Unincorporated Alameda County Small Business Recovery Grant Program

PROGRAM OVERVIEW

The Unincorporated Alameda County Small Business Recovery Grant Program ("Program") is authorized by the Alameda County Board of Supervisors when it appropriated American Rescue Plan Act (ARPA) funds for a small business grant program in response to and recovery from the public health emergency and negative economic impacts of the COVID-19 pandemic. The Board provided \$1 million in ARPA funds to businesses operating in unincorporated areas of Alameda County. The Program goal is to support small businesses in their economic recovery by providing one-time grant funding of up to \$10,000.

The Program is open to all eligible small businesses with a priority given to those located and operating in disproportionately impacted communities, with approximately half of all available funds being set aside for businesses located in Alameda County Community Resiliency Priority Zip Codes and Qualified Census Tracts (QCT). Click here to view the map. The program is administered by the Alameda County Community Development Agency (CDA) for the unincorporated areas.

Eligible applicants can receive a one-time grant of \$5,000 for home-based businesses and \$10,000 for brick-and-mortar businesses. The funds will not require repayment. Funds are limited and not everyone who applies is guaranteed to receive funding. If the funding requests for all grant applications exceeds available funding levels, grants will be awarded by lottery.

Applications were accepted on Monday, October 3 through Monday, October 31. Applicants who receive grants were contacted via email and 641 applications were received. Funding was provided via check from Alameda County no later than December 30, 2022 to 133 recipients.

PROGRAM ELIGIBILITY

- Businesses must be for-profit entities in Alameda County meeting the following criteria:
 - 1. Employ between 1 and 25 employees.
 - 2. Independently owned home-based businesses, businesses with brick-and-mortar locations, and franchises
 - 3. Individual/sole proprietor or single-member LLC, C Corporation, S Corporation, Partnership, or Limited Liability Company
- Business must still be in operation and is expected to remain open
- Business must possess a current business license for the location in accordance with all applicable operating requirements
- The negative economic impacts of the COVID-19 pandemic to the business have resulted in income loss that meet or exceed the awarded grant amount, due to decreased revenue and/or increased costs.
- A business may only apply for and receive one grant, regardless of whether the business owns and/or operates from multiple locations in Alameda County
- Business has not previously received COVID-19 related ARPA funding from Alameda County (e.g. Alameda County Board of Supervisors' District Cash Aid grants, Alameda County Social Services Agency licensed childcare grants, etc.)

EXCLUSIONS

The following categories of businesses are excluded from consideration for this program:

• App-based contractors/workers (e.g., Uber, Instacart, etc.)

- Corporate-owned chain and franchise businesses
- Cannabis businesses
- Finance, insurance, and investment companies and brokers (including lending/mortgage companies)
- Food trucks, vendor carts, and other mobile pop-ups
- Landlords of residential or commercial properties
- Real estate companies & holdings, including residential or commercial real estate brokers and property managers
- Non-profit entities

SUBMITTAL INFORMATION

- Applicants must upload a **signed** business **IRS Form W-9** with a valid Tax Identification Number (TIN). Social Security Number (SSN) or Employer Identification Number (EIN) are accepted.
- Alameda County, and/or State of California business permit or license number (recommended but not required)
- Complete and signed online application

USE OF FUNDS

Funds from Alameda County ARPA Small Business Recovery grants may be used for the following items:

- Rent/lease/mortgage and utility payments for business facilities
- Payroll
- Operating Expenses such as supplies, materials, insurance, etc.
- Personal Protective Equipment (PPE), sanitation or health & safety equipment
- Digital technology equipment and/or platforms
- Interior & exterior physical adaptations (e.g., partitions, signage, outdoor seating, etc.)

Expenses should meet or exceed awarded grant amount. Businesses will need to retain receipts and other proof of expenditures in the event your grant payment is subject to audit.

INITIAL APPLICATION SCREENING

CDA performed an initial screen of 641 applications and removed the following applications:

- 1. Non-Alameda County businesses
- 2. Closed businesses
- 3. Duplicate applications
- 4. Multiple applications with same Tax ID
- 5. Business Category Exclusions

This resulted in 89 removals and 552 applications were entered into the lottery.

Applicants	641
Excluded - First round of review	-80
Excluded - second round of review	-9
Total - Applicants Eligible	552
Grant Recipients	133

LOTTERY OVERVIEW & METHODOLOGY

Because funding requests for all grant applications exceeded available funding levels, grants will be awarded by lottery. The lottery took place on November 9 with two external observers outside of CDA staff. Click here to review the lottery recording.

Available Funding		
County Pool	\$450,000	
Priority Area Set-Aside	\$550,000	
Total Funding	\$1,000,000	
Grant Amounts		
Home Based Businesses	\$5,000	
Commercial Brick and Mortar	\$10,000	
Applications Entered for Lottery	#	%
Priority Area Businesses	311	53%
Non-Priority Area Businesses	250	47%
Total Applications	561	100%
Home Based Businesses	261	36%
Commercial Brick and Mortar	300	64%
Total Applications	561	100%
Lottery Results	# of Businesses	%
Priority Area Businesses	74	56%
Non-Priority Area Businesses	59	44%
Total Applications	133	100%

LOTTERY METHODOLOGY

Run a single lottery for all business applications and assign each business a lottery rank

- 1. Load list of applications into Excel
- 2. Run Excel random number generator to assign each business a lottery rank
- 3. Sort all businesses by lottery ranking, the order in which businesses will be awarded
- 4. <u>Determine Priority Area Business Awardees</u>
- 5. Filter by priority business and place priority businesses in "Priority Pool" tab
- 6. Expend \$550,000 (55% priority area set-aside funding) according to their ranked order

<u>Determine General Pool Awardees</u>

- 1. Filter by *non-priority* businesses and place into "General Pool" tab
- 2. Priority businesses *not selected* in "Priority Pool" will also be placed into the "General Pool"
- 3. Sort all businesses by rank
- 4. Expend \$450,000 according to their ranked order