

**San Joaquin County Small Business Assistance
COVID-19 Grant Program
Frequently Asked Questions (FAQ)**

On May 12, 2020, the San Joaquin County Board of Supervisors established a Coronavirus Aid, Relief, and Economic Security Act (CARES Act) – Economic Development Fund. This fund was created to provide a mechanism for the Board to utilize CARES Act funding to address a portion of the economic impacts the community has experienced due to the Novel Coronavirus (COVID-19) pandemic. One area of focus for the Board is assisting small businesses that have experienced business interruption due to the COVID-19 public health emergency. To accomplish this, San Joaquin County has created the Small Business Assistance Grant Program to provide qualifying small businesses reimbursement for certain eligible COVID-19 related expenses. The following FAQ regarding the program and the grant application process is intended only as a guide for general and easy reference.

Q1. How do I apply for this grant?

Please submit your complete application package via email to SmallBusinessGrant@sjgov.org. Round 1 of this grant program will end on June 30, 2020. Grants will be awarded on a first-come, first-served basis, for qualified applicants. Incomplete applications will NOT be considered.

Q2. Who is eligible to apply for this grant?

A small business or nonprofit located in San Joaquin County that:

- i For a grant award, applicants must be a small business that operates in San Joaquin County with at least one (not counting the owner) and no more than 50 full-time employees. This requirement of having at least one full-time employee, not counting the owner, does not apply to independent health-care providers and health-care clinicians.
- ii Has realized an unfunded expenditure for payroll, rent/lease, or personal protective equipment due to business interruptions caused by COVID-19.
- iii Operates out of a physical commercial storefront within the County limits of San Joaquin. (*This requirement does not apply to independent health-care providers and health-care clinicians. Independent health-care providers and health-care clinicians must have a primary residence in the County to qualify*)
- iv Has an active Business License in San Joaquin County and is in good standing.
- v Has been in operation in San Joaquin County for at least one year, as of March 1, 2020.

Please see [Appendix A](#) for the most recent guidance provided by the United States Department of the Treasury on eligible COVID-19 related expenses that can be reimbursed by CARES Act funding.

Q3. What are the COVID-19 related expenses eligible for reimbursement?

The following COVID-19 related expenses are eligible for reimbursement through the San Joaquin County Small Business Assistance Grant Program. The expenses must have been realized by the small business between March 1, 2020 and the date of the grant application. The grant applicant must include documentation of the expenses.

- Certain payroll costs. Grant funding may be used to reimburse employers for unemployment insurance costs and increases in workers' compensation costs incurred by the employer due to the COVID-19 public health emergency. Grant funding may also be used to reimburse small businesses for payroll expenses realized as a result of the business closure required by the public health emergency.
- Rent / Lease costs. Unfunded expenditures for rent/lease costs realized during the required closure of a small business is an eligible use of grant funds.
- Personal protective equipment (PPE) expenditures for medical personnel, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency are an eligible use of grant funds.

Q4. Are there limits on the size of the grant I can request?

Yes. The grant fund maximum is calculated based upon the number of full-time employees the business has employed, multiplied by \$2,000. For example, a small business with five (5) full-time employees can request reimbursement for actual COVID-19 related expenses (payroll, rent/lease, or personal protective equipment) of up to \$10,000.

Q5. I own a business in San Joaquin County and a business outside of San Joaquin County – can I still apply?

Yes, but only for the business within San Joaquin County. Please also confirm that the business meets the remaining eligibility requirements for application.

Q6. I have received financial assistance from other organizations, will that impact my eligibility?

Possibly, depending upon the type and source of previous funding. The application requests this information so that the County can make the appropriate determination.

Q7. How do I count the total number of employees? Is that part-time or full-time?

This application requests the number of employees at the time of application and only counts full-time employees. This does not include independent contractors.

The County defines a full-time employee as an employee who works an average of 30 hours per week.

The business owner does not count as an employee. For non-health care businesses, you must have at least one full-time employee in addition to the business owner. This requirement is waived for independent health-care clinicians and health-care providers.

Q8. What does it mean to be in “good standing” with the County?

Applicants must not be currently involved in litigation with the County (or a City within the County) or in breach of contract with the County or local City.

Applicants involved or previously involved in legal or financial issues may not qualify. Please review questions 10-14 on the application for examples of legal or financial issues. The County reserves the right to disqualify applicants who have or had a legal or financial concern which should be disclosed in the applicant’s responses to questions 10-14.

Q9. Can I mail my application?

No. Because applicants are being reviewed on a first-come, first-served basis, we are only accepting emailed applications. Please email complete applications and all required documents to SmallBusinessGrant@sjgov.org.

Q10. Can I use the grant funds to pay for business expenses incurred prior to March 1, 2020?

No, the funds from this program may only be used for expenses incurred due to COVID-19 that occur between March 1, 2020 and the date of the grant application.

Q11. Are building owners eligible to apply for this program?

Yes, if the building owner operates out of a physical commercial storefront (not a residence), has at least one employee (other than the business owner), but not more than 50 full-time employees, and meets other eligibility requirements.

Q12. What kind of documentation is needed to support the number of employees prior to the disaster reported on the Estimated COVID-19 Economic Injury Worksheet?

Please submit payroll records which support the number of employees reported and evidence that these employees worked an average of at least 30 hours per week. For example, please submit payroll records pertaining to late February or early March, 2020. Because having at least one employee working an average of 30 hours per week just prior to the disaster is required for eligibility, this documentation must be submitted even if the applicant is not seeking payroll reimbursement.

The only exception to this requirement is for independent health care providers. See FAQ Question 7.

Q13. What kind of documentation is needed to substantiate the expenses claimed on the Estimated COVID-19 Economic Injury Worksheet?

If you are seeking reimbursement for one or more of the following expense categories please provide the relevant additional documents.

Payroll

-Payroll reports for actual payroll expenses incurred after March 1, 2020 for which the business is seeking reimbursement. Examples include payroll reports, payroll detail reports, pay stubs, or other records such as bank statements showing that payroll costs have been paid.

-Unemployment insurance (UI) statements (pre and post affected date), only if seeking reimbursement for UI expenses.

-Workers' compensation (WC) bills/statements, clearly showing effect of COVID-19, only if seeking reimbursement for WC expenses

Rent/Lease

-Bank statements or check stubs showing rent/lease payments made since affected date

-Copy of lease/mortgage

Personal Protective Equipment

Invoices, receipts, bank statements, credit card statements, or check stubs for expenditures related to purchase of personal protective equipment.

Q14. Are there any exceptions to the requirement that businesses operate out of a commercial storefront within the boundaries of San Joaquin County?

In general, any small business with a physical location in a non-residential building in San Joaquin County is eligible to apply. Businesses that transact online must have a physical non-residential operation in San Joaquin County.

There are three exceptions to the requirement that a business operate in a non-residential physical structure.

First, independent health-care providers and health-care clinicians are not subject to this requirement. See FAQ, Question 2, iii.

Second, businesses that operate from a residence, while also conducting their work at other locations within the County may still qualify. For example, a General Contractor, whose headquarters is his or her home, but who employs crews to work at job sites (including individual residences) throughout the county may be eligible for grant funding if the business meets the other requirements of the grant.

Third, businesses that are licensed to operate within their residence, and whose license allows them to serve the public at their residence, may be eligible. For example, a family day care center operated out of a residence in which parents drop off and pick-up their children may be eligible if the day care center meets the other requirements of the grant.

Conversely, a home-based business, which is not licensed to have face-to-face interaction with customers in their home, would not be eligible for grant funding. For example, a home-based business primarily using the ETSY craft website to sell their crafts on-line would not be eligible, because such a business is not licensed to allow in-person meetings with customers in the residence.

Note: many home-based businesses do not have at least one full-time employee (*other than the owner*) working an average of thirty hours per week. Home-based businesses without at least one full-time employee just prior to the onset of the pandemic are not eligible for grant funding.