



Kent County Small Business Recovery Fund

Overview: The COVID-19 crisis is devastating the fabric of our local business community. Kent County is built on the backbone of entrepreneurship and small business, and the *Kent County Small Business Recovery Fund* is aimed at delivering short-term financial support to small businesses with the goal of supporting a strong economic recovery.

Who is the fund intended for?

This fund is focused on using Coronavirus Relief Funds provided under the CARES Act to support for-profit businesses with 0-25 full-time employees located in Kent County.

What is the purpose of the fund?

This fund helps businesses that have not been able to access, or have been declined for local, state, or federal relief funds, or need additional support to weather this crisis. We are focused on businesses that may be dealing with additional barriers including but not limited to language, financial acumen, and from underserved communities. Consistent with the limitations of the CARES Act, these businesses also must have been directly impacted and experienced a loss of income due to COVID-19. All distributions of funds are subject to the requirements of the CARES Act and Treasury Department guidance on the use of Coronavirus Relief Funds.

What does the fund provide?

Businesses that qualify for this fund will receive:

- A short-term economic relief grant ranging from \$5,000, \$10,000, \$15,000 or \$20,000 depending on size of business, operating costs, and the scoring metrics below.
 - Business size will be categorized as:
 - 0-5 employees
 - 6-15 employees
 - 16-25 employees
- Technical assistance
 - Cost cutting measures
 - Reviewing creditor/obligation recommendations (deferments and loan re-aging)
 - Connections to other resources
- Six-month cashflow projection and analysis with a business consultant



Eligibility

- Must be a private, for-profit business located and registered in Kent County with 25 employees (FTEs) or fewer
- Must have been directly impacted and experienced a loss of income due to COVID-19
- Must have a business start date prior to 2/15/2020

Scoring Metrics

- Is the business able to operate currently? (Not at all, partial operations, fully operational)
- Has the business already received PPP, SBA, MEDC or other COVID support grant dollars?
 - If yes, why are additional dollars needed?
- How many employees live in Kent County?
- Is the owner a resident of Kent County?
- Business life cycle. How long have they been around? Have they been around at least 3 years?
- Stability of the business. Were they losing money, on the upswing, stable prior to March 2020?
- Do the goods/service provided by applicant positively contribute to the community's fabric, culture, or unique sense of place?
- Does it appear the company will be solvent at the end of the COVID-19 Crisis?

Allowable Uses for Grant

Allowable: COVID-19-related expenses, including but not limited to, costs of business interruption caused by the Coronavirus public-health emergency. Examples could include PPE, required facility modifications, wages, rent, utilities, and other fixed costs.



Not allowed: Expenses that are not caused by the Coronavirus public-health emergency, including but not limited to refinancing debt and capital improvements not necessitated by COVID-19. Expenses or costs covered by other sources of aid, including but not limited to insurance and the PPP program.

Outreach Efforts

To identify possible recipients and ensure that all impacted business are aware of this resource, especially those from underserved and underrepresented groups, the Chamber will execute a thorough and extensive outreach effort, in collaboration with local governments and the entrepreneur support organizations that have presented to the County's COVID Relief Subcommittee including:

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|----------------------------------------|---------------------------------------|
| West Michigan Hispanic Chamber | ALL MUNICIPAL GOVERNMENTS |
| West Michigan Hispanic Center | Amplify GR |
| Experience Grand Raids | Start-Garden |
| Grand Rapids Black Chamber | GROW |
| GRABB | SpringGR |
| Lowell Chamber of Commerce | Ferris Emprende |
| Sparta Chamber of Commerce | Local First |
| DGRI | SBDC |
| Wyoming/Kentwood Chamber of Commerce | Neighborhood Business Associations |
| Grandville Jenison Chamber of Commerce | Asian Professional Organization |
| Walker Chamber of Commerce | SCORE |
| Byron Center Chamber of Commerce | Michigan Women Forward |
| Caledonia Chamber of Commerce | Corridor Improvement Districts (CIDs) |
| Rockford Chamber of Commerce | Neighborhood Business Alliance |
| Culterville-Gaines Chamber of Commerce | LINC Up |
| The Right Place, Inc. | Downtown District Authorities (DDAs) |
| NAACP | West Michigan Latino Network |
| | West Michigan Latina Network |

A memorandum of understanding/commitment form will be developed to articulate expectations, deliverables, contact and promotional information.

Outreach organizations will receive embargoed materials to promote this resource a week prior to launch date. This will include an orientation/training for all participating organizations prior the official launch.



A strong outreach program will ensure diverse applicants, representing business type, ownership, and geography.

What does the grant process look like?

- **Application**
 - Streamlined application
 - Basic financial documentation required (2 documents)
 - Either a tax return, bank statement, P&L, cash flow or other documents such as invoices, rental agreements, etc. that prove business existence and operation
 - Balance sheet highly encouraged
 - Proof of financial impact
 - Statement from owner describing impact of COVID and that they have complied with Executive Orders to the best of their ability
 - Demographic information
 - Business ownership
 - Average hourly wage
 - Signed certification by an officer of the company
 - Applicants will be notified that all awards will be made public
 - Translation/Interpretation services will be made available

- **Orientation and Technical Assistance** (once selected)
 - Approved recipients agree to a one-on-one consultation
 - Review or create six-month cash flow projection
 - Review requirements on allowable use of funds
 - Business support webinars

- **Execution**
 - Applicant information packets recommended for funding will be sent to Kent County by the Chamber
 - Complete agreement/contract with Kent County
 - Claw back requirements for recipients included in the grant agreement
 - Kent County delivers check or ACH transfer to business

- **Follow-Up**
 - 30-day review evaluating the use of funds with associated documentation
 - 60-day business wellness check
 - Review adherence to cash-flow projections



- Recommend other course of action such as business model change, marketing, etc.
- 90-day check-in

Timeline Review following Closing of Online Application:

Day 1 | Complete applications with required documentation will begin review process

Day 7 | Application review and approval/denial

Day 14 | Orientation and execution of grant

Day 30 | Business wellness check, review fund usage

Day 60 | Follow up appointment with a business consultant

Day 90 | Addition follow up appointment with a business consultant

Transparent Outcomes

The online platform will allow for tracking and cataloguing business feedback. Outcomes will include:

- Sectors served: retail, restaurant, manufacturing
- Geographic distribution
- Size of business
- Aggerated feedback and success/failure of grantees
- Total number of jobs retained
- Number of businesses served
- Publicize recipient list in batches

Selection Committees

A selection committee will be compromised of five members. A minimum of five selection committees will be established and increased depending on the size of the applicant pool.

Partner organizations will nominate a board or community member to serve.

Participants will sign conflict of interest, confidentiality statements and commitment form.

Participants need to have skill sets in financial background, business acumen and experience, community understanding, in addition to time availability.



Time commitment to serve is approximately 16-20 hours.

Each selection committee will have broad representation to ensure a strong equity lens, business acumen, and community understanding.

Each committee will review a mix of business types and sizes.

Each application will have the same number of reviewers.

An application needs with 3 reviewers not recommending funding will be denied.

The pool of participants will be generated from the following organizations:

Kent County Staff	Walker Chamber of Commerce
City of Grand Rapids Staff	Byron Center Chamber of Commerce
Experience Grand Rapids	Caledonia Chamber of Commerce
West Michigan Works!	Rockford Chamber of Commerce
Union representation	Culterville-Gaines Chamber of Commerce
Urban League	The Right Place, Inc.
NAACP	NAACP
Better Business Bureau of West Michigan	ALL MUNICIPAL GOVERNMENTS
Jandernoa Entrepreneurial Mentoring	Amplify GR
West Michigan Hispanic Chamber	Start-Garden
West Michigan Hispanic Center	GROW
Grand Rapids Black Chamber	SpringGR
GRABB	Ferris Emprende
Lowell Chamber of Commerce	Local First
Sparta Chamber of Commerce	SBDC
DGRI	Neighborhood Business Associations
Wyoming/Kentwood Chamber of Commerce	Asian Professional Organization
Grandville Jenison Chamber	

Review Process:

Once selected to participate on a selection committee, participants will attend an orientation/training outlining expectations, responsibilities, metrics rubric, review process, Trello Board sign in and application review.

Each participant will be assigned to a review team and be given a batch of applications to review within 3 to 4 business days. They will score these applications and provide a



recommendation to fund or not to fund the business. If they recommend the business be funded, they will recommend an amount.

Chamber staff will coordinate the review process and tally up the points/recommendations for funding and provide initial approval.

Applicant information packets with recommendations for funding will be sent to Kent County by the Chamber for final approval and contract execution.

Administration and Budget

Aligned with the industry standard in program management's 11% indirect rate, general and administrative costs run about 10% of total budget. Costs related to the project vary depending on the work involved, dollar amount of grants and number of awardees. The Chamber bills time at an hourly rate of \$125-\$225 depending on the expertise level of the staff performing the work.

With grants awarded in the amounts of \$5,000, \$10,000, \$15,000, and \$20,000, we anticipate the following costs related to *the Kent County Small Business Recovery Fund*:

Program Management

\$10M in grants	\$600,000
\$20M in grants	\$750,000

Services include:

- Outreach Coordination with ESOs and Local Governments
- Application and Process Development
- Application Review and Follow Up
- Translation/Interpretation Services
- Wrap-Around Technical Assistance and Follow Up
- Reporting
- PR
- Technology Platform
- Postage & Printing
- Information Systems



Appendices (to be drafted)

MOU Form to be drafted in collaboration with Kent County

Grant Agreement to be drafted in collaboration with Kent County

Score Sheet

Trello Screen Shot

Outreach Plan

- Window for application

- Team assists and supports completion of applications

- Reapplication