

## EXHIBIT A

### APACHE JUNCTION SMALL BUSINESS ASSISTANCE GRANT PROGRAM

#### BACKGROUND:

During the ongoing COVID-19 worldwide health crisis, the resulting economic impact of executive orders issued at federal, state and local levels that were structured to reduce COVID-19 infections, has filtered down to municipalities and created situations of economic strife. Apache Junction has felt the impacts and recognizes that the city's small business community has been working very hard to implement mandated physical changes in order to keep their businesses open. In addition, some businesses were forced to temporarily close or limit customer occupancy in order to comply with the mandates.

In an effort to assist the city's business community with economic relief and enhance their chance of reemerging from this time of declared emergency, staff has outlined a grant program that will financially assist eligible small businesses within the incorporated limits of Apache Junction. The intent is to provide needed resources to stabilize business operations, maintain employment opportunities for residents, and ensure compliance of new health and safety standards brought on by COVID-19.

#### STAFF RECOMMENDATION:

Approval of Resolution 20-23 is recommended directing staff to implement a grant program to assist Apache Junction small businesses during the city's current declared state of emergency with a one-time reimbursement for COVID-19 related impacts.

#### DISCUSSION:

The Apache Junction Small Business Assistance Grant Program is designed to assist eligible Apache Junction businesses to mitigate some of the economic hardship related to the impact of COVID-19. Eligible expense reimbursements (total maximum of \$10,000 per business) one-time should be allowed for any of the following combination:

- Up to four month's rent (April, May, June, and/or July 2020).
- Up to four month's utilities (April, May, June, and/or July 2020) which includes water, electric, internet, gas, and sewer.
- Expenditures for Personal Protective Equipment ("PPE") or required business modifications due to COVID-19 mandates and expended during the months of April, May, and/or June 2020 (i.e. installation of plexiglas, social distancing signage, disinfectants). The total amount of reimbursement request for this category may not exceed \$750 and is to be calculated as part of the total maximum reimbursement of \$10,000.

#### PROGRAM CRITERIA:

- For-profit businesses located at a physical, commercially zoned address within the Apache Junction city limits (no non-profits; no home-based businesses).
- Held a valid City of Apache Junction business license on or before March 1, 2020 and continue to be in good standing and still in business at the time of application.
- Are not a company-owned franchise.
- Provides documentation that its business income/sales have been reduced by at least 25% due to COVID-19 starting in January through date of application submittal.

**INELIGIBLE BUSINESSES:**

- Corporate-owned/operated franchises.
- Publicly held companies.
- Real estate investment firms.
- Dealers of rare coins and stamps.
- Firms involved in lending activities such as banks, credit unions, check cashing, finance companies, leasing companies, payday loan companies, insurance companies (not agents), pawn shops, and any other firm whose stock in trade is money.
- Pyramid sales plans where a participant's primary incentive is based on the sales made by an ever-increasing number of participants to include cosmetic, household goods and other soft goods sales.
- Firms engaged in illegal activities.
- Gambling activities, including any business whose principal activity is gambling. While this precludes grants to racetracks, casinos and similar enterprises, the rule does not restrict grants to otherwise eligible businesses which obtain less than one-third of their annual gross income from either the sale of official state lottery tickets under a state license, or legal gambling activities licensed and supervised by a state authority, including businesses with an off-track betting license.
- Principal or owner of the business is currently incarcerated or on parole.
- Any business owned, in whole or in part, by an Apache Junction official or employee who, in their official capacity, participates in or votes on the oversight, development, or implementation of the Apache Junction Small Business Assistance Grant Program contrary to A.R.S. § 38-503. This exclusion also includes any business owned by a relative of such public officer or employee contrary to A.R.S. § 38-502(9).
- Companies with legal actions involving the City of Apache Junction, including but not limited to code enforcement liens and other criminal and civil lawsuits.
- This list of ineligible businesses may be updated by the city as the program continues.

**PROGRAM TIMEFRAME:**

Applications will be accepted from July 21, 2020 through August 25, 2020. Grants will be awarded on a rolling basis until funding is exhausted or the grant period closes, whichever comes first.

**PROCESS REQUIREMENTS:**

- Complete application and all required supporting documents.
- Provide copies of paid receipts or proof of payment for eligible expense reimbursement (or past due invoices).
- Attach copy of a W-9 form from the IRS.
- Attach copy of City of Apache Junction business license that was issued before March 1, 2020 and that is still in effect.
- Acknowledge with signature that all submittals and statements are true and accurate.
- Staff will review applications with a review committee appointed by the city manager.

- Staff will make a decision within ten (10) calendar days from receipt of a complete submittal.
- Requesting party can appeal decision to the city manager, whose decision will be final, subject only to a Superior Court judicial officer.
- No appeal is available before the city council or any board or commission.

**APPLICATION INFORMATION/DOCUMENTATION TO BE REQUESTED:**

Business Name: \_\_\_\_\_

Primary Business Owner: \_\_\_\_\_

Applicant Name and Title (if not owner): \_\_\_\_\_

Physical Business Address: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Owner Home Address: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Email: \_\_\_\_\_

Business Phone Number: \_\_\_\_\_

Business Website Address: \_\_\_\_\_

Date first opened in Apache Junction: \_\_\_\_\_

Employer Identification Number (EIN) or Tax ID: \_\_\_\_\_

Current Number of Full Time Employees: \_\_\_\_\_

Current Number of Part Time Employees: \_\_\_\_\_

Amount of RENT/MORTGAGE Reimbursement Requested (total) \$ \_\_\_\_\_

Rent receipts/proof of Payment Attachments: Y N

Amount of UTILITY Reimbursement Requested (total) \$ \_\_\_\_\_

Utility receipts/proof of Payment Attachments: Y N

Amount of PPP or modification requirement due to mandates Reimbursement Requested (\$750 maximum for this category): \_\_\_\_\_

PPE/modification receipts/proof of Payment Attachments: Y N

Was your business negatively impacted by at least 25% or more in sales due to COVID-19 since January 31, 2020 when the United States Department of Health and Human Services declared a Public Health Emergency? Please provide supporting documentation (i.e. income statements, historic sales reports, etc.). Y N

What type of Federal CARES Act funding or COVID-19 assistance has your business received and what amount, if any, and from which governmental entities? \_\_\_\_\_

Business Owner/Contact Signature

By signing below, I certify that:

The information provided on this application is complete and accurate to the best of my knowledge  
I have read and understand the Apache Junction Small Business Grant Program Criteria and Requirements

I understand that submission of an application does not entitle my business to grant funding

I understand that only expenses, which have been approved in writing by the city, will be reimbursed

I understand that my business must make and pay for expenses and submit proof to the city for reimbursement

I will provide requested performance data related to the use of funds for expenses as outlined in the grant guidelines