

MACOMB COUNTY MICROENTERPRISE ASSISTANCE GRANT PROGRAM

Macomb County* will allocate up to \$750,000 in Community Development Block Grant CARES Act (CDBG-CV) funding for grants to qualified microenterprises that have been negatively impacted by COVID-19. CDBG-CV funds must be used specifically to prevent, prepare for, and respond to the COVID-19 pandemic.

*This program is funded with Community Development Block Grant (CDBG) dollars. As a result, the program covers the jurisdiction of Macomb County's CDBG program which includes all Macomb County communities with the exception of Warren, Sterling Heights, Roseville, St. Clair Shores, and Clinton Township. These communities are direct recipients of CDBG funding and therefore are not eligible for CDBG funds through the County.

QUALIFICATIONS

To qualify as a microenterprise you must be a commercial enterprise that has have five (5) or fewer employees, one or more of whom owns the enterprise at the time of receiving assistance **AND** you, as owner, must have an annual household income at or below 80% of the Area Median Income (AMI) (Appendix A). The owner must also provide documentable income loss during the crisis at the time of application and pledge to continue the business to the best of their ability. The business must be licensed (if applicable), have an Employer Identification Number (EIN), DUNS number, and be registered with the federal Systems for Award Management (SAM) system.

APPLICATION PROCESS

To apply for a Microenterprise Assistance Grant from Macomb County the owner must complete an online application. A brief narrative is required describing how the COVID-19 crisis has impacted their business, their plans for continuing their business through the COVID -19 state of emergency and the economic and /or community benefit the business creates for Macomb County. Information regarding the number of years in business, type of business, and financial information will also be required.

ELIGIBILITY

To be eligible your business must be a qualified microenterprise located within the jurisdiction of Macomb County's CDBG program, whose owner is income eligible. The business must be able to document all of the following:

1. They are a microenterprise (a business with 5 or less employees, where at least one of which is the owner);
2. The owner's household income must be less than 80%AMI (see appendix A Income Limits adjusted to Household Size);
3. A for-profit and established for at least 12 months;
4. Must have a DUNS number;
5. Must be active on System for Award Management (SAM);
6. Not delinquent on federal, state or local taxes;
7. Must provide a W-9; **AND**
8. Must be able to demonstrate that the business has been negatively impacted by COVID-19

WHO IS INELIGIBLE?

- Those businesses located outside of Macomb County
- Business with more than 5 employees
- Business owner's with income that exceeds the program maximum
- Marijuana related businesses (prohibited use of federal funds)
- Businesses that are excluded from receiving federal contracts (debarred)

INTENDED USE OF CDBG-CV FUNDS

Grant funds are intended to be used as short-term working capital to assist microenterprises maintain their businesses through the COVID-19 crisis, thus avoiding job loss from closure of the business.

Funds will be provided on a reimbursement basis for eligible costs incurred between March 16, 2020 and September 1, 2020 which have not been fully covered by another source/program (see Duplication of Benefits). In order to receive reimbursement the grantee will be required to verify the costs were incurred by submitting documentation such as invoices, cancelled checks, bank statements, etc.

Minimum Request: \$2,500

Maximum Request: \$10,000

The following is a list of costs incurred by the business that are eligible for reimbursement with the grant funds. NOTE:

- Rent, lease, or mortgage payments for a commercial location
- Utility payments (electric, gas, water and/or internet) for a commercial location

- New or expanded technology applications
- Cost of critical business operations such as installation of equipment to ensure safe working environment for patrons and employees
- PPE and sanitation supplies
- Supplier payments
- Other COVID-19-related expenses approved by the County

INELIGIBLE USE OF FUNDS

Funds provided under this program may not be used to pay for:

- Non-business debt, such as personal credit cards for purchases not associated with the business;
- Personal expenses such as buying a new family car or making repairs to a participant's home;
- Expenses related to political or religious activities;
- Penalties or fines;
- Construction fees over \$2,000; or
- Purchase personal items, or support other businesses in which the beneficiary may have an interest.

DUPLICATION OF BENEFITS

Funds may only be used to pay for unmet needs/needs not met by other sources of assistance. A duplication of benefits analysis will be completed before assistance is provided through this program. A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. The owner/applicant will be required to certify that they will repay the program for any duplicative benefit subsequently received.

APPLICATION REVIEW

- Applications will be made available on line and accepted until 5:00 pm on September 30, 2020.
- The applications will be reviewed for completeness and eligibility.
- Once eligibility has been determined those applications will be scored according to Appendix B – Scoring Matrix.
- The applications will be ranked by score, highest to lowest, and funds will be allocated (not to exceed \$10,000) in that order until the program's funds have been exhausted.
- Successful applicants will be notified via email. They will have ten (10) calendar days to respond to the notice and provide the required documentation.

- Upon receipt of the required documentation, a grant agreement will be issued. The successful applicant will have ten (10) calendar days to return the signed grant agreement.

GRANT AGREEMENT AND DISTRIBUTION OF FUNDS

The owner must provide the required documentation and sign the grant agreement within the prescribed timeframe. If the owner does not meet the established deadlines, the award will be cancelled and the funds will be reallocated to another eligible microenterprise.

Once the grant agreement is fully executed, approved funds will be released to the owner within thirty (30) calendar days.

REPORTING REQUIREMENTS

HUD requires certain statistical data to be collected and reported. Examples of this information is race, ethnicity, minority owned businesses, female head of household, etc. This information will be made part of the income affidavit and will only be used for statistical reporting purposes.

EQUAL OPPORTUNITY COMPLIANCE

The program will be implemented in accordance with federal equal opportunity laws. 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 CDBG program funds on the basis of his or her religion, religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental disability, sexual orientation, or other arbitrary cause.

REASONABLE ACCOMMODATION

The County will make every reasonable effort to encourage the participation of minorities, non-English speaking persons, limited English proficiency persons and persons with disabilities. Any individual requiring a reasonable accommodation in order to participate in the program should contact Macomb Community Action – Community Development at (586)466-6256.

APPENDIX A

INCOME LIMITS

APRIL 2020

Household Size	Income Limit 80% Area Median Income (AMI)
1	\$44,000
2	\$50,250
3	\$56,550
4	\$62,800
5	\$67,850
6	\$72,850
7	\$77,900
8	\$82,900

APPENDIX B SCORING MATRIX

Max score = 30 points

1. Capacity: At what capacity has your business been operating since March 16, 2020? (max 10 points available)
 - a. Completely shut down and still closed – 10 points
 - b. Shut down (reopened at limited capacity) – 8 points
 - c. Shut down (reopened to normal capacity) – 6 points
 - d. Remained open (limited capacity) – 4 points
 - e. Remained open (normal capacity) – 2 point

2. Ownership: Which of the following ownerships scenarios apply to your business? (check all that apply) (max 4 points available):
 - a. At least 51% owned and operated by one or more women – 1 point
 - b. At least 51% owned and operated by one or more veterans or service-disabled veterans – 1 point
 - c. At least 51% owned by a minority– 1 point
 - d. Section 3 registered business – 1 point

<https://portalapps.hud.gov/Sec3BusReq/BRegistry/BRegistryHome>

 - e. None of these scenarios apply to my business – No points

3. Revenue lost: Roughly what percentage of revenue has your business lost over the last three months compared to the same time in 2019? (max 4 points available)
 - a. Less than 25% - 1 point
 - b. 26-50% - 2 points
 - c. 51-75% - 3 points
 - d. 76-100% - 4 points

4. How many years has your business been in operation? (max 5 points available)
 - a. Less than 1 year – 0 points
 - b. 1-2 years – 1 point
 - c. 3-5 years – 2 points
 - d. 6-10 years – 3 points
 - e. 11-20 years – 4 points
 - f. 20+ years – 5 points

5. Does your business provide medical, food delivery, cleaning or other services that support home health and quarantine?
 - a. Yes – 5 points
 - b. No – No points

6. Priority points given to businesses located in communities with a low-income population that meets Macomb County's exception quartile – this includes, Eastpointe, Mount Clemens, and Center Line. Is your business located in any of these communities?
 - a. Yes – 2 points
 - b. No – No points