



## City of Westfield

Donald F. Humason, Jr., Mayor

# CDBG Emergency Business Assistance Grant & Forgivable Loan Program

## Program Summary and Business Assistance Guidelines

The City of Westfield, through its Office of Community Development, will provide operating assistance to business owners for the purpose of assisting independent small businesses to continue operations and keep residents employed. As the City is utilizing federal Community Development Block Grant funds, all operating assistance must be compliant with federal regulations.

### 1. Eligibility

#### A. Applicant Eligibility

- Business must be based in Westfield and in operation for a minimum of 24 months.
- Business must be a for-profit United States corporation, LLC, partnership, or sole proprietorship, and possess good character and reputation.
- Applicants must be in good tax standing in the Commonwealth of Massachusetts and the City of Westfield
- Applicant must be compliant with the Massachusetts Department of Unemployment Assistance and all applicable state and federal employment laws and regulations, including but not limited to minimum wages, unemployment insurance, workers' compensation, child labor, and the Massachusetts Health Care Reform Law, Chapter 58 of the Acts of 2006, as amended.
- Business must be in operation, even if working remotely due to COVID-19
- Business must be owned by a low/moderate income household or employ full time low/moderate income persons
- Assistance must result in continued employment of Low- Moderate income person(s)
- Asset Quality test must show that small business must not have more than \$15,000 of available cash at the time of application less accounts payable. If small business is a sole proprietorship then the Asset Quality test must show that the owner does not have more than \$25,000 of available cash at the time of application less accounts payable.

**B. Feasibility** - Business must be able to demonstrate that the operating assistance provided will enable the business to continue to operate and to provide continued employment to low-moderate income person(s). Businesses must present a reasonable likelihood for long term viability.

**C. Use of Funds** - Applicant must demonstrate that the operating funds are necessary and sufficient, when combined with any other sources, to sustain the business and retain jobs.

## 2. Funding

**A. Grant Amount** -The City anticipates that the maximum assistance amount will not exceed \$10,000. The amount will be based upon the business’s documented need, particularly focused on allowing for three (3) months of operations continuity, and available resources. Business must demonstrate losses greater than the requested and approved amount. The Office of Community Development is obligated to award the minimum amount of federally funded assistance necessary to sustain the business.

Grants will be available to eligible microenterprise businesses who employ five or less individuals and whose owner is a low-or-moderate income individual as evidenced by 2018 or 2019 tax returns. Income limits appear in the chart below.

Household Size		80% Area Median Income
1		\$47,850
2		\$54,650
3		\$61,500
4		\$68,300
5		\$73-800
6		\$79,250
7		\$84,700
8		\$90,200

Businesses with greater than five employees will be required to commit to retaining at least one position for a low-moderate income person that would otherwise be eliminated if the business were not to receive CDBG assistance. Assistance will be in the form of a one-year, zero percent forgivable loan. The loan will be forgiven so long as the business complies with the requirements set forth in a loan agreement.

Due to the limitations of federal funding, the applicant is encouraged and expected to identify and apply for available resources. Information on resources can be found at [www.msfdc.org](http://www.msfdc.org) and <https://www.sba.gov/>.

**B. Use of Grant Funds** -Grant funds are intended to support ongoing operations during the COVID-19 pandemic. The approved use of funds is anticipated to be payroll, rent/mortgage, loss of inventory, and other fixed cost. HUD has emphasized that these funds cannot duplicate funding requested and received through other federal sources.

**C. Compliance** - A formal agreement between the assisted business and the City will be required. This agreement will constitute the means by which the City enforces compliance with federal program requirements. The Office of Community Development is required to conduct regular periodic monitoring of each business to ensure that it is making good faith efforts to achieve employment goals and other program objectives. Reports are anticipated to be required on a monthly basis to ensure funds are expended on qualified and agreed-upon program budget.

**3. Submittals**- Your complete application along with attachments can be submitted electronically to [p.miller@cityofwestfield.org](mailto:p.miller@cityofwestfield.org) or by mail to the Office of Community Development, 59 Court Street, Westfield, MA 01085.

**City of Westfield**  
**Business Operating Grants Application**

**I. BUSINESS INFORMATION**

Business Legal Name \_\_\_\_\_ Business Phone \_\_\_\_\_

Business Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Website \_\_\_\_\_ E-Mail \_\_\_\_\_

Federal Tax ID \_\_\_\_\_ \*DUNS # \_\_\_\_\_ \*\*SAM # \_\_\_\_\_

2019 Gross Revenue \_\_\_\_\_ 2019 Expenses \_\_\_\_\_

Form of Corporation     Sole Proprietorship     LLC     Corporation     Partnership

Year Founded \_\_\_\_\_ Is the business owned by a low-or-moderate income person?     Yes     No

**BUSINESS DESCRIPTION**

In the space below, please describe your business and the services/products you supply as well as details of the impact of COVID-19 on your business:

While we understand that there is uncertainty, the federal funds require that businesses receiving a grant award have a realistic plan to successfully persevere through the COVID-19 State of Emergency. Please describe your plans and ability to persevere to the best of your ability:

## II. JOB RETENTION PROJECTIONS

Please provide a summary of any change in employment as a result of the COVID-19 pandemic. Please provide the information broken between Full time and part time status.

Number of employees as of 12.31.2019	Full Time:	<input style="width: 60px; height: 30px;" type="text"/>	Part Time:	<input style="width: 60px; height: 30px;" type="text"/>
Number of employees currently	Full Time:	<input style="width: 60px; height: 30px;" type="text"/>	Part Time:	<input style="width: 60px; height: 30px;" type="text"/>
Number to be jobs retained if assisted	Full Time:	<input style="width: 60px; height: 30px;" type="text"/>	Part Time:	<input style="width: 60px; height: 30px;" type="text"/>

## III. FINANCIAL INFORMATION

### ADDITIONAL ASSISTANCE

Please identify all sources of assistance that you have identified and/or for which you have applied:

Identified Funding Source	Amount	Anticipated Use	Application Submittal Date	Status
	\$			
	\$			
	\$			
	\$			

**OPERATIONS BUDGET**

Line Item	Pre-Covid 19 Monthly Expenses	Anticipated Monthly Expenses	Comments
Personnel (list by name & position)			
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Fringe (total for all personnel listed above)			
1.			
2.			
<b>Operating Expense Projections</b>			
Rent/Mortgage (list payee)			
1.			
2.			
3.			
Utilities (list payee)			
1.			
2.			
Insurance (list payee)			
1.			
2.			
Supplies (list)			
1.			
2.			
3.			
Other (describe and list payee)			
1.			
2.			
3.			
4.			
<b>TOTALS</b>	\$ 0.00	\$ 0.00	

**USE OF FUNDS**

Please describe how the Business Operating Grant will be used to help your small business retain employees and keep your business operating during this challenging time. Please remember that the maximum request under the existing program is \$10,000.

Anticipated Use	Amount
	\$
	\$
	\$
	\$
	\$
<b>TOTALS</b>	\$

Business Contact Person

Telephone  Email

By submitting this request, you represent and certify to the best of your knowledge and belief that the information you have provided and the attachments hereto are true and complete and accurately describes the proposed project. You agree to promptly inform the City of Westfield of any changes which may occur.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## ATTACHMENTS FOR BUSINESS OPERATING GRANTS PROGRAM

Please submit the following items with your application; the City will contact you with any additional needs or confirm that your application is complete.

- 2019 Tax Returns, or most recently filed for the business and all owners/principles.
- Most recent Payroll Ledger
- List of Business Stakeholders:
  - (i) **Corporation:** Please list names and addresses of the officers and directors of said corporation and any person and/or corporation with a financial interest of five percent or greater in said corporation
  - (ii) **Partnership:** Please list the names and addresses of all partners and include the proportionate share of each partner.
  - (iii) **S-Corporation:** Please list the names and addresses of all shareholders of said corporation.
  - (iv) **LLC:** Please list the names of all the members of said LLC.
  - (v) **Business Trust:** Please list the names of all members and beneficiaries of said trust.

\*Please follow the instructions at the link attached to obtain a DUNS number. This is required to obtain federal assistance.

<https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>

\*\*Please follow the instructions at the link below to register with SAM (federal System of Award Management). This is also required to obtain federal assistance.

<https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>

This application can be returned without registering for DUNS or SAM, but execution of an agreement and processing a check will not occur until both of these items have been received.