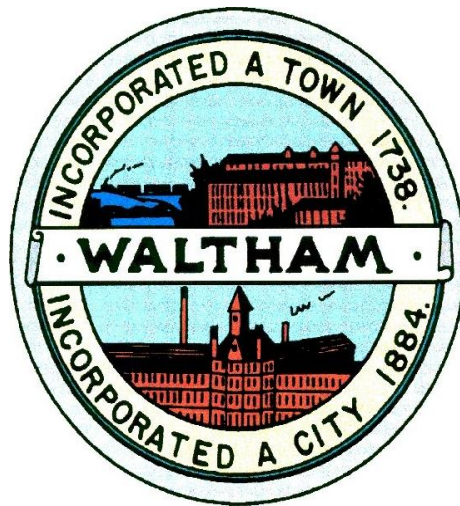


*COVID-19 Community Development Block Grant (CDBG-CV)
Program Year 46 (2020 - 2021)*

GUIDELINES FOR CDBG-CV SMALL BUSINESS RECOVERY FUNDING

**Note: This document is for Small Business Recovery applications only.
Please review carefully.**



City of Waltham, Massachusetts

Mayor Jeannette A. McCarthy

Released September 18, 2020

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I. General Information

The Community Development Block Grant (CDBG) program was established by Congress in 1974 with passage of the Housing and Community Development Act (HCDA) and is administered by the United States Department of Housing and Urban Development (HUD).

HUD has notified the City of Waltham, Massachusetts (the City) of a special allocation of CDBG funds, totaling \$567,982, to be used to **prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) pandemic**. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed by the Federal government on March 27, 2020. A portion of the allocation, totaling approximately \$190,000, will be made available through the City's Waltham COVID-19 Small Business Recovery Grant Program.

The City has established the Waltham COVID-19 Small Business Recovery Grant Program to aid in the stabilization of existing small brick and mortar businesses within Waltham that have had significant business disruption due to the impact of the COVID-19 pandemic. These grant funds will assist small businesses in Waltham to pay for commercial rent or mortgage, cover wages, loss of inventory, and other demonstrated costs. Capital improvements will not be considered. To optimize its grant dollars, fewer grants in larger amounts to successful applications are intended to be awarded. **The minimum grant request must be \$10,000 for microenterprises (described below) and \$15,000 for small businesses (also described below).**

II. Applicant Eligibility

Eligible applicants include for-profit enterprises which meet the following criteria:

- The business must qualify as a Microenterprise:
 - Must have no more than five (5) employees, including the owner(s)
 - Business owner must live in a low- to moderate-income (LMI) household

OR

as a Small Business

- Must have between no less than six (6) and no more than 20 full-time equivalent (FTE) employees, including the owner(s)
- Must retain or create at least one (1) permanent job
- Must ensure no less than 51% of total permanent jobs retained or created are for LMI persons

AND

- Must have experienced a loss of revenue of 50% or more due to COVID-19 since March 10, 2020 (Massachusetts State of Emergency),
- Must have a physical establishment within the City of Waltham, and
- Must not have any outstanding tax liens or legal judgments.

Additionally, some businesses, including, but not necessarily limited to, independent contractors and consultants, home-based businesses, liquor stores, franchisees of national or regional chain businesses, and marijuana establishments will be considered ineligible. Non-profits should seek funding alternatively provided through the CDBG-CV Public Service Funding opportunity (the City is now accepting applications).

The City reserves the right to reject any application that is incomplete or does not meet federal eligibility requirements. As there may be more applicants than funding availability, the City reserves the right to use its judgment to select grantees that best meet and advance the goals of this program.

Note: FTE is computed on a basis of average weekly hours divided by 40.

III. Activity Eligibility

Activities must meet the national objective of benefiting LMI persons. Persons benefiting from an activity must live in a household with an income at or below 80% of the FY2020 HUD Income Limits for their home address or must otherwise be presumed eligible, including: elderly persons, severely disabled persons, homeless persons, illiterate adults, survivors of domestic violence, abused children, and persons living with AIDS. Income limits for the Boston-Cambridge-Quincy, MA-NH metropolitan area (including all street addresses in the City of Waltham) are provided below:

**FY2020 HUD Income Limits
for the Boston-Cambridge-Quincy, MA-NH metropolitan area
(effective April 1, 2020)**

Persons in Family	Low (80%) Income Limit
1	\$67,400
2	\$77,000
3	\$86,650
4	\$96,250
5	\$103,950
6	\$111,650
7	\$119,350
8 or more	\$127,050

For **microenterprises (1-5 employees)**, the person benefiting is/are the business owner(s). All business owners must live in a LMI household. For **small businesses (6-20 employees)**, the persons benefiting are the persons whose jobs are being retained or created. At least 51% of the persons benefiting must live in a LMI household. Refer to eligibility information documents for CDBG and 24 Code of Federal Regulations (CFR) 570.200 for additional information regarding LMI requirements.

Most economic development assistance activities eligible under annual allocations of CDBG funding remain eligible under CDBG-CV, provided they address prevention, preparation, and response to the COVID-19 pandemic. Such activities include, but are not limited to, commercial rent or mortgage assistance and covering employee wages, loss of inventory expenses, utility expenses, or other demonstrated costs. For more information, please refer to the ***Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response*** available online at:

files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf

At least 50% of the grant request (\$5,000 for microenterprises, \$7,500 for small businesses) must be for commercial rent or mortgage, which will be paid directly to the landlord or funding institution. The remainder of the grant request can be for additional commercial rent or mortgage assistance, or for any

other eligible activity. Additional financial needs may be considered on a case-by-case basis. 10% of the grant will be reserved until the final program documentation has been submitted and approved.

CDBG-CV funds will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. Grant funds therefore may not be used to pay costs if another source of financial assistance is available to payment that cost. Awarded subrecipients will be required to certify during the contract term that there is no supplanting of federal funds for the requested activity.

IV. Application Instructions

- **Applications due:** no later than Friday, October 30, 2020 at 4:00 PM. No exceptions will be made to the deadline. Incomplete applications will not be accepted. Completed applications must be **received** by 4:00 PM through one of the following modes:

- **Preferred Method:** submit an application via:
app.smartsheet.com/b/form/724c94ed22294a0783b414fdfd1b6
- **First Alternative Method:** send application via email to CDBG@city.waltham.ma.us with the subject line "CDBG-CV Small Business: [Name of Business]"
- **Second Alternative Method:** send via the United States Postal Service (USPS) or private carrier to:

City of Waltham Planning Department
Attn: Benjamin Delaney, Principal Planner
Re: CDBG-CV Small Business Application
119 School Street
Waltham, MA 02452

- **Applications available:** online via the Planning Department's CDBG webpage or for pick up from the Planning Department at 119 School Street, Waltham, MA 02452. An appointment is required to pick up a hard copy and can be made by calling (781) 314-3370. Additional languages are available by request. Submit only one application per program.
- **Application form:** is available in online and PDF only. Do not alter the state of the original application form in any way and attach only the required documentation to the form.
- **Federal registrations:** with the online Data Universal Numbering System (DUNS) is required at the time of grant agreement signature. There is no cost for this registration. **To register for a DUNS Number:** visit dnb.com/duns-number/get-a-duns.html.

V. Timeline

The following dates are important to the administration of CDBG-CV funds and should be marked down appropriately by prospective applicants:

- **Application Period Opening** | Friday, September 18, 2020 @ 4:00 PM

- **Technical Assistance for Applicant** | Monday, September 21 – Thursday, October 29, 2020
- **Application Deadline** | Friday, October 30, 2020 @ 4:00 PM or until available funds are exhausted
- **Evaluation of Applications** | Based on a first come, first serve review process
- **CDBG-CV Funds Available** | Immediately upon full execution of grant agreement (contract)

VI. Technical Assistance

All prospective applicants should familiarize themselves with Federal regulations and information contained at the following URLs:

- Official HUD Website | [hud.gov](https://www.hud.gov)
- HUD Info Exchange | [hudexchange.info](https://www.hudexchange.info)
- [city.waltham.ma.us/planning-department/pages/community-development-block-grant](https://www.city.waltham.ma.us/planning-department/pages/community-development-block-grant)

Questions regarding CDBG-CV small business recovery funds can be directed to the Planning Department beginning on Monday, September 21, 2020 and ending on Thursday, October 29, 2020. Email CDBG@city.waltham.ma.us (preferred) or call (781) 314-3370. Questions and answers will also be posted online at <https://www.city.waltham.ma.us/planning-department/pages/community-development-block-grant> and updated as necessary to maintain timely information. Names of persons/organizations who have asked a question will **not** be publicized.

VII. Evaluation

Following a completed application with all supporting materials, a committee comprised of staff from the Housing Division and Planning Department will review the merits of each application and approve or deny the request. Factors for consideration during the review process may include, but are not limited to:

- Program eligibility (microenterprise, job retention, job creation)
- Cost reasonableness
- Evaluation of access to other resources and assets
- Financial health prior to the outbreak
- Owner's reasonable return on investment

Additional factors may come into consideration during the evaluation such as:

- Business experience
- Viable recovery plan
- Severity of the COVID-19 impact
- Community need

Consideration will also be given to businesses that were required to completely close down their business during the emergency by order of the Governor.

VIII. Reporting

If awarded a grant, the business must submit a final report by Wednesday, December 30, 2020, that documents the actual use of funds, job creation or job retention requirements, and describes how the funds

have affected the business's recovery. Following submission of all required paperwork, the final 10% of the grant funds will be released to the business.