

# Temecula Assist: Business Improvement Track

## I. INTRODUCTION

In response to the economic hardships experienced by businesses resulting from the pandemic, the City of Temecula is launching **Temecula Assist**, providing direct relief to energize Temecula's local economic backbone, retain jobs, and to stabilize local businesses. **Temecula Assist** has two funding tracks; this program falls under the **Business Improvement Track**. The total funding for the **Temecula Assist: Business Improvement** is \$170,000, made available through the City's General Fund. The maximum grant request is \$5,000 per business.

Applications will be accepted from May 26, 2020 through June 9, 2020 at 5 pm via the City's website [temeculaca.gov/TemeculaAssist](http://temeculaca.gov/TemeculaAssist). (preferred method) Applicants may also mail their applications to:

City of Temecula  
**Temecula Assist: Business Improvement**  
Attn: Lynn Kelly-Lehner  
41000 Main Street  
Temecula, CA 92590

Please note that City Hall is currently closed due to the COVID-19 pandemic. Mailed applications must be received by **5 pm by Tuesday, June 9, 2020**. Hand delivered applications cannot be accepted at this time. **Email submissions will not be accepted**. Questions about this program can be emailed to [businessgrants@temeculaca.gov](mailto:businessgrants@temeculaca.gov).

## II. ELIGIBILITY

Eligible businesses may be awarded up to \$5,000 in grant funds through **Temecula Assist: Business Improvement**. Businesses must meet the criteria below to be eligible for the grant program.

- For-profit business physically located within the City of Temecula
- The business has been located and operating in Temecula for at least six months prior to March 17, 2020, the date the City Council declared a local emergency
- Business has 50 employees or less
- Owner has a valid employee identification number
- Business has a bank account
- Business is not currently in bankruptcy, and has not declared bankruptcy within the last 7 years
- Business is current with property taxes, City fees, business license, and other applicable local, county, state fees and requirements
- 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
- Business and owner must be in good standing with the City
- The business must prove their business has been negatively affected by COVID-19

### a. INELIGIBLE APPLICANTS

Businesses that are not eligible for this grant include:

- Businesses located outside the City of Temecula
- Nonprofit organizations
- Government organizations
- Illegal businesses operating within the City



# Temecula Assist: Business Improvement Track

## b. ELIGIBLE USES OF FUNDS

Grants may be utilized for the following eligible costs:

- Rent
- Mortgage
- Payroll
- Utilities
- Supplies, purchases, inventory, technology directly related to COVID-19 response
- Personal protective equipment (PPE)
- Development fees, including permit fees, utility fees
- Costs associated with implementing social distancing measures
- Costs associated with re-opening, according to government mandates related to COVID-19

## c. INELIGIBLE USE OF FUNDS

Funds under this grant program may not be used to:

- Reimburse expenses incurred prior to March 17, 2020 (date of local emergency)
- Pay non-business debt
- Purchase personal items or for personal expenses
- Direct financing to political activities
- Direct financing to religious activities
- Anything not related to core business operations

## III. APPLICATION PROCESS

Applicants will be required to complete an initial application, including providing a copy of the following documents.

1. W-9 form
2. Documentation that the business was adversely impacted by the COVID-19 pandemic

The City reserves the right to request additional information upon receiving the application.

## IV. SELECTION PROCESS

### a. LOTTERY

At the close of the application period, the City will hold a lottery to preliminarily select the businesses that are eligible to obtain grants from the **Temecula Assist: Business Improvement**. After the lottery is held, the City will notify businesses via email if they have been preliminarily selected for the grant.

**A BUSINESS THAT IS SELECTED IN THE LOTTERY IS NOT GUARANTEED TO OBTAIN A GRANT. BEFORE OBTAINING A GRANT, THE BUSINESS MUST PROVIDE THE REQUIRED DOCUMENTATION DEMONSTRATING THAT IT IS ELIGIBLE TO OBTAIN A GRANT.**

Once a selected business is deemed eligible, the City will send an agreement to the business. The business is required to provide two original copies of the agreement, with wet signatures to the City.

If the funding requests of applications do not exceed the total funding available at the close of the application period, the City will preliminarily select all businesses that submitted an application.

The City will conduct a second application period and lottery with the remaining, additional funds, if applicable. Businesses may only be selected once for the grant.



# Temecula Assist: Business Improvement Track

## b. APPLICATION REVIEW

The City will conduct an eligibility review of the application and request additional, supporting documentation from the business, if needed.

This review will confirm the following:

- The business and requested funds are eligible
- The business was adversely impacted by COVID-19

If, during this review, an application is deemed to be incomplete or lacking adequate detail, the City will provide up to one week for the business to complete the application and provide the necessary documentation before deeming the business ineligible.

***Any determination that deliberate misrepresentation (or fraud) has occurred will result in the disqualification of the applicant and/or the rescission of a grant at any point from the award to closeout.***

## V. GRANT ADMINISTRATION

Upon successful completion of the application review, the applicant will enter into a grant agreement with the City. The agreement will require original signatures from those authorized to enter into and sign agreements. Upon execution of the grant agreement, the funds will be distributed to the business owner via ACH electronic funds transfer.

Within six months, the business owner must submit evidence to the City that the grant funds have been spent in the manner and for the purposes stated in the application. Evidence may include documents like payroll, cancelled checks for lease payments, mortgage statements, invoices, etc. Evidence provided must be to the satisfaction of the City.

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 six-month period, the applicant shall be required to re-pay a portion of or all of the grant funds to the City. The City reserves the right to audit the applicant's records for compliance with terms in the agreement and monitor the business to ensure compliance.

## VI. PROGRAM MARKETING AND OUTREACH

An outreach program will be conducted by the City. Examples of marketing include a press release to media outlets, social media coverage through various channels (Facebook, Twitter, Instagram, YouTube, etc.) and distribution of marketing materials to the Chamber of Commerce and business networking organizations.

The City will distribute the information to the CDBG Citizen Participation Plan stakeholder list.

## VII. PROGRAM ADMINISTRATION

The City of Temecula, in coordination with its consultants, will oversee **Temecula Assist: Business Improvement**. The responsibilities of the City include:

- Originate grant funds
- Market the grant program



# Temecula Assist: Business Improvement Track

- Accept and process applications
- Conduct lottery for eligible businesses and notify selected businesses
- Review and underwrite grant requests
- Ensure timely disbursement of funds
- Maintain documents and fiscal records
- Administer locally sourced funds used for this program
- Ensure compliance with program guidelines as they relate to the funding sources

## VIII. APPLICANT CONFIDENTIALITY

All personal and business financial information will be kept confidential to the extent permitted by law. Grant participant files with personal and business confidential information will be kept in locked, secured cabinets.

## IX. EQUAL OPPORTUNITY COMPLIANCE AND NONDISCRIMINATION

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 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.

## X. PUBLIC BENEFIT

On March 17, 2020, the Temecula City Manager declared a local emergency as a result of the COVID-19 global pandemic. This declaration was subsequently ratified by the City Council on March 24, 2020. On March 19, 2020, the State Public Health Officer and the Director of the California Department of Public Health issued an order requiring that most Californians stay at home to slow the spread of COVID-19, except as needed to maintain the continuity of operations of essential critical infrastructure sectors. On May 7, 2020, the State's Health Officer issued a subsequent order that permits a "reopening of lower risk workplaces and other spaces," and allows retail establishments to join the list of businesses that are permitted to be open, except that retail service must be limited to curbside service only. The Order also permits manufacturing and logistics businesses that serve retailers to re-open for business. The State Health Officer's Order provides that it will add additional sectors, businesses, and activities to the list of businesses permitted to be open once the public health situation warrants reopening.

Local businesses are experiencing huge loses of income, unpaid bills and debt as a result of having to close their businesses or modify their operations in response to COVID-19 and the State Public Health Orders. The economic impact to the business community is devastating. Many businesses have either been forced to shut down, or have had to modify their business practices in response to the State orders. As many of these struggling businesses make plans to reopen or to keep their doors open, they will need to expend, or have expended, funds on safety equipment such as PPE, additional cleaning supplies, and/or the installation of other safety equipment to keep their employees and the general public safe. The economic losses suffered by the City's local businesses has significantly impacted the amount of local tax revenues that the City has been able to collect. As such there is a public benefit to the City assisting local businesses so that these businesses can continue to operate safely in Temecula. These small businesses provide valuable services to the residents and visitors of Temecula, stimulate the local economy, and provide much needed tax revenue to the City that helps to fund vital municipal services such as public safety, parks, street improvements, and senior and youth programs.

