

RESOLUTION NO. 2020-19
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
ADOPTING THE PROCESS AND ELIGIBILITY CRITERIA FOR THE SMALL
BUSINESS RELIEF ASSISTANCE PROGRAM

WHEREAS, the City of Los Altos continues to operate under the emergency proclamation of March 12, 2020 and ratified by the City Council on March 17, 2020; and

WHEREAS, the Los Altos community and Santa Clara County are living under the Shelter-in-Place Order of the Public Health Officer until at least May 3, 2020; and

WHEREAS, small businesses in Los Altos are essential to the long-term livability and prosperity of the Los Altos community; and

WHEREAS, during the COVID-19 emergency, many Los Altos small businesses have been deemed essential and able to remain open, but with significant operating restrictions that have impacted revenues; and

WHEREAS, during the COVID-19 emergency, many Los Altos small businesses have been deemed non-essential and prohibited from operating; and

WHEREAS, many of these businesses would greatly benefit from an influx of grant funds from the City of Los Altos, and

WHEREAS, by providing relief grants to small businesses, the Los Altos community will benefit by having a prosperous business community following the re-opening of the business sector when the Health Order is modified or lifted; and

WHEREAS, the City of Los Altos will benefit from a more prosperous business community which will provide needed sales tax revenue to the City; and

WHEREAS, at its April 28 meeting, the Los Altos City Council approved the allocation of \$250,000 to be used to provide grants, and created the Los Altos Small Business Relief Assistance Program; and

WHEREAS, as directed, City staff, the Chamber of Commerce and the Los Altos Community Foundation have worked together to develop Attachment A to this resolution which describes the process and eligibility criteria for the grant program.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby adopts Attachment A as the eligibility criteria and process for the Los Altos Small Business Relief Assistance Program.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 12th day of May, 2020 by the following vote:

AYES: Council Members Bruins, Enander, Lee Eng, Vice Mayor Fligor and Mayor Pepper
NOES: None
ABSENT: None
ABSTAIN: None



Janis C. Pepper, MAYOR

Attest:



Andrea Chelemengos, MMC, CITY CLERK



Program Objectives

To mitigate the impact of COVID-19 on Los Altos small businesses and their employees, the Los Altos City Council committed up to \$250,000 in one-time funds to create a Small Business Assistance Grant Program. The Los Altos Community Foundation and Los Altos Chamber of Commerce will work to raise additional funds in order to provide funds to more businesses. The objective of this program is to offer immediate financial assistance to small businesses located in Los Altos to aid in maintaining their business and workforce.

Program Overview

1. Grants of \$5,000 for qualified small businesses (restaurants, retail, and personal service) with at least one and no more than 25 full-time employees.
2. Grant funds from the City's Small Business Relief Program can be used for any business expenses.
3. Grants will be awarded on a lottery basis for qualified applicants who have submitted a complete application between Tuesday, May 26, 2020 at 8 am and Tuesday, June 9, 2020 at 5 pm. Incomplete applications will not be considered.
4. The lottery will be held virtually online.

Eligibility Requirements

- Applicants must be a small business with at least one and no more than 25 full-time employees.
- Qualifying business are exclusively restaurants, retail, and personal service businesses as defined in the Los Altos Municipal Code 14.02.070.
- Applicants must operate out of a physical commercial storefront within the city limits of Los Altos.
- Applicants must pay sales tax to the City of Los Altos.
- Applicants must submit a current copy of its Sales Tax Permit.
- Applicants must submit a current copy of its W-9 form.
- Applicants must have an active City of Los Altos Business License.
- Applicants must be in good standing with the City.
- Applicants who are involved or have been involved in legal or financial issues may not qualify.
- Applicants must have been in operation in the City of Los Altos as of March 1, 2020.
- Business owners who own 3 or more locations of the same business will not be eligible for award.
- Grant recipients will be required to provide documentation as to how the funds are spent within one month of receiving the grant.



Tentative Program Timeline

- April 28 – City Council approves initial \$250,000 funding
- May 12 – City Council ratifies program guidelines and application
- May 13-18 - City staff conducts outreach notifying businesses about program
- May 18 – City staff releases program application and guidelines on website
- May 26 at 8 am – City staff opens application window
- June 9 at 5 pm – City staff closes application window
- June 9-14 – City staff reviews applications based upon objective criteria
- June 15 – City staff conducts public lottery online
- June 29 – City staff starts issuing checks to approved businesses
- July 31 – Grant recipients provide documentation to City as to how the funds have been spent
- August 3 – City staff reviews initial documentation to verify funds were spent appropriately



6. Has the business been in operation in the City of Los Altos since March 1, 2020?

Yes

No

7. Is the business or the applicant in good standing with the City of Los Altos?

Yes

No

8. Does the business owner own a chain with three or more locations?

Yes

No

9. Has the business or the applicant ever been involved in a bankruptcy or insolvency proceeding?

Yes

No

10. Does the business or the applicant have any outstanding judgments, tax liens, or pending lawsuits against them?

Yes

No

11. In the past year, has the business or the applicant been convicted of a criminal offense committed during and in connection with a riot or civil disorder or other declared disaster, or ever been engaged in the production or distribution of any product or service that has been determined to be obscene by a court of competent jurisdiction?

Yes

No

12. Is the business or the applicant delinquent on any federal taxes, direct or guaranteed federal loans (SBA, FHA, VA, student, etc.), federal contracts or federal grants?

Yes

No

13. Is the applicant currently suspended or debarred from contracting with the federal government or receiving federal grants or loans?

Yes

No

14. Is the applicant presently a) subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; b) been arrested in the past six months for any criminal offense; c) or for any criminal offense - other than a minor vehicle violation - 1) been convicted, 2) plead guilty, 3) plead nolo contendere, 4) been placed on pretrial diversion, or 5) been placed on any form of parole or probation (including probation before judgment)?

Yes

No



Grant Process and Terms

1. Grant applications must be emailed directly to econdev@losaltosca.gov between Tuesday, May 26, 2020 at 8 am and Tuesday, June 9, 2020 at 5 pm with the following attachments:
 - Current copy of a W-9
 - Current copy of Sales Tax Permit
2. If application is found complete, application will be reviewed for eligibility and applicants will receive a notice of award or no-award by June 18 through email. In all cases, the City reserves the right to reject any and all applications in the event the City identifies a potential conflict of interest or the appearance of a conflict of interest. Submission of an application in no way obligates the City to award a grant and the City reserves the right to reject any or all applications, wholly or in part, at any time, without penalty.
3. Awards will be made on a lottery basis to complete, qualified applications received in the application window.
4. If awarded, the application becomes a binding contract between the applicant and the City of Los Altos.
5. If awarded, funds must be used exclusively for applicant's business.
6. Businesses receiving funding are required to:
 - a. Submit evidence (invoices and receipts, cancelled checks, etc.) that the grant funds have been spent in the manner and for the purposes stated in the application within thirty (30) days of the payment date. Evidence provided must be to the satisfaction of the City or its entities.
7. The City reserves the right to audit the applicant's books and records for compliance with terms in the agreement.
8. Businesses receiving funding are encouraged to:
 - a. Comply with State and County orders for operating their businesses (social distancing, clean down procedures, limiting in-store occupancy, etc.)
 - b. If applicable, prioritize delivery of food and services to seniors and economically vulnerable populations.
9. Grant funds will be issued upon execution of the agreement.
10. The program will remain in effect during the City of Los Altos' declared state of local emergency and while funds are available.

