

Applicant FAQ for the La Mesa Small Business Grant

When can I apply to the La Mesa Small Business Grant?

The application will be live on eastcountyledc.org/lamesa from August 24th – August 28th at 11:59 PST

How much can my business receive from the Grant?

Each business is eligible for up to \$5,000 of funding from the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act.

How do I know if my business is eligible for the Grant?

For a business to be eligible to receive funds, they must adhere by these requirements:

- Must be a for-profit business located in La Mesa with a valid Business License
- Must have been affected by COVID-19
- Small businesses must have no more than 25 employees (Full-Time Equivalent)
- Opened on or prior to March 1, 2020
- Must be an independently owned business
- Small businesses that received prior Federal and State funding are eligible, however, funding must be used on alternative eligible expenses
- Must be a brick-and-mortar business
- Home-based businesses are not eligible

What is the timeline of Grant Program?

Program Marketing: August 12th- August 21st

Pre-Application Webinar: August 19th @ 12p.m.

Application Period: August 24th- August 28th

Application Review (Rolling Basis): August 31st – September 18th

Checks Issued by the City of La Mesa: September 7th- September 30th

How many businesses can be helped?

At a minimum, 200 businesses can receive the maximum grant amount of \$5,000. However that number could go up based on the need of businesses that might not request the maximum amount.

Do I have to attend the webinar?

The webinar is not mandatory for applicants, but it will provide valuable information, walk through the application process, timeline, and address any applicant questions. If you have any questions that have not been addressed, the webinar is the perfect opportunity for you!

How do I attend the webinar?

To attend the webinar, simply go to eastcountyedc.org/lamesa and click the button 'Sign Up' under 'ATTEND OUR WEBINAR'. This will take you to a quick registration page that will ask for your contact information. The webinar is August 19th at 12p.m. and will be hosted by the East County Economic Development Council and the City of La Mesa. You can additionally find the webinar sign up here:

https://us02web.zoom.us/meeting/register/tZAtcOqopz4vGNJ3F_X2D0700H5UkRkf0oao

What do I need to apply?

The application will ask you for:

- Business name, address, and License Number
- Your contact information
- Desired mailing address
- Narrative Question: Describe how your business was affected by the COVID-19 pandemic
- Narrative Question: Describe how you would use the grant money
- Supporting Documentation to provide evidence of losses incurred
- A current W9 Form

How long should the narrative answers be?

The narrative questions are left open ended to allow each business owner a chance to express how the pandemic has affected their normal business operations and asking how the grant

funds would be used if they were awarded. The recommended length for the narrative answers is between 250-750 words.

What can the Grant funds be used for?

The La Mesa Small Business Relief Grant funds can be used on rent, payroll costs, utilities, accounts payable, personal protective equipment, and insurance over a 90-day period.

Can you explain the 90-day period?

The 90-day period is a flex 90 days that a business can apply from March 1, 2020 to present day. This rule was put into place to prevent businesses from claiming expenses over the entirety of the past six months. Each business can choose a 90-day period that is most effective for their needs and submit documentation asking for reimbursement or payment for expenses during that period.

Is outdoor furniture purchased to comply with local guidelines an eligible expense?

Yes, we would allow businesses to be reimbursed for the purchase of outdoor furniture needed to operate outdoors. Generally, this could be considered under “PPE” because the purchases were required to maintain social distancing consistent with the State and County order. The business needs to provide receipts (does not count for a future purchase).

What are some examples of Accounts Payable items?

Accounts Payable could be any COVID-19 related expense and it could be a utility bill, an A/P from a vendor, etc.

How can I provide proof of losses my business incurred?

Businesses can show proof of losses in a variety of ways. Here are some examples:

- Lease Agreement to indicate that rent is overdue
- Payroll Records to indicate a reduction in the number of staff employed
- Tax returns to show a reduction in revenue
- Receipts showing expenses for Personal Protective Equipment

These examples are not the only way to provide evidence of loss; each businesses’ proof will look different depending on how they were affected by the COVID-19 pandemic. Be sure to

demonstrate your business' need in the narrative spaces in the application and back that information up by uploading the appropriate supporting documentation.

How do I know if my supporting documents fit the criteria?

There are a few simple checks that you can do to ensure that your documents provide sufficient evidence of loss incurred due to the pandemic. To simplify it: we are looking for either a receipt that states that you paid for an eligible expense OR we are looking for a bill that states that you owe an eligible expense. Here are some important notes:

- The documents must include one from a third party outside of your business. Examples: SDG&E, Property Management Company, ADP, etc.
- Internal documents alone are not enough. While some businesses may have relevant internal documents like a Profit and Loss Statement or a Budget, these documents alone are not enough to prove loss. We encourage you to upload these documents as well, but please include something from a third party as well.
- Bank Statements are applicable in most cases. Bank statements are a great way to prove that you paid money for an eligible expense that can be reimbursed through the grant.

I paid all my bills and I don't have any outstanding debt, am I still eligible for the grant?

Yes, this grant can be used for reimbursement of eligible expenses that have already been paid for as well as outstanding debts. We just need proof that the payment was made.

Can I provide proof of Loss of Sales?

Yes, you can provide proof for Loss of Sales to further show evidence of your business losses incurred due to the COVID-19 pandemic, however the grant will only be awarded for the six eligible expenses: rent/mortgage, utilities, insurance, accounts payable, payroll, and personal protective equipment.

My business is a sole proprietorship, will that affect my application?

No, each small business will be helped on a first come, first served basis regardless of the business organization type.

My business has under 25 FTE employees in our La Mesa location, but over 25 FTE employees company wide across the county. Are we still eligible?

Unfortunately, this grant will look at FTE employees on a company wide basis. If you have more than 25 FTE employees across the company, you are not eligible for the grant.

My business is in Spring Valley, but I am a member of the La Mesa Chamber of Commerce, I am eligible for the grant?

Unfortunately, only businesses in the incorporated City of La Mesa are eligible for the grant. Each small business must have a La Mesa Business License.

Since my business has been ordered closed, can the bank statement from my credit card machine showing no revenue from customers over the last few month be used to show damages?

Yes it can be used to show a decrease in sales and revenue due to the pandemic, but it is not enough on its own. We would recommend additionally providing your 2019 tax returns to show that your sales over the last few months are out of the ordinary and differ from your normal sales.

Is the grant only for reimbursement or can it be used on future expenses?

This grant is only for reimbursement of eligible expenses during a past 90-day period.

The file I am trying to upload says it is too large to upload to the application. What should I do?

You can email your files to cat.kricorian@eastcountyedc.org and be sure to let us know the name of the business the files belong with.

Who will be reviewing my application?

All applications received will be reviewed and vetted by the East County Economic Development Council, which will then recommend awards to the City of La Mesa. Awards will be based of the substantiated need of each applicant up to \$5,000.

Is this application First Come, First Served?

Yes, this application will distribute funds on a rolling basis based on when applicants apply.

Can I use La Mesa Small Business Relief Grant funds for the same expenses as my other federal funding sources like PPP or EIDL?

No, the La Mesa Small Business Relief Grant funds must be used for unique expenses that have not been previously addressed by other federal funding sources.

How will I get the Grant?

You should expect to hear from the City of La Mesa in the month of September whether your business has received the grant. The check will then be delivered personally or through the mail at the listed Mailing Address you provided in the application.

Will my Grant be judged differently if I apply for only one of the approved uses?

No, we will evaluate your application as to the hardships that you have suffered from the COVID-19 shutdown orders. We are asking for details on how you will use the grant to comply with federal guidelines and help us make determinations if we evaluate two equally impacted businesses and need to make decisions as the grant funds run out.

Will anyone follow up to see how I spend the Grant funds?

By accepting the La Mesa Small Business Relief Grant, businesses agree to spend the funds on the approved expenditures and are liable to future audits. Expenditures inconsistent with the Federal Guidelines are required to be returned.

If I have additional questions, how do I contact someone?

Please feel free to reach out to Cat Kricorian at cat.kricorian@eastcountyedc.org or 619.258.3670.