



TOWN OF ARLINGTON

DEPARTMENT OF PLANNING and
COMMUNITY DEVELOPMENT

TOWN HALL, 730 MASSACHUSETTS AVENUE
ARLINGTON, MASSACHUSETTS 02476
TELEPHONE 781-316-3090

Arlington COVID-19 Business Resiliency Program Application Guide

Arlington COVID-19 Business Resiliency Program

The Department of Planning and Community Development is administering a relief program for Arlington businesses with twenty or fewer full-time-equivalent employees, including the owner. The program provides short-term working capital assistance and technical assistance to enable the viability of the business during the severe economic interruption related to the impact of the COVID-19 pandemic and resulting social distancing.

Grant funding may be used for payroll, rent or mortgage payments, utilities, and loss of inventory due business interruption. Other costs may be considered on a case-by-case basis, including costs to establish an online presence and to sustain operations through the winter. Technical assistance is offered for one-on-one or group technical assistance for businesses on the following topics: website development, e-commerce, live commerce, digital/traditional marketing, search engine optimization, and bookkeeping/accounting. Other topics will be considered on a case-by-case basis.

This Program is funded with \$200,000 of Community Development Block Grant (CDBG-CV) funds. This guide will help you complete the application form and understand better the process for receiving assistance. We have included some Frequently Asked Questions (FAQs) at the end.

To be eligible for financial and/or technical assistance, you must meet the following criteria:

- For-profit business that has been in business for more than 1 year.
- Physical brick-and-mortar location and presence in Arlington.
- Twenty or fewer full-time employees including the owner (full time means 30 hours per week; hours worked by multiple part-time employees can add up to full-time equivalents).
- Documented loss of business income caused by COVID-19 since March 1, 2020.
- No tax liens, unpaid town fines, or unresolved town compliance citations.
- 51% or more of the jobs created or retained must be held by low- to moderate-income earning individuals.

Retention or creation of at least one job held by an individual who earns a low- to moderate-income is required to access funds or technical assistance in this program. Job retention is defined as total full-time equivalent (FTE) positions retained at 30 hours per week, or any combination of part-time positions combining for 30 hours per week, including owners. At least 51% of the positions your business retained or created must be held by employees who earn a low- to moderate-income.

If your business received a grant from the Arlington Small Business COVID-19 Relief Program earlier this year, your business is ineligible to apply for additional funding.

Frequently Asked Questions (FAQs)

If you need assistance completing the form, you may contact 781-316-3090 or mjsullivan@town.arlington.ma.us. Please include your name, address, and phone number. If you do not speak English, please indicate the language you speak and we will make accommodations to provide translation and/or interpretation services.

1. Who is eligible for Arlington COVID-19 Business Resiliency Program? What type of assistance will I receive?

Arlington businesses with twenty or fewer full-time employees, including the owner, that have been impacted by the severe economic interruption related to the impact of the COVID-19 pandemic and resulting social distancing are eligible. If your business received a grant from the Arlington Small Business COVID-19 Relief Program in 2020, your business is ineligible to apply for additional funding.

Eligible businesses may receive a working capital grant of up to \$10,000, technical assistance focused on creating business resiliency, or both depending on the needs of the business as documented by the application.

2. What do I need to do to apply? What documents do I need to provide?

To apply, you will be required to submit an application to the Town. The application form will require you to document that the business is a for-profit business with a brick and mortar physical location in Arlington for at least one year. You will be required to document: the number of full-time employees currently employed by the business; and that you have a documented loss of business income caused by COVID-19 since March 1, 2020. Additionally, you will be required to outline your strategy to recover from this crisis and regain financial vitality and how working capital assistance, technical assistance, or both will enable you to achieve your goals. Finally, you will need to submit a self-certification that there is no duplication of benefits. A duplication of benefits occurs when a business 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.

In addition, while your exact situation may vary, businesses will be asked to provide a copy of their lease/ rental agreement, information about their monthly expenses, information about jobs created or retained. Some businesses may be asked to provide additional documentation. We will never ask about your citizenship status or ask for any immigration documentation.

The Town is committed to your privacy. If you are selected and approved, your application may be subject to a monitoring by the Town and HUD in order to meet CDBG-CV program requirements. Your information will not be shared outside of the Town or HUD.

3. How will the applications be reviewed and evaluated?

The Review Committee will be made up of individuals from the Department of Planning and Community Development, including the CDBG Administrator, the Director, the Assistant Director, and the Economic Development Coordinator. Following the close of the application period, the Review Committee will review the applications in the order that they were received and score them based on the rubric (please see the rubric at the end of this FAQ).

Top scoring applications will be recommended for approval, until all funding is exhausted. The Review Committee will also determine whether the applicant is recommended for a working capital grant, technical assistance, or both. Announcements about funding will begin in mid-January.

The Town reserves the right to award grantees funding in a greater amount or a lesser amount than requested based on the information presented in the applications.

4. Is the working capital assistance a grant?

Yes, the assistance through the Arlington COVID-19 Business Resiliency Program is through a grant. The grant will require repayment only if the terms of the grant agreement are not met.

The grant is a reimbursable grant, so selected businesses will be required to incur expenses before being reimbursed. If the Review Committee approves your application, we will issue a grant agreement. It will be the responsibility of the business owner to submit eligible expenses to the Department of Planning and Community Development for reimbursement. Ten percent of the grant will be held until the time that the job creation/job retention certification form is received.

5. Is there a cap on how much working capital assistance I can receive from the Arlington COVID-19 Business Resiliency Program?

While most grants will not exceed \$10,000, the Review Committee maintains the discretion to make grants of a greater amount based upon information provided in the application.

6. How will I be provided with technical assistance?

The Review Committee will assign applicants a technical assistance provider who will distribute services as determined by the contract with that provider, and can include but is not limited to:

- One-on-one technical assistance for businesses on the following topics: website development, e-commerce, live commerce, digital/traditional marketing, search engine optimization, and bookkeeping/accounting; and
- Group workshops or session.

If the Review Committee approves your application, we will issue a technical assistance agreement. For those businesses that receive technical assistance, a short close-out report regarding the benefits of the technical assistance will be requested. If you receive technical assistance, you will also be required to submit a job creation/job retention certification form.

7. If I'm not selected for the Arlington COVID-19 Business Resiliency Program, what should I do?

If you are not awarded working capital assistance and/or technical assistance, you may still be eligible for future rounds. If additional funding is dedicated to small business assistance from CDBG funds or other local sources, future rounds may be made available.

8. What do I do if I can't fill out the form online because of a disability, lack of Internet access, a language barrier, or some other reason?

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not speak English, please indicate the language you speak and we will make accommodations to provide additional services or translation and/or interpretation services. The need for assistance will not impact your ability to participate in the program or limit your eligibility for funding.

9. How do I calculate my average monthly revenue before and after March 1, 2020, and resulting loss of income? (UPDATED on 12/16/20)

To calculate your average monthly revenue before March 1, 2020, please use the monthly revenue of the preceding nine months (June 2019 - February 2020) and divide by 9 to find the average.

To calculate your average monthly revenue after March 1, 2020, please use the month revenue of the next nine months (March 2020 – November 2020) and divide by 9 to find the average.

You can calculate your loss of monthly revenue by subtracting the average of monthly income since March 1, 2020 from the average of monthly income prior to March 1, 2020, and then dividing the result by the monthly income immediately prior to March 1, 2020. Multiply that by 100; the product is the percentage income change between the two periods. See the examples below for this calculation for three different businesses:

	Business A	Business B	Business C
Average of June 2019 – February 2020 earnings	\$5,000	\$8,000	\$4,000
Average of March 2020 – November 2020 earnings	\$3,000	\$2,500	\$5,000
Calculation for loss of monthly income	$(3,000 - 5,000) / 5,000 = -0.4$	$(2,500 - 8,000) / 8,000 = -0.6875$	$(5,000 - 4,000) / 4,000 = 0.25$
Percentage loss of income	-0.4, or a 40% loss in income	-0.6875, or a 68.75% loss in income	0.25, or a 25% gain in income

10. What do you mean by job creation and job retention?

Every business that receives working capital assistance and/or technical assistance will need to document that at least one job was created or retained and is held by an individual who earns a low-to moderate-income. You will be asked to certify that the financial assistance enabled you to create or retain at least one permanent job computed on full-time-equivalent basis.

If the business furloughed employees and plans to keep all or some of those employees on the payroll, count that as job retention. There must be sufficient evidence that the job(s) would have been lost without the assistance.

If the business laid off employees and plans to rehire all or some of those employees, count that as job creation.

The employee (or employees if calculating full-time-equivalent employees) whose job is retained or created will be considered a single-person household for the purposes of computing their household income. The maximum household income from all income sources for a single-person household is \$67,400. We will provide a self-certification form to be completed at the appropriate time.

11. How do I calculate the number of full-time employees I have?

Any employee who works at least 30 hours a week is counted as full-time. Employees that work less than 30 hours a week may be cumulatively considered full-time equivalent employees. For example, if you have two employees that each work 15 hours per week, the combined hours of these two part-time employees equal one full-time employee because the total number of hours the two employees work is at least 30 hours.

12. How do I know if I'm eligible for unemployment benefits?

If you have recently lost your job or have seen a reduction in income, you may be eligible for unemployment benefits. Learn more at <https://www.mass.gov/info-details/massachusetts-covid-19-unemployment-information>. Your eligibility for unemployment benefits does not impact your eligibility for the Arlington COVID-19 Business Resiliency Program.

13. What do I do if I'm being evicted for non-payment of rent?

The statewide moratorium on evictions expired on October 17, 2020. The Massachusetts Attorney General provides a list of resources that may assist small businesses navigating the changing environment: <https://www.mass.gov/guides/assisting-small-businesses-during-the-covid-19-crisis>. If you need legal assistance, consider applying for pro bono legal assistance: <https://www.covidreliefcoalition.com/en/Pro-Bono-Assistance>.

14. Am I eligible if I'm an immigrant? Is this assistance included in the public charge rule?

We do not collect information about immigration status. Immigration status does not affect eligibility for this program. The type of assistance being offered through the Arlington COVID-19 Business Resiliency Program is not included in the public charge determination.

15. Will there be more funding available later? Will I be eligible for future programs?

There is currently no funding available to fund this program after this round of assistance. If funding becomes available and the program runs again, the Town reserves the right to change the eligibility criteria, amount of assistance, and other aspects of the program.

Arlington COVID-19 Business Resiliency Program Scoring Rubric

Criteria	0 points	1 point	3 points	5 points
COVID-19 Hardship	No COVID-19 hardship demonstrated <u>Business is not eligible under this program.</u>	Business is impacted but is able to partially operate in-person or fully remotely or virtually; little or no employee loss/furlough	Business is significantly impacted, cannot operate in-person, but is able to partially operate remotely or virtually; some employee loss/furlough	Major impact to operations due to social distancing requirements and cannot function during COVID-19; significant employee loss
Business Health	Business did not demonstrate profitability before COVID-19	Limited profitability demonstrated; low confidence that the business will maintain a permanent job(s) in the contract period	Profitable business; business is likely to meet the job creation/retention requirement within the contract period	Successful and/or growing business; business is highly likely to continue having permanent employees
Business Location	Not in Arlington; Ineligible business <u>Business is not eligible under this program.</u>	Business is not located in a Business Zoning District or a Low-Moderate Income (LMI) neighborhood	Business is located in any Business Zoning District but not a Low-Moderate Income (LMI) neighborhood	Business is located in a Low-Moderate Income (LMI) neighborhood
Recovery Plan	No recovery plan listed; revenue projections are impractical	Recovery plan is not well-defined; revenue projections may be unattainable	Recovery goals and actions are identified; project is financially feasible	Recovery goals, actions and projections are strong, innovative, realistic and attainable
CDBG Eligibility	Business does not intend to create or retain jobs <u>Business is not eligible under this program.</u>	Business has some positions that would be likely to be created or retained by LMI persons. LMI people would not likely patronize the business	Business has some positions that would be likely to be created or retained by LMI persons. LMI people could patronize the business	Business has many positions that would be likely to be created or retained by LMI persons. LMI people are likely to patronize the business
Grant Budget	Budget incomplete; CDBG grant is too high for the needs of the business	Use of funds does not connect well to resiliency plan; CDBG grant may be disproportional to the need	Use of funds will make a noticeable impact on business's success; costs and grant award are reasonable	Use of funds will make a strong impact on business's success; costs are clearly reasonable
Technical Assistance	Business did not self-identify a need; TA would not support business needs	TA does not connect well to resiliency plan; TA may not be appropriate support	TA will make a noticeable impact on business's success; TA relates to resiliency plan	TA will make a strong impact on business's success; TA is key component to resiliency plan
Community Impact	Does not serve Arlington residents	Business to business, little to no residential clientele	Business serves residents for occasional needs/wants	Business serves residents for frequent needs/wants
Other Resources	Business has not demonstrated financial need for this program	Business has been awarded grants or loans from other programs, but there is no duplication of benefits	Business has applied for other resources or programs and the applications are pending; there will be no duplication of benefits	Business is not eligible for or has been turned down from other financial resources and programs
Overall Application & Other Qualities	Incomplete Application <u>Business is not eligible under this program.</u>	Difficult to understand, little or weak supporting information; other factors	Adequate supporting information; other factors	Complete, clear, strong supporting information; other factors

Bonus Points (5): The business identifies as minority-, woman-, veteran-, or LGBTQ-owned.