

CDBG-CV Business Application

Date:

COMPANY INFORMATION			
Legal Name of Business:		Type of Business:	
Primary Contact Person:		Mobile Phone:	
Email:		Business Phone:	
Website:		Social Media:	
Home Address of Owner:		Number of Owners:	
Project Site Address:		Duns #: EIN#	
Business Structure (LLC, Sole Proprietorship, Inc.):		Is the business located in the same city as the mailing address above? ☐ Yes ☐ No	
Date Business Established:		Does the applying business have a related operating or holding company? ☐ Yes ☐ No	
Gross Revenue for previous 12 months:			
Cost of Goods sold for previous 12 months:			
Voluntary Demographics	GENDER ☐ Male ☐ Female	VETERAN ☐ Yes ☐ No	RACE/ETHNICITY:
			☐ White
	☐ Black/African American		
	☐ Asian		
	☐ American Indian/Alaskan Native		
	☐ Native Hawaiian/Other Pacific Islander		
	☐ American Indian/Alaskan Native & White		
	☐ Asian & White		
	☐ Black/African American & White		
	☐ American Indian/Alaskan Native & Black/African American		
	☐ Other Multi Racial		
	☐ Hispanic		
	☐ Non-Hispanic		
	Total Working Capital Need:		
List any and all other funding you are currently seeking, including but not limited to, bank loans, SBA loans, public or private loans, grant funding, etc.	☐ SBA	☐ City	☐ Network Kansas/HIRE
	☐ Chamber of Commerce	☐ Main Street	☐ Community Foundation
	☐ E-Community	☐ MCAC	☐ Banker/Financing
	☐ Other:		
Jobs Retained: Full-time:		Part-time:	
Will full or part-time jobs be retained as a result of the funds? ☐ Yes ☐ No ☐ Unknown			
Does the business owner have a tax liability in arrears with the Kansas Department of Revenue or the IRS?		☐ Yes ☐ No ☐ Unknown	

Please provide a description of the services provided by your business:	
Please provide a short description of how COVID-19 is negatively impacting the business (e.g. weekly sales average drop for restaurants, occupancy rate drop for hotels, etc.)	
Describe how the use of the CDBG grant fund enhances the ability of this business to survive.	
What types of working capital will the funds be used for (e.g. utilities, payroll, inventory)?	
Please list any other business resource partners that the business is working with, if any, (e.g. small business development centers, economic development organization, industry or trade services).	

List all funding received to date (and the funding source) for your business in response to Covid-19.	
List the amount of PPP funding you have received to date.	
Have you applied for and received EIDL or USDA funding on or after March 1, 2020?	
Was your business in operation before March 1, 2020?	

**JOB CERTIFICATIONS FOR BUSINESS STIMULUS-COVID
BURLINGTON KANSAS**

I. Job Retention

Job retention is determined by income level only at time of award and any reasonable turnover in two years. Retention jobs are those jobs that would be lost, by company certification, if the company had not been funded. Jobs are certified at the award stage and at the end of the project for any jobs that may have been replaced.

FTE's (Full-Time Equivalent) will be figured by the following formula by the Department.

40 Hour Week

0 - 5 hours	0 Person
6 - 15 hours	1/4 Time Person
16 - 25 hours	1/2 Time Person
26 - 35 hours	3/4 Time Person
36 - 40 hours	Full-Time Employee

**PLEASE FILL OUT A JOB CERTIFICATION FORM FOR EACH EMPLOYEE BEING RETAINED.
PLEASE MARK ON THE CORNER OF THE FORM IF THEY ARE ½ TIME, ¼ TIME, ETC.**

**STATE OF KANSAS
DEPARTMENT OF COMMERCE
EMPLOYEE CERTIFICATION FORM**

Name of Company: _____ Project #: 20-CV-073
Date Employed: _____

Family Income-Total income from all family members during the prior year from all sources. This includes but is not limited to wages, salary, interest, dividends, royalties, and farm income.

In the left column below, check off the box that indicates your family size. Using the income limits on the line corresponding to your family size, check off the appropriate income box on the right side.

FAMILY SIZE	Section 1: INCOME LIMITS			
	A (30%)	B (50%)	C (80%)	
1 ☐	<u>16,150</u> TO	<u>26,950</u> TO	<u>43,050</u>	☐ Income below Column A
2 ☐	<u>18,450</u> TO	<u>30,800</u> TO	<u>49,200</u>	☐ Income between Column A & B
3 ☐	<u>21,720</u> TO	<u>34,650</u> TO	<u>55,350</u>	☐ Income between Column B & C
4 ☐	<u>26,200</u> TO	<u>38,400</u> TO	<u>61,500</u>	☐ Income Above Column C
5 ☐	<u>30,680</u> TO	<u>41,550</u> TO	<u>66,450</u>	
6 ☐	<u>35,160</u> TO	<u>44,650</u> TO	<u>71,350</u>	
7 ☐	<u>39,640</u> TO	<u>47,700</u> TO	<u>76,300</u>	
8+ ☐	<u>44,120</u> TO	<u>50,800</u> TO	<u>81,200</u>	

RACE/ETHNICITY & DISABILITY STATUS

Do you have a handicap or disability? ☐ Yes ☐ No
Are you Hispanic? ☐ Yes ☐ No
Are you a female head of household? ☐ Yes ☐ No

<u>RACE</u>	
☐ White	☐ American Indian/Alaskan Native & White
☐ Black/African American	☐ Asian & White
☐ Asian	☐ Black/African American & White
☐ American Indian/Alaskan Native	☐ American Indian/Alaskan Native & Black/African American
☐ Native Hawaiian/Other Pacific Islander	☐ Other

Does your employer offer a health care plan for this job? ☐ Yes ☐ No
Were you unemployed before taking this job? ☐ Yes ☐ No

To the best of my knowledge, the above information is true and can be verified if requested by proper officials of the city/county or the State of Kansas. I also certify that I am authorized to work in the United States and can produce evidence of work authorization.

Job Title _____ Date _____
Print Name _____ Signature Required _____

1. *What size businesses are eligible to apply?*

Businesses with less than 50 employees are eligible

2. *When and where do I apply?*

**The applications are available on the City of Burlington's website at
[www. burlingtonkansas.gov](http://www.burlingtonkansas.gov)**

3. *What is the deadline to apply?*

The City of Burlington will continue to accept applications until the funding runs out.

4. *What is the award amount?*

The amount will depend on how many eligible businesses apply. Businesses with 5 or fewer employees can receive up to \$ 7,500 and businesses with 6-50 employees can receive up to \$ 12,000.

5. *What documents do I need to submit with my application?*

In addition to the completed application, all businesses are required to submit the following documentation:

- **LMI (Low-to-Moderate Income) Certification Worksheets-** for all employees categorized as "retained with funding" and those that will be retained regardless of funding. If you are in a business with fewer than 5 full-time employees, the owner may complete a certification worksheet. If the owner qualifies as low to moderate income no one else needs to complete the certification worksheets. If the business has over 5 employees then the owner is not allowed to complete a certification worksheet. If one is completed for the owner, it will be considered ineligible and removed from the application.
- **A letter from the business owner stating the total number of employees, if they are considered full-time or * part-time, and how many are categorized as "retained with funding" and those that will be retained regardless of funding. ***
Base part-time employees equivalency to full-time employees by information below:

40 Hour Week

0 - 5 hours 0 Person

6 - 15 hours 1/4 Time Person

16 - 25 hours 1/2 Time Person

26 - 35 hours 3/4 Time Person

36 – 40 hours Full-Time Employee

- **Invoices, receipts, and other documentation to verify reimbursement amount.**
- **Proof that you have applied for a DUNS number if you do not currently have one you can call**

1-866-705-5711 or visit the website at <https://www.dnb.com/duns-number/get-a-duns.html>.

6. *Where do we send the documentation and supplementary documents?*

Submit all LMI Certifications, Letters of Employment Verification, invoices, receipts, applications, and any other documentation in the same email to jhugunin@burlingtonkansas.gov

8. *How will we receive payment from the grant?*

Once you submit receipts, invoices, and other documentation for reimbursement and it has been approved and processed, funds will be disbursed via check by the City of Burlington.

9. *What is LMI Certification*

Federal program regulations at 24 CFR 570.3(q) define low-and-moderate income households, and 24 CFR 570.3(r) provides a definition of low and moderate income persons. The definitions are intended to reflect the requirements of section 102(a)(20) of the Housing and Community Development Act of 1974, which establishes parity with certain similar definitions under the Section 8 Housing Assistance Payments program that employers that receive CDBG funding must provide employment to employees that are from low-to-moderate income households. A business must show that 51% of "retained" employees meet the LMI certification requirement shown on the employer certification worksheet. "Retained" means that this employee's job is at risk of being eliminated, laid off, or furloughed if additional funding is not received. Not all employees have to be categorized as "retained". Those that are not at risk of losing their jobs count as "BASE EMPLOYEES" and LMI worksheets are not required for BASE employees. A business is eligible for funding if 51% of the "Retained" employees meet LMI certification, by falling below column C on the LMI Worksheet.

10. *How do I determine if I meet the 51% LMI requirement?*

All employees that are being retained (retained means that their job is at risk if the business does not receive this funding) are required to complete the LMI certification. 51% of those "retained" employees must meet LMI requirements. For example, a business has 30 employees. 20 employees are not at risk of job loss. However, 10 will not be retained unless funding is received. All 10 employees must complete the LMI worksheet, and 51% of those 10 (6) must meet LMI qualifications.

11. *How do we prove who is "retained" and who is not at risk of job loss?*

The business owner must provide a signed letter stating the total number of employees. This letter must also designate the number of employees at risk of job loss if funding is not received, and those who are not. From example above: Owner must provide a letter stating that 20 of the 30 employees are not at risk of job loss, but 10 might not be retained if funding is not received.

12. *How do I determine my income for LMI certification?*

Your income is based on your TOTAL HOUSEHOLD adjusted gross income. This is based on the 2019 tax return.

13. *What if I haven't filed my 2019 tax return?*

2019 Tax returns were due October 15th, 2020.

14. *What is household income?*

Household income includes all tax returns filed in a household for those 18 years old or older.

15. *Are there other disqualifiers for this program?*

The CARES Act states that businesses cannot receive duplicate funding. Therefore, the following programs automatically disqualify a business from this grant opportunity:

- **EIDL - Economic Injury Disaster Loans - (if ANY funds have been received)**
- **Express Bridge Loans**
- **Debt Relief Program - As part of SBA's debt relief efforts will automatically pay the principal, interest, and fees for: current 7(a), 504, and micro-loans for a period of six months, and new 7(a), 504, and microloans issued prior to September 27, 2020.**
- **USDA Relief Program for farmers and ranchers**

16. *I received PPP funding. Am I still eligible?*

Yes, however the CARES Act states that businesses cannot receive duplicate funding. Therefore, only expenses incurred after the PPP term are eligible, or inventory purchases are eligible.

17. *What can the funds be used for?*

Funding can only be used for inventory, supplies, wages/benefits, mortgage, utilities, insurance and rent.

18. *What can funds NOT be used for?*

Funding cannot be used to repay long-term debt (cannot be used to repay CDBG loans for example), for future purchases, or capital projects.

19. *Can a contractor utilize the program with a subcontractor as a wage earner?*

No, only employees that receive a W-2 from the employer count under the business' application. However, the subcontractor could qualify by providing proper documentation (ie, 1099-MISC, 2019 tax return, profit and loss statement, etc.)

20. *What are the requirements for a sole proprietor?*

- **Submit a completed 2019 tax return.**
- **CDBG-CV funds can not be used for payroll**

21. *Can CDBG fund be used to pay utilities owned by the county or city?*

No

22. *Does having tax liability in arrears with the Kansas Department of Revenue or IRS disqualify a business from receiving CDBG-CV funds?*

Yes

23. *How far in advance can a business use funds to cover rent?*

Rent was not specified to a current number of days

24. *How would a self-employed individual justify lost income? 2019 tax return prorated 3 months? March-May 2019 income vs 2020 income?*

It is based on the previous 12 months from the date they submit a job certification form. So you will need to account for the losses due to COVID-19. The individual should know whether he/she has worked or not during the time and can justify it that way.

25. *Would someone who breeds and sells dogs be eligible for CV funds?*

Do they pay taxes as a company or sole owner? If so, they are eligible, otherwise they are not.

26. *What is considered proof of payment? Ex: Invoice with check number and paid date on it?*

Yes, an invoice marked paid is acceptable

27. *Can a business who received CDBG RLF (Revolving Loan Funds) Emergency funds, still qualify and use CDBG-CV Funds as long as it's not duplication of funds and not paying the loan funds back?*

Once they receive CDBG funds, they can not receive more. The goal is to spread out the funds to benefit multiple community-based businesses. Keep in mind, this could change if COVID-19 persists and more funds become available.