



CITY OF MCKEESPORT, PA
2020 COMMUNITY DEVELOPMENT BLOCK GRANT- CARES ACT
CDBG-CV MICROENTERPRISE ASSISTANCE GRANT PROGRAM

1. PROGRAM INTRODUCTION AND PROCEDURES:

The City of McKeesport invites all interested and eligible microenterprises, small businesses with five (5) or fewer employees, based in the City of McKeesport to apply for CARES Act CDBG-CV funding to assist in the preparation, prevention, and response to the COVID-19 pandemic.

The City of McKeesport will provide one-time funding to microenterprises located within the City that need financial assistance to aid in their recovery from the COVID-19 public health crisis. The COVID-19 Microenterprise Assistance Program will provide grants of up to \$35,000 for income eligible microenterprises impacted by COVID-19.

2. WHAT IS THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM?

The United States Department of Housing and Urban Development (HUD) administers the Community Development Block Grant (CDBG) Program to assist low and moderate-income persons in several ways including: elimination of slums and blight, preserving and improving the supply of affordable housing, development of needed public facilities and improvements and business growth through the creation and retention of jobs and business opportunities.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the CARES Act, funding is available through the Community Development Block Grant Program and made available in three allocations to states and units of local government, specifically to:

- Prevent,
- Prepare for, and
- Respond to the COVID-19 pandemic.

The City of McKeesport has identified activities to respond to local needs to prevent, prepare for, and respond to the effects of the COVID-19 pandemic. One of the greatest local needs identified is assistance to local businesses affected by the pandemic's economic impact. The City proposes to provide grants to microenterprise businesses in need, subject to funding availability.

3. QUESTIONS & ASSISTANCE WITH COMPLETING THE APPLICATION:

If you have questions regarding the Microenterprise Assistance Grant Program, or if you need help completing your application, please contact: Mr. A.J. Tedesco, Director of Community Development, City of McKeesport at (412) 675-5020 ext. 617 or alfred.tedesco@mckeesport-pa.gov.

Please carefully review the guidelines below as successful applicants must:

- Provide documentation that the microenterprise meets the eligibility requirements, terms, and conditions;
- Explain how the grant monies would be used toward necessary COVID-19 related business expenses; and,
- Later provide documentation demonstrating that the grant monies were used toward those expenses.

4. ELIGIBLE ACTIVITIES MAY INCLUDE:

- Purchase of materials or equipment needed to convert business activities to comply with social distancing guidelines.
- Purchase of protective equipment for staff and customers (masks, hand sanitizer, hands-free payment devices, plexiglass shields, etc.).
- Working capital financial assistance for business stabilization due to COVID-19 related revenue shortfalls to cover the business's day-to-day expenses, including:
 - Rent for a commercial location in the City
 - Mortgage payment for a commercial location in the City
 - Utilities (water, gas, electric)
 - Insurance
 - Payroll and other related expenses
 - Professional services (accounting, tax, insurance, legal, etc.)
 - Technology, marketing, communication, or similar expenses
 - Digital commerce expenses for the creation or enhancement of a website (including hosting, ecommerce platform fees, digital media consulting fees, etc.)

5. EXAMPLES OF INELIGIBLE CDBG ACTIVITIES:

- General government expenses and political activities
- Religious activities
- Purchase of construction equipment

- Purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property that is not a permanent structural fixture

6. ELIGIBLE APPLICANTS:

To be eligible to apply for the COVID-19 Microenterprise Grant Program, a business must demonstrate the need for financial support due to the impact of the COVID-19 pandemic and meet the following qualifications:

- You must be the owner of a business that has no more than five (5) employees [including the owner(s)]; **AND**
- The business must be physically located in the City of McKeesport; **AND**
- Your business must have been established as of January 21, 2020 [an exception may be made for a business created by a COVID-19 related loss of employment or in response to a COVID-19 related need]; **AND**
- Your business must not be delinquent in any city, state or federal taxes or have an agreed payment plan; **AND**
- Business must not have any outstanding code violations with the City of McKeesport; **AND**
- You must be able to provide business financial documentation; **AND**
- You must demonstrate that your business has experienced a loss of revenue due to COVID-19; **AND**
- The owner/applicant must qualify as a low- to moderate income household; **AND**
- The business must have a Dun & Bradstreet number (DUNS) [See “Application Process” section below for information on how to get a DUNS if you don’t have one]; **AND**
- The business must be registered in the federal System for Award Management (SAM) [See “Application Process “section below for information on how to register in SAM if you haven’t already]; **AND**
- The business must be a for-profit enterprise [nonprofits are NOT allowed to apply]; **AND**
- Applicant must have a current business registration with the City of McKeesport; **AND**
- The business must disclose whether they have received funding from other federal, state, or local sources (including Paycheck Protection Program Loans and Economic Injury Disaster Loans through the Small Business Administration). Applicants who have received funding are still eligible provided the funds are not currently being

spent on the same expenses to ensure federal benefits are not duplicated.

FY 2021 Family Income Limits

% AMI	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80%	\$47,500	\$54,300	\$61,100	\$67,850	\$73,300	\$78,750	\$84,150	\$89,600

7. INELIGIBLE BUSINESSES:

The following are ineligible for financial assistance through this program:

- Nonprofits [501(c)(3)], places of worship, governmental entities etc.
- Real Estate Developers
- Businesses that practice lobbying or other political activities
- Public Utility Company

8. FUNDING PRIORITY

If requests exceed the available funding, precedence will be given during the grant allocation process to qualified applicants who meet the following criteria:

- The business has not received any other financial assistance from federal, state, or local sources.
- The family income for the business owner was below 80% AMI prior to COVID-19, based on prior year tax returns and profit and loss statements.

9. APPLICATION PROCESS:

- To apply for a Dun & Bradstreet Number (DUNS): <https://www.dnb.com/duns-number/get-a-duns.html> (Must be done prior to submitting application)
- To register in the System for Award Management (SAM): <https://www.sam.gov/SAM/> (Must be done prior to submitting application)

Microenterprise Assistance Grant Program FAQs

What is the definition of a microenterprise for this grant?

For purposes of this grant, it is a business that has 5 or less employees including the owner(s). Includes commercial store fronts as well as home-based businesses.

Who is eligible to apply for this program?

1. Owners of businesses that have not more than five (5) employees [including the owner(s)]; AND
2. The owner/applicant qualifies as a low- to moderate income household; AND
3. The business must have a Dun & Bradstreet number (DUNS) which is currently registered in the federal System for Award Management (SAM).

How is the household income calculated?

1. Household income is determined by combining the annual gross income (before deductions) of all family and non-family 18+ years old living in the household. All sources of income must be counted from all persons living in the household. NOTE: applicant may be required to provide verification of income including but not limited to tax returns, pay stubs, benefit letters, etc.
2. The maximum household income varies based on household size as shown in the following table:

FY 2021 Family Income Limits

% AMI	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80%	\$47,500	\$54,300	\$61,100	\$67,850	\$73,300	\$78,750	\$84,150	\$89,600

What is an Employer Identification Number and how do I find mine?

An EIN is also known as a Federal Tax Identification Number and is used to identify a business entity and to file taxes with the IRS.

How do I apply for DUNS number and complete my SAM registration?

The process to obtain a DUNS number and register in SAM is free. More information can be found at: <https://www.dnb.com/duns-number/get-a-duns.html> and <https://www.sam.gov/SAM/pages/public/index.jsf>

What is a Section 3 Business?

1. Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 is to ensure that preference for employment, training and contracting opportunities generated from the expenditure of certain HUD funds is directed to local low- and very-low income person, particularly those who receive federal housing assistance, and businesses that are owned by or substantially employ such persons. For more information go to: <https://www.hud.gov/sites/documents/SEC3BIZFAQ.PDF>
2. If you qualify as a Section 3 business, in order to receive preference points you must be registered in HUD's Section 3 Business Registry: <https://www.hud.gov/sites/documents/SEC3BIZFAQ.PDF>

Can a non-profit organization apply for the Small Business Sustainability Grant?

No. For the Microenterprise Grant Program, you must be a for-profit establishment.

If I laid people off early in the pandemic and have not hired them back, do these count in the equation?

No, only employees included in your last four (4) weeks of payroll are included.

If my business is closing for good because of the pandemic, can I still apply for the grant to recover losses?

No

If I receive a grant, what can I use the funds for?

Funds will be provided on a reimbursement basis to the owner/applicant for approved costs such as payroll expenses, rent, mortgage payments, utility expenses, inventory, or other similar expenses related to the prevention, preparation, or response to COVID-19.

Are workers who receive 1099s considered employees?

Understanding that contractors are not technically employees, many small businesses do utilize this arrangement for various reasons. Microenterprises by definition are 5 or fewer employees including the owner(s). For the purposes of determining microenterprise eligibility, contract workers who receive 1099s are counted as employees.

I own a hair salon, rent chairs out, and issue 1099s to individual stylists. My only direct employee is my receptionist. Can I apply for this grant and are my individual stylists considered employees?

Yes, the hair salon owner may apply for assistance. For the purposes of this program yes, they would be counted as employees. (See above question.)

Am I able to apply for additional grants and loans to assist my business?

Funds may only be used to pay for unmet needs/needs not met by other sources of assistance. A duplication of benefits analysis will be completed before assistance is provided through this program. Also, the owner/applicant will be required to certify that they will repay the program for any duplicative benefit subsequently received.

How can I submit my application?

Program Guidelines and application forms are available on the City of McKeesport's website at <https://www.mckeesport-pa.gov/149/Community-Development> or by contacting Ms. Melissa Ernst at (412) 675-5020 or by email to melissa.ernst@mckeesport-pa.gov.

Applications and accompanying documents can either be submitted in person by visiting the City of McKeesport Community Development Office or by mail, both of which at the following address:

Community Development Office
City of McKeesport
500 Fifth Avenue, Second Floor
McKeesport, PA 15132
412-675-5020

Am I eligible if I am a home-based business?

Home based business may apply. However, all businesses must have a DUNS number and be registered in the System for Awards - <https://www.sam.gov/SAM/pages/public/index.jsf>

I am an owner of a franchise or a national chain. Can I apply?

Priority will be given to businesses that are not publicly traded and are independently owned and operated. If there are funds still available, we may consider franchise businesses for funding.

If I own/lease out several buildings/offices in McKeesport, that I rent or lease out, can I apply for each location?

No, only the establishment that operates out of the building can apply. However, if you are a property management company or a landlord headquartered in McKeesport, you can apply for your business as long as you are not affiliated with a firm or parent company that exceeds 5 employees.

If I operate more than one business out of the same address, can I apply for each business?

Yes, if each business has a separate EIN number and DUNS number.

Can we be reimbursed for Personal Protective Equipment (PPE) necessary to operate our

business?

Yes, only if you have not been previously reimbursed for the PPE from another source (please refer to “duplication of benefits”).

Can I be reimbursed for rent, mortgage and/or utilities if I operate my business from my home?

No

If approved will the funds be disbursed in one lump sum?

Yes, but keep in mind that funds are distributed on a reimbursement basis. In order to receive the funds, you will be required to submit documentation verifying that the cost was incurred (i.e. invoices, cancelled checks, bank statements, etc.)

How long with this process take; when can I expect to get the money?

Applications will be reviewed as quickly as possible after all required documentation is received.

Is assistance available for non-English speaking persons, limited English proficiency persons and persons with disabilities?

Every reasonable effort to encourage the participation of minorities, non-English speaking persons, limited English proficiency persons and persons with disabilities will be made. Any individual requiring a reasonable accommodation in order to participate in the program should contact: Ms. Melissa Ernst at (412) 675-5020 or by email to melissa.ernst@mckeesport-pa.gov.

Why are medical marijuana-based businesses ineligible for this grant?

The program is funded with federal Community Development Block Grant funds. Since marijuana is still illegal according to federal law, federal funds may not be used to support those businesses.

If you have any other questions, please contact: Mr. A.J. Tedesco, Director of Community Development, City of McKeesport at (412) 675-5020 ext. 617 or alfred.tedesco@mckeesport-pa.gov.



City of McKeesport, Pennsylvania
CDBG-CV Microenterprise Grant Program Application

BUSINESS INFORMATION

Name of Business:

Db Name (if applicable):

Mailing Address:

City:

State:

ZIP Code:

Phone:

Business Email:

Business Owner Name:

Address of Operations (if different):

City:

State:

ZIP Code:

Website:

Other:

Number of Employees, including owner(s):

Full-Time

Part-Time

Total

City Business License No. (must have a valid license issued prior to 21 JAN 2020):

Federal EIN:

DUNS code:

SAM code:

How long as the applicant owned/operated this business?

Date of Incorporation:
(Include Articles of Incorporation)

Is Business Minority-Owned? Yes No

Is Business Women-Owned? Yes No

Has the business ever been subjected to criminal or civil fines and penalties including from City Code or regulatory violations? Yes No

BUSINESS DESCRIPTION

Describe in detail the type of service/products your business does/will offer:

CDBG-CV Eligibility: Use of CDBG-CV funds must show a primary and direct benefit for low- to moderate-income people, as determined by HUD Household Income Limits. Please certify the business eligibility by selecting one of the two options below and providing requested information for the option selected.

FY 2021 Family Income Limits

% AMI	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80%	\$47,500	\$54,300	\$61,100	\$67,850	\$73,300	\$78,750	\$84,150	\$89,600

Please select only one of the eligibility options below related to your microenterprise business:

Option 1: Business Owner Low-Moderate Income Certification

List all personal household members and income for each.

Household Member	Income Source	Income Amount
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
Household Income Total		\$

Provide proof of income for all household members. Documentation may include:

- Tax statements
- Government benefit award letter
- Pay stubs
- Retirement account statements

Based on the number of persons living in your household, check whether you are over or under the listed HOUSEHOLD income.

1-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$47,500	5-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$73,300
2-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$54,300	6-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$78,750
3-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$61,100	7-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$84,150
4-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$67,850	8-person	<input type="checkbox"/> Over or <input type="checkbox"/> Under \$89,600

Option 2: Low- to Moderate Income Employees Retained or Hired Certification

A. Provide documentation of employees fired or furloughed due to coronavirus or employees hired to assist the business in preventing, preparing for, or responding to the coronavirus pandemic.

Position	Years with Business	Fired? Yes/No	Hours Cut or Furloughed?

Documentation may include:

- Proof of unemployment insurance dated after January 21, 2020
- Certified payrolls

List all personal household members and income for each employee.

Household Member	Income Source	Income Amount
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
Household Income Total		\$

B. Provide Documentation of each employees' Low- to Moderate-Income eligibility.

C. Provide Documentation of increased employment by low- to moderate-income individuals due to CDBG-CV grant funding (new hires or increased hours)

CARES Act Eligibility: Use of CARES Act funds must be used to prevent, prepare for, or respond to the COVID-19 pandemic. Please certify the business eligibility.

COVID-19 Impact, as of January 21, 2020

	Yes	No	Please Describe:
Profit loss of 25% or more?			
Temporary closure?			
Layoffs/Retention of employees?			
Payroll limitations?			
Need to purchase personal protective equipment (PPE)?			
Other: Provide a detailed description			

INTENDED USE OF CDBG-CV FUNDS

Microenterprise Assistance funds can be used for:

- Purchase of materials or equipment needed to convert business activities to comply with social distancing guidelines.
- Purchase of protective equipment for staff and customers (masks, hand sanitizer, hands-free payment devices, plexiglass shields, etc.).
- Working capital financial assistance for business stabilization due to COVID-19 related revenue shortfalls to cover the business’s day-to-day expenses, including:
 - Rent for a commercial location in the City
 - Mortgage payment for a commercial location in the City
 - Utilities (water, gas, electric)
 - Insurance
 - Payroll and other related expenses
 - Professional services (accounting, tax, insurance, legal, etc.)
 - Technology, marketing, communication, or similar expenses
 - Digital commerce expenses for the creation or enhancement of a website (including hosting, ecommerce platform fees, digital media consulting fees, etc.)

Describe the intended use of the CDBG-CV Grant funds:

Total CDBG-CV Grant Request:	\$
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*** MAXIMUM GRANT AMOUNT \$35,000**

Describe the financial requirements needed to reopen or remain open, including other potential funding sources:

	Total funds needed	CDBG-CV Request	OTHER (Federal, State, Local, private loans)
Working Capital	\$	\$	\$
Payroll	\$	\$	\$
Rental Costs	\$	\$	\$
Mortgage Costs	\$	\$	\$
Increased Insurance Costs	\$	\$	\$
Equipment Purchase	\$	\$	\$
Purchase of Health / Safety Consumable Products	\$	\$	\$
Other. Provide a Detailed Description:	\$	\$	\$

*NOTE: The use of federal funding in excess of \$2,000 for construction, alterations, or repairs (including painting and decorating) of buildings is subject to Davis-Bacon prevailing wage requirements.

Please provide a timeline for the implementation of your proposed CDBG-CV funded project / activity. If awarded, the applicant will need to provide proof that the funds were used for the requested purpose.

Activity	Start Date	End Date

DUPLICATION OF BENEFITS

In order to prevent duplication of benefits (double dipping), applicants must identify any other sources of funds that the business has received as a result of the COVID-19 pandemic other than insurance. Sources of funds include but are not limited to: Federal, state and local loan/grant programs, private or bank loans, nonprofit donations or loans. The table at the end of this application identifies federal CARES Act Programs through SBA, FEMA, IRS, Treasury, USDA, and HHS. Please indicate below the amount received by your business from any and all funding sources.

Source of Funds No. 1

Lender/Grant Provider Name		
Purpose		
Amount	\$	
<input type="checkbox"/> Government Loan	<input type="checkbox"/> Government Grant	<input type="checkbox"/> Government Forgivable Loan
<input type="checkbox"/> Nonprofit Grant	<input type="checkbox"/> Nonprofit Loan	<input type="checkbox"/> Nonprofit Forgivable Loan
<input type="checkbox"/> Private Loan	<input type="checkbox"/> Other: _____	

Source of Funds No. 2

Lender/Grant Provider Name		
Purpose		
Amount	\$	
<input type="checkbox"/> Government Loan	<input type="checkbox"/> Government Grant	<input type="checkbox"/> Government Forgivable Loan
<input type="checkbox"/> Nonprofit Grant	<input type="checkbox"/> Nonprofit Loan	<input type="checkbox"/> Nonprofit Forgivable Loan
<input type="checkbox"/> Private Loan	<input type="checkbox"/> Other: _____	

Source of Funds No. 3	
Lender/Grant Provider Name	
Purpose	
Amount	\$
<input type="checkbox"/> Government Loan <input type="checkbox"/> Government Grant <input type="checkbox"/> Government Forgivable Loan <input type="checkbox"/> Nonprofit Grant <input type="checkbox"/> Nonprofit Loan <input type="checkbox"/> Nonprofit Forgivable Loan <input type="checkbox"/> Private Loan <input type="checkbox"/> Other: _____	

Source of Funds No. 4	
Lender/Grant Provider Name	
Purpose	
Amount	\$
<input type="checkbox"/> Government Loan <input type="checkbox"/> Government Grant <input type="checkbox"/> Government Forgivable Loan <input type="checkbox"/> Nonprofit Grant <input type="checkbox"/> Nonprofit Loan <input type="checkbox"/> Nonprofit Forgivable Loan <input type="checkbox"/> Private Loan <input type="checkbox"/> Other: _____	

FEDERAL AFFIDAVIT

Receiving other funding assistance does not automatically disqualify the business from receiving CDBG-CV grant funding. However, the amount of funding under this program may be reduced depending on the documented need. Please note that any application submitted by the applicant for other sources of funding must include any CDBG-CV funds awarded under this program.

By executing this Affidavit, Applicant(s) acknowledge and understand that Title 18 United States Code Section 1001: (1) makes it a violation of federal law for a person to knowingly and willfully (a) falsify, conceal, or cover up a material fact; (b) make any materially false, fictitious, or fraudulent statement or representation; OR (c) make or use any false writing or document knowing it contains a materially false, fictitious, or fraudulent statement or representation, to any branch of the United States Government; and (2) requires a fine, imprisonment for not more than five (5) years, or both, which may be ruled a felony, for any violation of such Section.

Dated this the		day of			, 2021
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Signature of Applicant

Name and Title of Applicant (Please Print or Type)	Date
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Maintenance and Operations Commitment

Any equipment purchases or installation made with CDBG-CV funds must be kept in good working order for its intended purpose. The applicant must be willing to assume the maintenance and operation responsibility and costs associated with the purchase of any equipment purchased through this grant.

The sale of equipment purchased with CDBG-CV funds must be reported to the City of McKeesport and may be subject to repayment provisions under 24 CFR 85.32.

NOTE: Community Development Block Grant funds of any kind may not be utilized for ongoing maintenance and operation costs of building improvements/equipment.

Signature of Applicant

Name and Title Applicant (Please Print or Type)

Date

CDBG-CV Beneficiary Information

RACE / ETHNICITY	CHECK ONE
White	<input type="checkbox"/>
Black / African American	<input type="checkbox"/>
American Indian / Alaskan Native	<input type="checkbox"/>
Asian	<input type="checkbox"/>
Native Hawaiian / Other Pacific Islander	<input type="checkbox"/>
Asian and White	<input type="checkbox"/>
Black / African American and White	<input type="checkbox"/>
American Indian / Alaskan Native and Black / African American	<input type="checkbox"/>
Other Race / Ethnicity (specify):	<input type="checkbox"/>

The Undersigned Certifies and Agrees That:

1. The information contained in this application and supporting documents are complete and accurate;
2. The proposed activity / project described in this application meets the National Objective of benefiting low- and moderate-income persons, as defined by CDBG Federal Regulations;
3. The proposed activity / project described in this application meets one or more of the objectives for CARES Act related activities to prepare, prevent, and respond to the COVID-19 pandemic;
4. The applicant shall comply with all Federal, State and City laws, policies and requirements affecting the CDBG-CV Program; and,
5. If the activity / project includes the purchase of equipment or facility improvements, the applicant shall maintain and operate the equipment and/or facility for its approved use throughout its economic life.

Signature of Applicant

Name and Title Applicant (Please Print or Type)

Date

CONFLICT OF INTEREST

I hereby disclose any and all of my conflicts of interest and potentially conflicting interests, including specific financial interests and relationships and affiliations relevant to the City of McKeesport to include employment and or any affiliation to any employee, including the Mayor or members of City Council. This applies to the present time. I presently do **OR** do not have a conflict of interest.

Please list any affiliations:

If you do have a conflict of interest, additional documentation will be required to receive funding. This documentation will be provided by the City of McKeesport.