



Resilient Columbia: Economic Sustainability Plan

2022 Small Business Stabilization Grant Program (SBSG) Guidelines

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******The City of Columbia reserves the right to modify these guidelines as needed
at any time.***

City of Columbia
SMALL BUSINESS STABILIZATION GRANT (SBSG) PROGRAM
GUIDELINES

I. OVERVIEW

The City of Columbia City Council has approved Community Development Block Grant (CDBG) funds to aid small businesses in recovering from COVID-19. Funds have been used to launch the Small Business Stabilization Grant (SBSG) Program to provide short-term relief to businesses within the corporate limits of Columbia that have seen a reduction in revenue due to COVID-19 and are in the process of recovery. The City of Columbia recognizes the need to support small businesses that are struggling to access capital and keep their doors open in response to COVID-19. The City of Columbia, Office of Business Opportunities will issue SBSG grants of up to \$15,000 will be made in an effort to mitigate losses experienced by our small business community. Eligible applicants must demonstrate revenue losses of 25% or more due to the COVID-19 crisis, from 2019 to 2021.

National Objectives of the CDBG Program: *Benefit low and moderate income (LMI) persons.*

II. JOB RETENTION/CREATION

For the SBSG program, priority will be given to applicants that commit to retaining employees or retaining or creating jobs for LMI individuals. Retention or creation of at least one job held by a LMI individual is required to access funds under this program. Job retention is defined as total full-time equivalent positions retained at 40 hours per week, or any combination of part-time positions combining for 40 hours per week, including owners. At least 51% of the positions retained or created must be held by low-/moderate-income person.

III. ELIGIBILITY

Applications will be accepted by qualified for-profit, privately held small businesses that have been in business as of December 1, 2019 (or earlier) and located within the corporate limits of the City of Columbia, South Carolina. All qualified applicants must illustrate the economic injury suffered as a result of COVID-19. **If a business owner is a co-owner of multiple businesses, only one business co-owned by the owner may apply for SBSG funding.** Businesses must also be in good standing with the City of Columbia.

Applicants that have received small business emergency assistance from the City of Columbia's Office of Business Opportunities in 2021 are not eligible for SBSG assistance.

To be eligible for assistance, the business (business owner(s)) must:

- Employ(s) less than twenty-five (25) employees, including the owner(s). Priority will be given to microenterprises that have five (5) or fewer employees, including the owner(s);
- Has an owner who is low-moderate income (LMI), resides within the corporate limits of the City of Columbia, and the business qualifies as a microenterprise (*less than five employees*); or
- Employs or retains employees where 51% of the total employees are low-income (LMI).

Additional eligibility requirements:

- Have a physical establishment (bricks and mortar) within the corporate limits of the City of Columbia;
- Documented or exhibited revenue losses due to COVID-19;
- Have a current business license from the City of Columbia;
- Provide documentation showing 2019, 2020, and 2021 year-end earnings and Year-To-Date (YTD) earnings for the 1st Quarter of 2022, ending March 31, 2022.
- Provide a full copy of 2019, 2020, and 2021 federal tax returns and other financial and business records as requested by the City in making a final award decision;
- Have a net annual business income of \$250,000 or less (based on 2021 tax returns); and
- If the business has more than one physical location, business owner may only apply for one location.

Eligible businesses may include a wide range of service providers, such as hairdressers, barbershops, small retail enterprises, etc.

All employees, part time and full time, on a business's payroll at the time of grant application will be counted. The term "employee" includes all owners of the business on the payroll, even if the owner's "salary draws" are not on a regular basis. The application will require the business to provide records documenting the current number of employees on payroll, including all owners of the business. If the business owner is the only employee, the owner must be income eligible. In case of staff turn-over during the grant period, the identified position must be filled by an LMI person and demonstrate that without grant assistance the job would be lost.

The program will collect income and employee information as of now, not as it was prior to the pandemic. For example, the business may have six employees, but laid off three (3) and now may qualify as a microenterprise as long as the owner's income is at or below 80% AMI now.

FY 2022 Income Limits for Columbia SC HUD Metro FMR Area	
Extremely Low (30%)	\$16,950
Very Low (50%)	\$28,250
Low (80%)	\$45,150

Ineligible Applicants:

- Businesses outside of the corporate limits of the City of Columbia;
- Nonprofit organizations;
- Businesses exclusively residential;
- Franchises;
- Liquor stores;
- National/Regional chain businesses;
- Financial/Lending institutions;
- Private membership or fraternal organizations/businesses;
- Business owners that have defaulted on a City of Columbia loan within the last 10 years;
- Small Business Stabilization Forgivable (SBSF) loan recipients that have not received forgiveness from the City of Columbia for loans received in 2020.
- Businesses with 51% or more of revenue from alcohol sales;
- Adult oriented businesses;
- Businesses owned in part or fully by City of Columbia staff, administration, or leadership;
- Businesses listed on the Federal Debarred List (SAMS Search);
- Businesses currently in bankruptcy, or have declared bankruptcy within the last 7 years;

IV. OTHER MANDATORY REQUIREMENTS

All businesses receiving SBSG funds must meet **ALL** the following requirements:

- Business must be located and operating within the corporate limits of the City of Columbia;
- Business must be in good standing in the city, i.e. current business license;
- Have no outstanding local violations and current with property taxes, City fees, and other applicable local, county, state fees and requirements; with federal, state or local governments;
- Have no liens against the business;
- Meet HUD's criteria of a low-/moderate-income benefit;
- Have a verifiable loss of revenue/income due to COVID-19 that justifies the need for assistance;
- Have **not** received other business assistance from other sources, including federal, state or county governments, the Small Business Administration (SBA) for the same assistance during the same timeframe; and

- Applicant must agree to the terms and conditions of the grant through a written agreement. The agreement must be signed by an individual who has the signatory authority on behalf of the business.

V. ONGOING MONITORING

If awarded a grant under the SBSG, all funds must be expended within six months of receipt. The business agrees to participate in ongoing federally required monitoring. The City may ask businesses to periodically submit mandatory documents and participate in surveys that support the use of grant funds and report on the impact grant funds have had on their businesses. Requested documents may include but are not limited to purchase receipts, employee payroll registers, executed lease agreement, etc.

VI. TO APPLY

Eligible small business owners may apply for the Small Business Stabilization Grant Program through by first completing a prequalification application by clicking the following link: [COC Small Business Stabilization Pre-Qualification Application](#). If you qualify based on the information submitted, you will receive an email notification to proceed to completing a full application. Hard copies of applications are also available by sending your request to stabilizationgrant@columbiasc.gov. or calling OBO at 803-545-3950. Applications will be accepted until funds are exhausted. Approved applications will be processed immediately.

VII. SELECTION PROCESS

Funding will be awarded on a first come, first served basis. Only completed applications will be considered.

VIII. APPLICATION REVIEW

The City of Columbia will conduct a thorough eligibility review of the application and request additional, supporting documentation from the business to confirm program eligibility. The review will confirm the following:

- The business and requested activities are eligible;
- The business is in good standing;
- The business was adversely impacted by COVID-19;
- The business will retain or create jobs, especially for low-/moderate- income individuals, as a result of this grant;
- The business did not receive duplicative benefits from other federal, state, local, or private resources for the time period requested; and
- The proposed activities are desirous and in the best interests of the public.

If during this review, an application is deemed incomplete or lacking adequate detail, the City will provide up to 14 business days for the business to complete the application and provide the necessary documentation before deeming the business ineligible. Any determination that deliberate misrepresentation (or fraud) has occurred will result in the disqualification of the applicant and/or rescission of a grant at any point from the award to closeout.

IX. GRANT ADMINISTRATION

Upon successful completion of the application review, the business owner will enter into a grant agreement with the City of Columbia. The agreement will require original signatures from those authorized to enter into and sign agreements.

Within six (6) months of award, all SBSG funds must be expended. The business owner must submit a summary and verification report within thirty (30) days after final expenditure of all grant funds to the City of Columbia, Office of Business Opportunities. The report must provide evidence to the City that the grant funds were spent in the manner and for the purposes stated in the application. Evidence must be to the satisfaction of the City and may include documents like paid payroll registers, cancelled checks for lease payments, fully executed lease agreement, paid receipts, bank statements, etc.

If there is evidence that the grant funds have not been spent on eligible uses as outlines in these guidelines or that the grant funds have not been spent within the six (6) month period, the applicant shall be required to re-pay a portion or all of the grant funds back to the City.

X. USES OF SBSG LOAN FUNDING

Due to the universal financial impact of COVID-19 on our business community, we realize that the needs of our individual small business owners will vary. Small business owners are making a number of very difficult decisions and adjustments to save or sustain the operations of their businesses.

To assist during this crisis, the SBSG funds may be used by the business owner for the following eligible uses:

- Payroll
- Rent/Mortgage
- Utilities
- Supplies or inventory (needed for daily operations, up to 90 days)
- Equipment needed to prevent, prepare for, and respond to the coronavirus
- Insurance
- Accounting services
- Legal services
- Advertising

Ineligible uses of SBSG funds:

- Reimburse expenses incurred prior to March 17, 2020;
- Pay non-business related debt;
- Pay for expenses already designated for payment from funds “received or to be received” from governmental entities to include federal, state or county governments, the U.S. Small Business Administration (SBA) for the same purpose during the same timeframe;

- Purchase personal items or for personal expenses;
- Conduct construction-related work;
- Vehicle purchase;
- Purchase of personal property or equipment;
- Repayment or refinance existing debt or to pay tax arrears, governmental fines or penalties or general governmental expenses; and
- Political or religious activities, lobbying or any activity prohibited in the CDBG regulations in 24 CFR 570.

XI. PROGRAM GUIDELINE CHANGES AND MODIFICATIONS

Minor changes to these guidelines involving administrative procedures or accommodations to adapt to unique applicant situations or opportunities, or regulatory changes may be performed with the approval of the OBO Director and/or the Director of the Office of Community Development.

XII. RIGHT OF REFUSAL

The City of Columbia may deny any request for SBSG funding which it deems inappropriate or not contributing to the purpose of the SBSG program.

XIII. CONFLICT OF INTEREST

In accordance with 24 CFR 570.611, no member of the governing body and no official, employee or agent of the City of Columbia, nor any other person either for themselves or those with whom they have business or immediate family ties, who exercise policy or decision making responsibilities in connection with the planning and implementation of the CDBG program, shall directly or indirectly be eligible for the SBSG program.

XIV. EQUAL OPPORTUNITY COMPLIANCE AND NONDISCRIMINATION

The SBSG program will be in compliance with the City's commitment to State and 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 disability, family status, national origin, race, color, religion, sex, marital status, medical condition, ancestry, age, sexual orientation, gender identity, gender expression, genetic information, or other arbitrary discrimination.

Please read over the guidelines and instructions carefully before you begin the SBSG application.

Within the application you will attest to the fact that you have reviewed and understand the document. In an effort to expedite processing applications, please provide all required documentation at the time of submission. Representatives from the City of Columbia, Office of Business Opportunities may reach out to you for further information or clarification. Please make sure to check your junk emails should these communications be routed to your junk folder, as this could cause delays in application approval. Also, give detailed information to questions requiring a written explanation.

Processing of SBSG applications may take up to three weeks upon receipt of a completed application. Please answer each question and include the requested documentation at the time of submission. Should you have any questions, please call the office at (803) 545-3950 or send an email to stabilizationgrant@columbiasc.gov.

SMALL BUSINESS STABILIZATION GRANT FUND

STEPS TO COMPLETING YOUR APPLICATION

GENERAL TIPS:

- Complete the application on a computer, rather than your phone.
- It is easiest to complete the application in one sitting. Prior to starting your application, you should gather all required documentation so that you can complete the application in its entirety.

Step 1: Read Guidelines Completely

Step 2: Determine Eligibility

- ✓ Business has a current City of Columbia business license;
- ✓ Has been in business since December 1, 2019 (or earlier);
- ✓ Has documented or exhibited revenue losses due to COVID-19;
- ✓ Has a net annual business income of \$250,000 or less (based on 2021 tax returns);
- ✓ Business has a physical establishment (bricks and mortar) located within the corporate limits of the City of Columbia. Please click on the City Information Viewer found [here](#) to determine the location of your business (*you must enter your address on the City Information Viewer page*); and
- ✓ Employs less than twenty-five (25) employees, including the owner(s). Priority will be given to microenterprises that have five (5) or fewer employees, including the owner(s).

Must meet one or more of the following:

- ✓ An owner who is low- to moderate income (LMI), resides within the corporate limits of the City of Columbia, and the business qualifies as a microenterprise (*less than five employees*); or
- ✓ Employs or retains employees where 51% of the total employees are low-to moderate income (LMI).

Determining LMI of Individuals (Owner or Employees): In determining low-to moderate income individuals, the median individual income must be at are below 80% of the area median income for the Columbia, SC HUD Metro FMR Area.

FY 2022 Income Limits for Columbia SC HUD Metro FMR Area	
Extremely Low (30%)	\$16,950
Very Low (50%)	\$28,250
Low (80%)	\$45,150

Step 3: Complete the eligibility pre-qualification application by clicking the following link: [COC Small Business Stabilization Grant Pre-Qualification Application](#). If you qualify based on the information submitted, you will receive an email notification to proceed to completing a full application, proceed to **Step 4. Please note, final qualification will be based on information submitted in a completed application.**

Step 4: Prepare Required Documents

Before you start your application, please prepare and save the following required documents as separate PDF files. If you are submitting a hard copy of your application, these documents must be submitted along with your application.

If you have all of your documents, the application will not take very long to complete. Incomplete applications will not be accepted.

- **Copy of Current City of Columbia Business License;**
- **Copy of Current State Issued ID;**
- **2019,2020, and 2021 year-end earnings;**
- **2019, 2020, and 2021 Federal and State Tax Returns;**
- **Year-To-Date (YTD) income statement for the 1st Quarter of 2022, ending March 31, 2022;**
- **Bank Statements (last six months);**
- **If requesting payroll assistance, a copy of the payroll register for the past six months must be provided;**
- **Itemized details of how the funds requested will be spent with supporting documentation;**
- **Photo of physical property;**
- **Completed CDBG Income Verification Form (for all individuals – owners and/or employees);**
- **Non-Duplication of Benefit Certification Form (along with proof of federal, state, local, or private, COVID-19 or CARES Act relief funding received);**
- **Conflict of Interest and Disclosure Form;**
- **Employee List Form - documentation that you have less than 25 employees; and**
- **Any additional documents that demonstrate the negative financial impact caused by the pandemic.**

Other Important Information:

- ✓ *A business owner or co-owner with businesses in more than one physical location, may only apply for SBSG assistance for one business. Additionally, a business owner can only be listed as an owner or co-owner on one application.*
- ✓ *Business or owner must obtain a Unique Entity Identifier (UEI). This is not needed to submit an application, but will be required before funding is granted. A UEI number can be obtained at the following website: <https://sam.gov/content/home>.*
- ✓ *Business and owner must not be listed on the Federal Debarred List (SAMS Exclusions List).*
- ✓ *Other financial and business records maybe requested by the Office of Business Opportunities in making a final award decision.*

Step 5: Complete the application provided by OBO.

If you have questions, need assistance in completing your application, or need an application sent to you please send your inquiries to stabilizationgrant@columbiasc.gov. You may also call 803-545-3950.