



Round 2 - Small Business Relief Grant

The City of Lowell has established Round 2 of the COVID-19 Small Business Relief Fund with \$500,000 to support qualified and eligible Lowell businesses that have been negatively impacted by the COVID-19 pandemic. **Grant applications are available from December 23, 2020 until January 22, 2021 at 12:00 p.m. EST.** There is no guarantee that you will secure a grant nor receive the maximum amount of funds. Grant funds will be awarded and distributed after the January 22, 2021 deadline.

The City of Lowell has partnered with the Entrepreneurship Center @ CTI and the Cambodian Mutual Assistance Association of Greater Lowell (CMAA) to provide technical assistance and language support to our non-English speaking business community. For more questions about HUD-eligibility, grant criteria, and/or the application, please contact DoBizInLowell@LowellMa.Gov or 978-674-4252.

Overview

- General Assistance (approximately \$500,000 available) reimbursable
- A \$5,000 grant is available to reimburse for working capital expenses, including but not limited to rent or mortgage payments, payroll expenses including healthcare, utility expenses, or business related fees.

Eligibility Requirements

- Independently – owned small business
- The business must have been operating in Lowell prior to March 1, 2020
- Priority will be given to businesses who operate out of a brick and mortar location and have had at least one (1) full time employee or full-time equivalent* besides the owner at some point during 2019
- Lowell-Based business
- Full time employee is considered one that works at least 30 hours per week.
- Demonstrate a 25% loss in revenue for March 2020 (as compared with March 2019)
- For businesses who opened after March 2019, you will be required to document a loss of income over the past 8 months
- Retain at least one (1) full-time or full-time equivalent employee on payroll (excluding owner)



- Business has at least one (1) year remaining on business lease or proof of commercial real estate ownership

HUD Community Development Block Grant (CDBG) Requirements:

- Applicants for either category of assistance must comply with the requirements of the U.S Department of Housing and Urban Development Community Development Block Grant program.
- Applicants must meet a HUD National Objective, either as a qualified microenterprise or as low/moderate income job creation/retention project:

Microenterprise

- Business must have five (5) or fewer full-time equivalent employees, AND
- Business owner must meet the household average median income requirements. Total household income for the business owner must be at or below 80% of the average median income to qualify for funding.

Job Creation or Retention

- Applicants must commit to creating or retaining at least one full-time (or full time equivalent) (1) job. The job must be filled by an individual who meets the household average median income requirement. Total household income for the individual must be at or below 80% of the average median income to qualify.
- Rehiring at least one position recently laid off due to COVID-19 related impacts or retaining a furloughed employee who meets income eligibility standards likely would allow an applicant to meet this requirement.

Note: If your business has 5 or fewer full-time equivalent employees AND you do not meet the household income requirement, or you are not in a position to hire or retain an employee who meets the HUD income eligibility criteria within 6 months of receiving funding, you will not be eligible for the program.

General Assistance to Impacted Lowell Businesses

The City will make awards of up to \$5,000 by selecting eligible and qualified businesses. Awards will be made to reimburse for qualified expenses and be in the form of a reimbursable grant. The grant will be issued once the City is able to confirm that the applicant has met all of the HUD CDBG-CV requirements and submitted eligible expenditures.

Businesses Not Eligible

- Do not meet the aforementioned income guidelines
- Do not meet the aforementioned job creation/retention or microenterprise requirements
- Non-profit or faith-based organizations



- Sole proprietors without a brick & mortar location
- Following type of businesses are ineligible to receive federal funding as this is prohibited by HUD: cannabis businesses, liquor-stores, pawn shops, adult entertainment, tobacco stores, used car dealership, real estate, insurance, law offices or seasonal businesses such as Tax Preparation.
- Businesses with past-due tax liabilities, tax lien that existed prior to COVID-19 or who have filed for bankruptcy
- Does not have a valid/current business registration with the City/State

Eligible Use of Funds

- Funds can be used for working capital expenses, including but not limited to rent or mortgage payments, utility, and business-related fees.

APPLICATION DEADLINE: JANUARY 22, 2021 @ 12:00 pm EST

- Applications received by the deadline will be reviewed to confirm program eligibility

Additional Considerations

- Minority-owned small businesses will be given preference as well as small businesses that haven't applied or secured supportive funding through local, state, and federal programs
- Please note, that even if a business meets the aforementioned criteria it is not guaranteed to receive a grant due to funding constraints of this program. The City Reserves the right to discontinue or modify requirements and funding as necessary.

Notification

- Successful applicants will receive a notice of award from the City of Lowell by email along with instructions on the next steps.
- Unsuccessful applicants will also be notified by email.

Disbursement of Funds

- While the default grant award amount is \$5,000, the award amount is subject to proof of verifiable need. For example, if an applicant can only document one monthly commercial rent payment, then the award will equal the size of the commercial rent payment. The City of Lowell will require additional financial information to prevent duplication of services. Additional information may include, but is not limited to, SAMS #, DUNS#, and documentation of financial supports received from local, state, and federal entities.