



Palmdale
Small Business
Assistance Programs

Small Business Assistance Grant Program Guidelines

January 2023

Introduction and Program Overview

The COVID-19 pandemic continues to stress small businesses in various different aspects of business operations. The City will be utilizing funds to extend the assistance to our local businesses that have been impacted by COVID-19, through the Small Business Assistance Grant program (SBAG). The funds shall be used to provide support to eligible businesses for payroll, rent, personal protective equipment, and other costs required to resume or expand business operations.

As a general principal, SBAG funding will only be provided in cases where it can be reasonably determined and documented that the applicant business has been adversely impacted by the COVID-19 pandemic. All grant payments will be made as reimbursements for actual costs. The business will be required to submit appropriate documentation to confirm eligibility for the relevant program and to receive grant payments.

The SBAG program will provide grants up to \$7,000.00 to small businesses that were adversely impacted by the COVID-19 pandemic.

Small Business grants can be used for the following purposes:

- Rent/Utilities
- Payroll
- Personal Protective Equipment (PPE) required for business operation
- Business services or investments to maintain or increase capacity to carryout business activities (e.g. Point of Sale system, website development, etc.)

Funding Availability

Source of funds for the programs are provided by the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act (31 CFR Part 35) (ARPA). With ARPA funding the regulations dictate, among other things, the purpose, eligible use of the funds, and compliance with specific reporting requirements.

On June 29, 2022, the Palmdale City Council approved the budget for the 2022/23 FY year and the ARPA budget which allocated funds for small business assistance. These funds are being used to launch this program. As a disbursing agent for these funds, the City of Palmdale, Economic Development Division will be responsible for the oversight of the Small Business Assistance Program.

City Reserved Rights

The City reserves the right, in its sole and absolute discretion at any time to:

- Amend or terminate this program.
- Choose or reject any or all applications received in response to this program;
- Modify the application deadlines;
- Request additional information of the applicants, as deemed necessary and appropriate by the City;
- Conduct further due diligence with applicants or any third party;
- Modify the City's objectives or the scope of the program;
- Modify program requirements, general terms and conditions, or eligible activities and/or disqualify any proposing applicant on the basis of any real or perceived conflict of interest that is disclosed or revealed by materials submitted or by any data available to the City.

Guidelines for Small Business Assistance Grant Program

Program Definitions

Eligible Costs: Eligible costs include rent, utilities, payroll, personal protective equipment (PPE) required for business operation, business services or investments to increase capacity to carryout business activities (e.g. point of sale system, website development, etc.), or other costs determined to be eligible and necessary to resume or expand business operations.

Small Business: A business that has fewer than 500 total employees (including the owner) and meets all eligibility criteria of a small business as detailed in the eligibility requirements below.

The Application

The Small Business Assistance Program application will include information about the small business, the number of employees in the business, location of the business, amount of time in business, and type of business. Applications will be available on the City of Palmdale website. if necessary. The application agreement will require the following attestations:

- The business is a commercially or industrially zoned business.
- As of the prior calendar year, the business must have five hundred (500) or less employees.
- The business has been negatively impacted by COVID-19.

Application/Documentation Requirements

Applications will be accepted between January 9, 2023, and April 20, 2023. Applications received after April 20, 2023, will be considered late and will not be accepted.

The following documents must be submitted for consideration of for the Small Business Assistance Program Grant:

- Complete application and all of its attachments
- Active City of Palmdale business license
- State Identification Card or Driver's License
- DUNS Number
- IRS Form W-9 (Request for Taxpayer ID Number and Certification) (Signed & Dated)
- Documentation of Covid-19 Impact (this may include business tax returns, documentation of efforts to hire and retain staff, documentation of purchase of expense items required by State or County guidelines in order to reopen, documentation of unpaid rent, payroll or utilities self-certification of negative Covid-19 impact)

Eligibility Requirements

To be eligible to apply for the Small Business Assistance Grant, a business must meet all of the following criteria:

- The business must be a for-profit business physically located in Palmdale; and
- The business must be located in a commercial or industrial space; and
- The business must have an active Palmdale business license; and
- Business must have been opened on or before February 29, 2020

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- As of March 2020, the business must have had five-hundred (500) or less employees; and
- The business must be in good standing with the City (current on bills, no liens, or judgements, etc.), unless directly correlated to COVID-19 impacts; and
- The business must have been negatively impacted by COVID-19; and
- Business or owner has a DUNS number, or will have applied for one prior to executing the program agreement (<https://www.dnb.com/duns-number/get-a-duns.html>)
- Owner is 18 years or older; and
- Business has a valid federal employer identification number; and
- Business has a bank account; and
- Business is not subject to City Conflict of Interest Code; and
- The business must submit the application, and all required supporting documentation.

Businesses that have previously received alternative sources of funding such as the Palmdale Small Business Grant, the Economic Injury Disaster loan (EIDL), or Paycheck Protection Program (PPP) Loan are eligible to apply provided the business also meets the criteria above.

Ineligible Small Businesses

The following business types are **NOT** eligible for assistance:

- Businesses located outside of the City of Palmdale boundary
- Nonprofit entities (e.g. 501 (c)(3), 501 (c)(6), etc.)
- Passive businesses (i.e. rental property or other business in which one does not actively participate)
- Government organizations
- Home-based businesses
- Businesses that limit patrons to 18 and older

Program Application

Interested businesses may access applications from the City of Palmdale website <http://www.cityofpalmdale.org/SBA> or, pick up an application at Palmdale City Hall – Development Services Building located at 38250 Sierra Highway, Palmdale, CA 93550.

Application: Applications can be found online at www.cityofpalmdale.org/SBA, applications can be submitted by printing and hand delivering applications to the Economic Development Division at 38250 Sierra Highway, Palmdale, CA during regular hours of operation of Monday through Thursday from 7:30 a.m. to 6:00 p.m. Applications WILL NOT be accepted by email. Applications will be time stamped and reviewed on a first come first serve basis. The application period will open on January 9, 2023, and close on April 20, 2023, or when all funds are granted, whichever comes sooner. If interest persists and funds are still available, the City may extend the application period. All applications must include all required supporting documentation. The City reserves the right to request additional documentation from applicant businesses.

Submitting an application does not guarantee a grant award. Applications will be reviewed for completeness and compliance with program requirements.

Review: The application and documents will be reviewed by the City to determine application/documentation completeness. If the City determines that additional information or supporting documents are needed to review an application, then the application is not considered complete and will not be considered until all required documentation is submitted.

Contact Information

For assistance in completing the Small Business Assistance Programs application and to set up a one-on-one consultation (at no cost), please contact the City of Palmdale, Economic Development Division.

For questions or additional information regarding the Small Business Assistance Programs, please contact the following:

Luis Gonzalez, Economic Development Coordinator
Phone: 661-267-5125
Email: economicdevelopment@cityofpalmdale.org.

City of Palmdale
Economic Development Division
38250 Sierra Highway
Palmdale, CA 93550

EXHIBIT 1: PROGRAM APPLICATION

(attached)