



# Hutchinson CDBG-CV Grant Program Guidelines

Funded by:  
Community Development Block Grant  
Coronavirus Response  
(CDBG-CV)

Approved by:  
Kansas Department of Commerce on June 2, 2020

**Applications Due – Friday, October 9, 2020 at 5:00 p.m.**

<b>For Office Use Only:</b> Date and Time Received:	
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# HUTCHINSON SMALL BUSINESS EMERGENCY RELIEF GRANT PROGRAM COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS RESPONSE (CDBG-CV)



## APPLICATION



## I. APPLICATION INSTRUCTIONS

### A. INTRODUCTION

On June 2, 2020, the City of Hutchinson was approved for \$132,000 in grant funds to assist small businesses who employ persons from low to medium income households. The City has completed one round of applications and has approximately \$27,500 of funds remaining to award. The City of Hutchinson is accepting applications from businesses that meet the following requirements:

- Must be physically located in Hutchinson;
- Must have one to five employees for the micro-grant program, and six to fifty employees for the economic development program; including the owner;
- Must have at least 51% full-time equivalent jobs for persons from low to medium income households;
- Must provide proof of financial hardship due to COVID-19;
- Must submit the application and all required supporting documentation; and
- Must disclose if they have received capital through alternative sources (e.g. Economic Injury Disaster Loan (EIDL) or Payroll Protection Program (PPP) Loan) at the time of application submittal.

### B. AVAILABLE FUNDING

The program is based on the availability of CDBG-CV funds, program guidelines, and submission of all required information. Based on the criteria stated above, applicants may receive a grant of up to:

- Five thousand dollars (**\$5,000**) for businesses of 1 to 5 employees, and;
- Ten thousand dollars (**\$10,000**) for businesses of 6 to 50 employees.

Grant funds are to be used for working capital such as employee wages, rent, mortgage payments, utilities, and to purchase up to 60 days of inventory needed to reopen the business.

## C. FEDERAL HOUSING AND URBAN DEVELOPMENT (HUD) REGULATIONS

**1. NATIONAL OBJECTIVE:** To be considered for CDBG-CV funding a program or project must first meet the following National Objective:

**a. Benefit to Low to Moderate Income (LMI) Persons**

To qualify for funding under the LMI category, the persons or households served must have income levels at or below 80% of the *area median income* (AMI). For Reno County the LMI standards are as follows:

<b>Size of Household</b>	<b>1 Person</b>	<b>2 Person</b>	<b>3 Person</b>	<b>4 Person</b>	<b>5 Person</b>	<b>6 Person</b>	<b>7 Person</b>	<b>8 Person</b>
80% of AMI	36,200	41,400	46,550	51,700	55,850	60,000	64,150	68,250

**2. LIST OF INELIGIBLE CDBG-CV ACTIVITIES**

- a. Any activity that is not directly related to the prevention of, preparation for, or response to the Coronavirus
- b. Reimbursement for expenses that have already be accrued – other than rental assistance prior to March 1, 2020
- c. Income payments prior to March 1, 2020
- d. Supplanting or substituting expenses currently paid for by other sources
- e. Must not have received COVID-19 disaster assistance from other sources for the same recovery purpose and the total assistance received is more than the total need
- f. Political activities and lobbying
- g. Purchase of equipment, specifically for construction, unless it is specifically related in response to COVID-19

## D. APPLICATION GUIDELINES

**1. CDBG-CV Application:** Provide an eligible CDBG-CV program that serves low to moderate-income residents or businesses. Please complete and submit the CDBG-CV Application and relevant attachments.

**2. FUNDING REQUEST RESTRICTIONS**

a. Maximum Grant Request:

- i. **\$5,000** for businesses of 1 to 5 employees, for expenses that occur on or after March 1, 2020.
- ii. **\$10,000** for businesses of 6 to 50 employees, for expenses that occur on or after March 1, 2020.

### 3. SUBMISSION GUIDELINES

All applications must follow the following guidelines:

- a. Only one application per business will be accepted; previous CDBG-CV grantees are ineligible for additional funding;
- b. Required and supporting documents shall be labeled and attached to the application prior to the deadline or your application will be considered incomplete;
- c. The full application with signature must be submitted to Ryan Hvitløk, Director of Planning & Development via email at [ryan.hvitlok@hutchgov.com](mailto:ryan.hvitlok@hutchgov.com), via mail at P.O. Box 1567 Hutchinson, KS 67504, or in-person at the Hutchinson Planning & Development Department, 125 East Avenue B.
- d. This grant program is limited to small businesses of up to 50 employees who employ at least 51% of their employees from LMI (low to medium income) households. **An employee certification form (attached) must be filled out by each employee counted as LMI.**

### E. DEADLINES

#### 1. SUBMISSION DEADLINES: **Friday, October 9, 2020 by 5:00 p.m.**

**LATE APPLICATIONS WILL BE CONSIDERED ONLY IF FUNDING IS AVAILABLE AFTER THE FIRST ROUND OF AWARDS**

### F. REVIEW PROCESS AND SCORING

#### 1. REVIEW PROCESS

All complete applications submitted by the deadline above will be reviewed by the CDBG-CV Grant Committee for eligibility. If the amount of requested funding exceeds the available funding, the committee will score all applications based on the scoring categories. Staff will prepare a list of the recommended applications, including any scoring, for City Council review and approval.

A program timeline for the CDBG-CV Process is below but subject to change pending Kansas Department of Commerce's timeline:

September 25, 2020	Applications are available
<b>October 9, 2020</b>	<b>Applications DUE by 5:00 p.m.</b>
October 12, 2020	CDBG-CV Grant Committee reviews & scores all applications, if needed
October 20, 2020	City Council reviews and approves grant awards

## 2. SCORING CATEGORIES AND POINT DISTRIBUTION

Applications will be rated and ranked based on their responses to the application elements.

Business has not received Federal Support for COVID-19 (PPP loan, EIDL, etc.)	5 points for no federal support received 0 points if federal support received
Percentage of FTE employees who are LMI	5 points for greater than 67% 2 points for 60% to 67% LMI employees
Overall Application Quality	Up to 10 points

## G. POST AWARD AND SUB-RECIPIENT CRITERIA

All awards are subject to the City's receipt of its CDBG-CV appropriation from the Kansas Department of Commerce.

The City of Hutchinson is committed to monitoring the performance of grant recipients to ensure that Federal funds are used appropriately and, in a manner, to maximize low- and moderate-income public benefit. Monitoring each grant recipient ensures that the goals and objectives of the CDBG program are met.

Recipients that do not comply with the Post-Award and Sub-Recipient Criteria listed below will forfeit their award of CDBG-CV funds. The forfeited funds will be then returned to the CDBG-CV program for reallocation.

- CDBG-CV funds shall not be used for any costs incurred prior to March 1, 2020.
- CDBG-CV recipients must complete their program by June 15, 2021.
- CDBG-CV recipients will be required to maintain accurate records documenting that the funds received were used for the prevention of, preparation for, response to the Coronavirus AND records documenting targeted populations and/or areas being served by this program.
- Recipients may be asked to provide a final summary reporting all accomplishments and outcomes to be provided to the City and the Kansas Department of Commerce. This includes a description of the impact or outcomes of this program.

**Signature of the Executive Authority**

My signature below confirms that I have read and understand the guidelines set forth on this application. If my application is approved, I will adhere to the terms described in the application and use the funds according to these guidelines and the guidelines set for by the Federal Housing and Urban Development. I will be able to provide the appropriate documentation to the City on the funds used for the stated purpose. I further acknowledge that I have not received other COVID-19 disaster assistance funds for the same recovery purpose as set forth in this application. Failure to meet these guidelines will require me to forfeit the funds to the City of Hutchinson upon City’s request.

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

# Emergency Response – CDBG Application

Date:

COMPANY INFORMATION			
Legal Name of Business:		Type of Business:	
Primary Contact Person:		Mobile Phone:	
Email:		Business Phone:	
Website:		Social Media:	
<b>Home Address of Owner:</b>			
Project Site Address:			
Date business established:		# of Owners:	
NAICS Code (manufacturing):		Business EIN:	
Is your business a Hospitality based company?		Is the business located in the same city as the mailing address above?	
Business Structure (LLC, Sole Proprietorship, Inc.):		Does the applying business have a related operating or holding company?	Name:
Voluntary Demographics	<b>GENDER</b> <input type="checkbox"/> Male <input type="checkbox"/> Female	<b>VETERAN</b> <input type="checkbox"/> YES <input type="checkbox"/> NO	<b>RACE/ETHNICITY</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
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.	<input type="checkbox"/> SBA	<input type="checkbox"/> City	<input type="checkbox"/> Network Kansas/HIRE
	<input type="checkbox"/> Chamber of Commerce	<input type="checkbox"/> Main Street	<input type="checkbox"/> Community Foundation
	<input type="checkbox"/> E-Community	<input type="checkbox"/> MCAC	<input type="checkbox"/> Banker/Financing
	<input type="checkbox"/> Other: _____		
<b>Jobs Retained:</b>	<b>Full Time:</b>		<b>Part-Time</b>
<b>Average Wages:</b>	<b>Full Time wages:</b>		<b>Part-Time Wages:</b>
<b>Will Full or Part-Time jobs be retained as a result of the funds?</b>	Yes/No/Unknow	<b>What is your annual payroll?</b>	<b>Prior Year Revenues: Year: Revenue:</b>
<b>Does the business owner have a tax liability in arrears with the Kansas Department of Revenue or the IRS?</b>	Yes/No/Unknow	<b>Bank (or other organization) name:</b>	

<p>Please provide a description of the services provided by your business:</p>	
<p>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).</p>	
<p>Describe how the use of the CDBG loan fund enhances the ability of this business to survive.</p>	
<p>What types of working capital will the funds be used for (e.g. commercial loan payments, commercial lease payments, utilities, payroll, accounts payable, etc.)?</p>	
<p>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).</p>	



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

Name of Company: \_\_\_\_\_ Project #: 20-CV-032

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 <input type="checkbox"/>	<u>\$13,600</u> TO	<u>\$22,650</u> TO	<u>\$36,200</u>	<input type="checkbox"/> Income below Column A
2 <input type="checkbox"/>	<u>\$17,240</u> TO	<u>\$25,850</u> TO	<u>\$41,400</u>	<input type="checkbox"/> Income between Column A & B
3 <input type="checkbox"/>	<u>\$21,720</u> TO	<u>\$29,100</u> TO	<u>\$46,550</u>	<input type="checkbox"/> Income between Column B & C
4 <input type="checkbox"/>	<u>\$26,200</u> TO	<u>\$32,300</u> TO	<u>\$51,700</u>	<input type="checkbox"/> Income Above Column C
5 <input type="checkbox"/>	<u>\$30,680</u> TO	<u>\$34,900</u> TO	<u>\$55,850</u>	
6 <input type="checkbox"/>	<u>\$35,160</u> TO	<u>\$37,500</u> TO	<u>\$60,000</u>	
7 <input type="checkbox"/>	<u>\$39,640</u> TO	<u>\$40,100</u> TO	<u>\$64,150</u>	
8+ <input type="checkbox"/>	<u>\$42,650</u> TO	<u>\$42,650</u> TO	<u>\$68,250</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

**RACE**

<input type="checkbox"/> White	<input type="checkbox"/> American Indian/Alaskan Native & White
<input type="checkbox"/> Black/African American	<input type="checkbox"/> Asian & White
<input type="checkbox"/> Asian	<input type="checkbox"/> Black/African American & White
<input type="checkbox"/> American Indian/Alaskan Native	<input type="checkbox"/> American Indian/Alaskan Native & Black/African American
<input type="checkbox"/> Native Hawaiian/Other Pacific Islander	<input type="checkbox"/> 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