



The City of Miramar Micro-enterprise Business Assistance Program is awaiting approval from the Dept. of Housing and Urban Development. Once approval is received a Notice of Funding Availability (NOFA) will be published providing the dates when applications will be available and the period when they may be submitted.

### **FREQUENTLY ASKED QUESTIONS**

**1. What is a Micro-Enterprise Business?**

The Department of Housing and Urban Development defines a "micro-enterprise" as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise. (Housing and Community Development Act 1974 Section 807(c); 24 CFR 570.201(o))

**2. My business meets the micro-enterprise definition. Is there a waiting list?** No there will not be a waiting list. All applicants are processed on a First Come, First Served, First Qualified basis until funding is exhausted.

**3. Must my request for assistance be directly the result of the COVID-19 Public Health Emergency? YES.**

**4. May the grant assistance be used to pay rent or buy equipment?** No, the funding is may only be used to stabilize your business by providing assistance in meeting payroll expenses?

**5. Are there other eligibility rules and program requirements?** Yes. You will find a summary of them on the following pages.

# MICRO-ENTERPRISE BUSINESS ASSISTANCE PROGRAM

## ELIGIBILITY, RULES AND REQUIREMENTS

### Purpose

**The goal of the Micro-Enterprise Business Assistance Program is to avoid job losses caused by business closures related to social distancing by providing short-term financial assistance to micro-enterprise businesses in order to enable retention of jobs held by low- and moderate-income persons. 24 CFR 570.203(b), 24 CFR 570.201(o), 24 CFR 570.201(o)(3)**

### Eligibility Criteria

1. The business must have five (5) or fewer employees, including the owner(s), corporate officer(s), part-time and full-time employees on the business payroll at the time of program application submittal. Leased employees shall count against the total number of employees.
2. The business must be a private for-profit enterprise. Non-profit enterprises, Home-based businesses, franchises, and businesses that are restricted to patrons above the age of 18 or older (bars, and smoke shops for example) are ineligible for assistance.
3. The business must be located in a commercial space within the City of Miramar.
4. The business must have a City of Miramar Local Business Tax Receipt.
5. The business must have been operating for at least one (1) year prior to the disruption caused by the COVID-19 social distancing requirements and stay at home restrictions.
6. ***The business Owner(s) household(s) must individually qualify as a low- to moderate household(s) pursuant to the Household Income Guidelines published by the Dept. of Housing and Urban Development in April of the year the application is being submitted.***
7. This business must **NOT** have received any other federal funding designated for the same purposes as defined herein. An example would be the federal Payroll Protection Program. If your business is found to have received such other federal assistance then any funds provided by the City under its program must be repaid. Duplication of benefits is prohibited.



## Permitted Use of Funds and Activities

### Funds can be used for the following items, subject to the terms noted:

Funds may be used for payroll expenses required in the creation and/or retention of jobs that would otherwise be lost due to the COVID-19 Public Health Emergency. The funding will be in the form of a loan/grant that will be forgiven after one (1) year if all the terms and conditions of program are met.

## Prohibited Use of Funds and Activities

Expenditures not allowed under this program include, but are not limited to:

- Working Capital
- Construction / Rehabilitation
- Payment of rent or utilities
- Finance the acquisition of real property or land
- Fixtures / Equipment that are attached to or become part of a building
- Vehicle Purchases / Leases
- Security Deposits
- Payments of debts or creditors of the business owner / business
- Providing funds for non-salary distribution or payment to the owner, partners, or shareholders of the applicant
- Paying of any tax lien or liability.

## Program Rules and Requirements

1. Maximum grant amount: up to \$10,000
2. The program is subject to the City's funding cycle, which begins October 1<sup>st</sup> of each year.
3. A potential business owner/applicant must complete a formal application form, available from the City of Miramar website, or Community Redevelopment Associates (CRA) the program administrator.
4. Completed applications are accepted and reviewed on a first come, first complete application basis, subject to the availability of funds. ***Incomplete applications are automatically denied.***
5. The Owner(s) must agree to maintain an employee census at a minimum, the same as at the time of application for the term of the grant agreement. If an employee leaves or is terminated during the term of the agreement that position must be filled within two weeks. Employees salaries (excluding Owner(s)) funded by the grant may not be reduced nor the Owner(s) salaries (if funded by the grant) increased during the term of the grant.



6. The application must be submitted in the legal name of the applicant (i.e., Name of business owner(s), corporation name as registered with the Florida Department of State, Division of Corporations, etc.)
7. For Corporations, information demonstrating that the corporation has an “Active” status in the Florida Department of State, Division of Corporations. The business owner or an authorized representative of the corporation who has legal authority to bind the organization in a contract with the City of Miramar must sign applications.
8. Submission of an application shall constitute acknowledgment and acceptance of all terms and conditions contained in these guidelines and the application. Acceptance of an application does not constitute a contract and does not obligate the City to award funds.
9. Applicant must be willing to comply with all regulations, guidelines and policies as they relate to the program. Applications that are incomplete, illegible, out of order, lack required attachments, or have other content errors or deficiencies may be rejected.
10. If recommended for funding, Business Owners will be required to sign a written grant agreement with the City (*Letter of Agreement, provided by the city*). The contract term will be for one (1) year.
11. New hires / jobs must start within 2 weeks upon signing the Letter of Agreement.
12. The business is required to pay all employees at least the federal or state minimum wage, whichever is higher.
13. The business must provide proof of Business Liability Insurance, Workers Compensation Insurance, Auto Insurance (if providing transportation services) and appropriate Business Property Insurance. (Other insurance requirements may apply. See application forms.)
14. Payments will be made directly to the business. The business must have a business checking account. The business must complete an IRS Form W-9 and a Vendor Information Form.
15. The business owner(s) agree to submit copies of the payroll ledger to the City showing the names of the employees and the amounts paid, attesting to its accuracy, no later than 7 days from the end of the pay period.
16. The business will be reimbursed for the payroll expenditure upon review and acceptance of the payroll ledger provided as accurate. The City will make its best effort to issue reimbursement within two weeks of receipt of all documents and approvals.

