limits of the City of La Habra.
- b. Business has fewer than 50 employees. The term “employee” includes all owners of the business on the most recent quarterly report.
- c. The business can show a loss in business revenue or increase in operating costs as shown on filed federal income tax returns between 2019 and 2021 or if not filed through business bank statements.
- d. The business has been located and operating in La Habra for at least six months prior to March 4, 2020, the date the State declared a state of emergency
- e. Owner is 18 years or older.
- f. Business or owner has a Unique Entity Identified (UIN) number which replaces the DUNS number (<https://sam.gov/content/entity-registration>)
- g. Owner has a valid employer identification number.
- h. Business has a bank account.
- i. Business is not currently in bankruptcy, and has not declared bankruptcy within the last 7 years.
- j. Business is current with property taxes, City fees, business license, and other applicable

local, county, state fees and requirements.

- k. No person who is subject to the provisions of the City's Conflict of Interest Code has any ownership interest in the business, or would otherwise receive a financial benefit from the business.

The City will not provide grant assistance in situations where it is determined that any representation, warranty or statement made in connection with the SBAP-ARPA application is incorrect, false, misleading or erroneous in any material respect. In the event assistance has already been provided prior to the discovery of incorrect, false, or misleading representation, the City may initiate legal action to recover the funds and its attorneys' fees and costs in doing so.

3.0 INELIGIBLE BUSINESSES

The following businesses are ineligible for participation in the SBAP-ARPA:

- a. Businesses located outside the City of La Habra
- b. Passive real estate investments
- c. Home-based businesses
- d. Government organizations
- e. Non-profit businesses
- f. Businesses with open Code Enforcement cases

4.0 ELIGIBLE USES OF PROGRAM FUNDS

Grants are restricted to the following eligible costs and are limited to one per business location.

- a. Payroll and Employee Benefits
- b. Rent and late payment fees
- c. Mortgage payments and late payment fees
- d. Utilities and late payment fees
- e. Inventory
- f. COVID-19 Supplies
- g. Personal Protective Equipment
- h. Cleaning Interior/Exterior to Sanitize Facility

Grant recipients will need to provide documentation that grant funds were used for these eligible costs. All other costs will be considered ineligible uses for the SBAP-ARPA. Grant funds cannot be associated with the relocation of a person or a business.

5.0 APPLICATION AND SELECTION PROCESS

Applications will be accepted on a first-come, first-serve basis beginning August 1, 2022 until funds are exhausted. Applicants will be required to complete an initial application, including a copy of the following documents:

1. Copy of City of La Habra business license.
2. Copy of State ID/ Driver's license
3. W-9 form
4. Most recent DE-9 Form
5. 2019 federal income tax return (all pages – all schedules).
6. 2020 federal income tax return (all pages – all schedules).
7. 2021 federal income tax return (all pages – all schedules). If not filed, 12 months of business bank statements (January 1, 2021 through December 31, 2021).
8. Receipts documenting expenses for which the business is requesting reimbursement. Example, rent payments, mortgage payment, payroll expenses, etc. **NOTE:** You will not be able to add any receipts to your applicant after it has been submitted.

NOTE: Applicants are encouraged to submit bills that exceed the grant amount of \$10,000. Applicant's will not be permitted to submit any bills after the application is submitted. Although, only \$10,000 in bills will be paid by the City, submitting more than \$10,000 will better ensure that the applicant will be paid the full amount of the grant.

The City reserves the right to request additional information upon receiving the application. Applications may be submitted online, by mail or hand delivered to the City of La Habra.

City of La Habra Community Development Department
Attn: Small Business Assistance Program (SBAP)
110 East La Habra Boulevard
La Habra, CA 90631

***PLEASE NOTE – If your application is approved by the City, it will take up to 45 days from the approval date to receive actual funding.**

6.0 GRANT IMPLEMENTATION

Once the review is complete and the applicant is confirmed to be eligible, the City will send an agreement to the business. The business is required to provide three original copies of the agreement to the City. Upon execution of the agreement, the City will distribute funds to the business via check.

For PPE equipment, businesses must provide documentation that the costs were reasonable and comparable to the market rate for such equipment. This may include documentation of the costs for this equipment from at least three businesses providing this equipment or material.

If there is evidence that the grant funds have not been spent on eligible uses as outlined in these guidelines or that the grant funds have not been paid within the three-month period, the applicant shall be required to re-pay a portion of or all of the grant funds to the City. The applicant agrees that the City can request post-award documentation and/or audit applicants files in order to ensure funds were used on eligible expenses.

The City of La Habra and/or its representative will be responsible for the administration of the program:

- Originate grant funds
- Market the grant program
- Accept and process applications
- Review and underwrite grant requests
- Ensure timely disbursement of funds
- Maintain documents and fiscal records
- Administer grants and locally sourced funds used for this program
- Ensure compliance with program guidelines as they relate to the funding sources
- Report program metrics to the City Council, HUD and other interested parties.

7.0 RECORDKEEPING AND REPORTING

In accordance with 31 CFR Part 35, the City is responsible for maintaining all documents and records used in its assessment of the eligibility of the business for the grant.

8.0 ENVIRONMENTAL REVIEW

NEPA regulations require an Environmental Review Record (ERR) to be submitted for each project/business funded with SLFRF monies prior to award or approval of funds. The ERR level of review is based on the type of project proposed.

This review will be completed by the City of La Habra prior to the award of funds.

9. CONFLICT OF INTEREST

In accordance with 2 CFR 200.318(c) (General Procurement Standards), no employee, officer, or agent may participate in the selection, award, or administration of a grant made through this program if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a grant provided through this program.

10.0 APPLICANT CONFIDENTIALITY

Employees of the City will not disclose any of the borrower's personal confidential information as part of the grant process. Financial information supplied by the applicant, including but not limited to business operating statements, tax information, personal and business financial account information, and similar data are considered to be confidential. All confidential information of businesses will only be disclosed to persons required to view the information as part of grant review and approval. All personal and business

confidential information of grant applicants will be kept in a locked secured storage facility or password protected electronic files and unavailable to persons outside of the program. At all times the City will abide by all requirements stated within the Privacy Act of 1974 as amended. If the City receives a request for public records related to a grant application, only non-confidential information, as verified by the City Attorney, will be provided.

11.0 EQUAL OPPORTUNITY COMPLIANCE AND DISCRIMINATION

In accordance with the City of La Habra's policies and program guidelines, this program will be implemented in ways consistent with the City's commitment to State and Federal equal opportunity laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with SLFRF program funds on the basis of his or her disability, family status, national origin, race, color, religion, sex, marital status, medical condition, ancestry, source of income, age, sexual orientation, gender identity, gender expression, genetic information, or other arbitrary discrimination.

12.0 PROGRAM GUIDELINES CHANGES AND MODIFICATIONS

Minor changes to these Implementation Guidelines involving administrative procedures or accommodations to adapt to unique applicant situations or opportunities, or regulatory changes may be performed with the approval of the Director of Community and Economic Development Director or his/her designee. Federal regulatory requirements for the SLFRF program are not subject to modification or revision.

13.0 APPEALS

Appeals of the determination of the Director of Community and Economic Development or his/her designee shall be made in writing within 15 days to the Planning Commission. The decision of the Planning Commission will be final.

CITY OF LA HABRA

SMALL BUSINESS ASSISTANCE PROGRAM (SBAP)

AMERICAN RESCUE PLAN ACT (ARPA)



REQUIRED DOCUMENTS APPLICATION SUPPORT DOCUMENT CHECKLIST

THE FOLLOWING DOCUMENTS MUST BE PROVIDED WITH THE APPLICATION.

If any of these document are missing, your application will be rejected.

- Copy of City of La Habra business license.
- Copy of State ID/ Driver's license
- W-9 form
- Most recent DE-9 Form
- 2019 federal income tax return (all pages – all schedules).
- 2020 federal income tax return (all pages – all schedules).
- 2021 federal income tax return (all pages – all schedules). If not filed, 12 months of business bank statements (January 1, 2021 through December 31, 2021).
- Receipts documenting expenses for which the business is requesting reimbursement. Example, rent payments, mortgage payment, payroll expenses, etc. **NOTE:** You will not be able to add any receipts to your applicant after it has been submitted.



QUESTIONNAIRE - Continued

	Yes	No	
Does your business have a physical (brick and mortar) location in the City of La Habra?	<input type="checkbox"/>	<input type="checkbox"/>	If you answered NO , STOP HERE your business in not qualified.
Does your business have a City of La Habra Business License?	<input type="checkbox"/>	<input type="checkbox"/>	If you answered NO , STOP HERE your business in not qualified.
Did your business experience a loss of revenue or increased operating expenses due to COVID-19?	<input type="checkbox"/>	<input type="checkbox"/>	If you answered NO , STOP HERE your business in not qualified.
Does your business have a conflict of interest?	<input type="checkbox"/>	<input type="checkbox"/>	If you answered YES , STOP HERE your business in not qualified. Refer to conflict of interest statement in the box below.

Conflict of Interest - Applicants for business assistance shall not be an employee, agent, consultant, officer or elected official or appointed official of the City who exercises or have exercised any function or responsibilities with respect to activities relating to this Program or who are in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or financial benefit from this Program, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

ACKNOWLEDGMENT, AGREEMENT AND CERTIFICATION

Acknowledgment:

I/We understand that this grant is being provided by the City of La Habra based solely upon the information that you have provided in this application. I am also verifying that there are no outstanding tax liens or legal judgments against the business.

Certification:

I/We certify that the information provided in this application is true and complete to the best of my knowledge as of the date set forth opposite my/our signature(s) in this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties.

By signing below, I certify that the above statements are true and correct to the best of my knowledge. I understand that a false statement may disqualify me from benefits.

Name of Person Signing:	Title:
Signature	Date:

Page 1 of this application lists all of the documents required to be submitted with the application.