



San Pablo B2B Fund Program Guidelines

("Back to Business")



Purpose

The San Pablo Back to Business ("B2B") COVID-19 Micro Relief Fund will provide immediate financial relief in the form of grants to qualified currently licensed small businesses operating storefronts or business-to-business home-based businesses within the jurisdictional boundaries of the City of San Pablo (City boundaries). These grants are intended to that further a business' ability to relieve debt due to pandemic impacts, maintain operations and support business growth during this economically challenging time.

Eligibility

Each eligible business may only apply for only one grant. To apply, a business must:

- Be small, privately owned and for-profit with a minimum of one (1) FTE.
 - One FTE totals 40 hours per week. This can be one employee or any combination of part-time employees whose weekly hours total 40.
 - Small Business Administration (SBA) definitions of small business by industry will be respected.
- Be independently owned and operated. Franchise businesses may be eligible if they 1) own two or fewer locations; 2) their only location(s) are within the City of San Pablo; and 3) they are not receiving any corporate support.
- Individual Tax Identification Number (ITIN) business owners, provided they meet all application documentation requirements, may apply.
- Have a physical store front or office located within the jurisdictional boundaries of the City of San Pablo that experienced temporary or ongoing operations and/or revenues impact due to the pandemic and post-pandemic economic conditions.
 - Home-based businesses which provide business-to-business services may be eligible.
- Commit to technical advisory support, Standards of Conduct, and being responsive within two business days to San Pablo EDC staff.
- Business must be currently open (online store acceptable) and have been in business for at least two years as of date of application and have filed business taxes for both years.
- Be in good standing with the City of San Pablo, Contra Costa County and State of California.
- Business income must represent an owner's primary means of income.
- Businesses may not:
 - Have any outstanding tax liens/judgments (or must have a payment plan) and may not currently be involved in any litigation.

- Have filed for bankruptcy in the last three (3) years.
- Be a business that promotes or offers illegal activities, recreational drugs, unsafe supplements, multilevel marketing, third-party infringement, social issues, elections or politics, cosmetic procedures, weight loss, cash for gold, gambling, real money gambling, alcohol (non-restaurant related), weapons, ammunition, firearms or explosives, adult products or services, penny auctions, payday loans, paycheck advances, bail bonds, discriminatory advertising, state lotteries, tobacco, and related products.
- Be owned or partially owned by the following individuals or employ the following individuals: a City of San Pablo Elected Official, current employee of the City of San Pablo, current employee or board member of the San Pablo Economic Development Corporation or the immediate family members who live in the same household of any of these individuals.

Funding Guidelines

Should a business be eligible, complete the application and submit all required documentation, following are the applicable funding guidelines.

- Grants are available as \$5,000, \$10,000, \$15,000 or \$20,000 for capital-ready eligible San Pablo businesses demonstrating strategic business pivots in their business plan. The grant tier is determined as follows:
 - Existing storefront or qualified home-based business: \$5,000
 - Gross Revenues \leq \$100,000
 - Existing storefront business: \$10,000
 - Gross Revenues \leq \$250,000
 - Existing storefront business: \$15,000
 - Gross Revenues \leq \$500,000
 - Existing storefront business: \$20,000
 - Gross Revenues \geq \$750,000
- Grant applications will be considered on a first complete, first serve basis.
 - Should a business find timely compliance challenging, San Pablo EDC will refer to professional services and/or technical assistance partners, as needed, i.e., a business has not filed its taxes for 2021.
- A business must commit to technical advisory support and being responsive within two business days to San Pablo EDC staff.
- If the borrower fails to adhere to the Rules of Conduct (see exhibit), they will be exited from participating in the grant application and funding.
- Each eligible business may only apply for one grant.

Eligible Uses of Funds

- Loan funds may be used for lease payments, payroll, utilities, business supplies (including PPE), equipment purchases that expand operations, and investments in software or technology that allow for a shift to online operations. Other expenses may be eligible as reviewed on a case-by-case basis.

Required Documentation

Items the business should already have are noted with *.

- Completed *Back to Business* loan application, including statement of financial need and proposed use of funds
- Copy of current City of San Pablo business license*
- Business plan*
- Financial statements (balance sheet, profit and loss)*
- 2 years of business tax returns*
- Media Release Waiver
- Signed San Pablo Economic Development Corporation Rules of Conduct form
- Commitment to complete business survey

Process Expectations

San Pablo EDC will:

- Email applicant to confirm receipt of application and notify of any deficits, i.e., application omissions, documents missing or insufficient documentation.
- Email applicant within 15 business days regarding application status.
- If applicable, contact the business if technical assistance is required with options.

This B2B expansion represents grant funding and will not need to be repaid. However, all taxes associated with the acceptance and/or uses of cash awarded are the sole responsibility of the individual grantee. Each grantee will receive a Form 1099 from the San Pablo EDC.