

CITY OF SALEM  
 CDBG COVID-19 SMALL BUSINESS ASSISTANCE GRANT PROGRAM  
 APPLICATION

Grant funds may only be used by awardees for working capital expenses that include, but are not necessarily limited to, general operating expenses (rent or utilities), inventory, and advertising/marketing expenses.

Company Name	
Legal Name Registered with Indiana Secretary of State	
Federal Employer Identification Number (FEIN)	
Business Address	
Business Telephone	
Owner(s) Name; Phone #	
Owner(s) Email Address	
Brief Company History or Narrative (Attach separate page if needed)	
# of Employees – including the owner, if the owner is an employee	
# of Hours to be considered Full Time (ex: 20hrs; 30hrs; 40hrs)	
Current Payroll	
Description of Other Employee Benefits	
Grant Amount Requested (maximum of \$5,000)	
Description of how grant funding will be utilized – must be for working capital ONLY – (attach separate page if needed)	

Have you applied for any other assistance such as an SBA loan, PPE or other COVID-19 funding?

Yes       No

If yes, did you receive assistance?  Yes  No If yes, how much did you receive? \_\_\_\_\_

The following documents must be included with this application form:

Intake Document – one per each employee, including the owner(s)

Documentation, signed by the owner, that jobs would be lost if not for the CDBG assistance

IRS Form W-9

I/we declare that any statement in this application and the supporting documentation submitted to the City of Salem is true and complete in substance and in fact. I/we declare that I/we am/are (a) legal resident(s) of U.S. Citizen(s) with the authority to conduct business in the State of Indiana.

Name		Signature		Date
Owner 1		Owner 1		
Owner 2		Owner 2		
Owner 3		Owner 3		

## INFORMATION

### PURPOSE

The City of Salem will invest up to \$250,000 through an Indiana Office of Community and Rural Affairs Community Development Block Grant (CDBG) program funded by the US Department of Housing and Urban Development (HUD). This program will support qualifying local businesses in the City of Salem that have been impacted by the COVID-19 pandemic. Funds under this program are limited and it is the Cities intent to focus these resources effectively to support local Salem businesses that retain the employment of citizens.

The following requirements, selection criteria and procedures will be adhered to during the grant selection and disbursement process.

### FUNDING REGULATIONS

Businesses will be classified into two groups to ultimately determine eligibility for the program:

1. Non-Microenterprise – Business with more than five (5) employees or a business of less than five (5) employees, one of which is NOT the owner.
2. Microenterprise – Business of five (5) or fewer employees one of which is the owner. Independent contractors are also included in this group.

The use of CDBG grant funding is governed by federal regulations, which state that funds must primarily benefit individuals of low and moderate income (LMI). The City of Salem will require each applicant to provide intake documents to certify eligibility. The City will balance the grant portfolio as necessary to ensure compliance with the CDBG LMI requirements for those non-Microenterprise businesses.

Full-time equivalent hours must be documented to assist in determining eligibility and compliance. Questions related to full time hours and average hours per employee per week are included in both the application and the intake document.

Microenterprises can qualify if the owner is LMI or at least 51% of the employees are LMI. The Microenterprise applications cannot be included in the aggregate, so each Microenterprise must meet the LMI criteria to qualify for consideration.

The business, no matter what category, must also certify that the jobs being retained with CDBG grant funding would be lost without assistance from the grant program. This certification can be in the form of a letter from the applicant addressed to the City of Salem Selection Committee.

### ELIGIBILITY REQUIREMENTS

In addition to the above CDBG regulation requirements, businesses meeting **ALL** of the following criteria shall qualify for grant award consideration:

- ✓ Must have a business physically located within the City limits of Salem, Indiana
- ✓ Must be a for-profit business – the following business types **are specifically ineligible** for assistance:
  - Nonprofit organizations
  - Businesses deemed ineligible by the US Department of Housing and Urban Development (HUD) or the City of Salem
- ✓ Must be structured as a sole proprietorship, partnership, corporation, S corporation (S Subchapter) or limited liability company (LLC). Individuals who are self-employed or independent contractors are also eligible to apply
- ✓ Must have been in operation on or before March 1, 2020, and must be currently in compliance with any state or local regulations or requirements
- ✓ Must have 15 or fewer employees, including the owner(s)
- ✓ Eligible businesses can include essential and non-essential businesses so long as the business is continuing to pay employees, provide health insurance, or is willing to certify that previously furloughed/terminated employees will be rehired with the proceeds of these grant or other supplemental federally-funded grant or loan programs
- ✓ Multiple applications/applicants cannot simultaneously compete for funding for the same property parcel or address

#### GRANTMAKING

Businesses meeting the requirements above shall be considered eligible for a maximum grant award of \$5,000

Grant funds may only be used by awardees for working capital expenses that include, but are not necessarily limited to general operating expenses (rent or utilities), inventory, and advertising/marketing expenses.

The City of Salem will try to fund as many qualified applicants as possible. Should funding become limited, the following criteria will be utilized to prioritize applications:

- The number of full-time jobs retained as of the date of the application, as well as, the number of full-time jobs that are planned to be rehired due to the assistance from the City

- The degree to which businesses have been impacted due to being considered “non-essential” and have lost their sources of revenue
  - Applicants should provide a description of how their business has been impacted within their application and have additional documentation available upon request
- The degree to which businesses primarily provide public-facing retail or public-facing services and have lost their sources of revenue
  - Applicants should provide a description of how their business has been impacted within their application and have additional documentation available upon request
- The degree to which the business has been directly impacted by new public health requirements (social distancing) related to the COVID\_19 pandemic
  - Applicants should provide a description of how their business has been impacted within their application and have additional documentation available upon request such as profit/loss statements to support such claims
- The level of participation by the business in other federally funded programs such as the Payroll Protection Plan and/or Small Business Administration’s Economic Disaster Injury Grant and Loan Programs
- Businesses that employ at least 51% low- and moderate-income persons

#### HOW TO APPLY

Business owners may obtain a copy of the application documents on the City of Salem website [www.cityofsalemin.com](http://www.cityofsalemin.com). The application can also be requested by email: [info@cityofsalemin.com](mailto:info@cityofsalemin.com)

Applications can be returned by mail to Salem City Hall at 201 E Market Street, Suite 100, Salem, IN 47167 Attn: COVID19 Relief. Or by email: [info@cityofsalemin.com](mailto:info@cityofsalemin.com)

Incomplete applications will not be considered.

#### SELECTION and DISBURSEMENT PROCESS

Businesses can apply via the process outlined previously. Applicants will be required to submit evidence, testimony or documentation supporting their case regarding the impact of COVID-19 on their business.

During the application process, businesses will be asked to provide demographic information including family size, household income, gender, race, and ethnicity of owners and employees to satisfy federal CDBG reporting requirements.

The City of Salem will utilize a review committee, as designated by City of Salem Mayor and City of Salem Clerk Treasurer. The review committee will prioritize the applications using the

categories previously listed. The review committee will then provide a list of recommended recipients to the Office of Community and Rural Affairs (OCRA) for final approval. The City of Salem will fund as many qualified applicants as possible, as funding allows. Recommended grantees will be required to enter into a grant agreement with the City of Salem.

The Office of Community and Rural Affairs will approve a grant agreement between the City of Salem and the grant recipient. Once the City of Salem receives grant funds per the grant agreement, 100% of funds will be disbursed to recipient.

Grantees should be aware that the City of Salem is required to follow up with them on an annual basis. This follow up will include the status of each business, the change in the number of jobs, and any additional information as requested by the State of Indiana.

The City of Salem reserves the right to reject any or all applications received and/or negotiate or cancel in part or in entirety grants resulting from application awards if it is in the City's best interest to do so. The City of Salem further reserves the right to establish the amount of grant funds awarded; raise the individual grant ceilings; and to award funds to other applicant(s) should funds become available due to de-obligation, etc.

# Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

**1** Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

**2** Business name/disregarded entity name, if different from above

**3** Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ \_\_\_\_\_

**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ \_\_\_\_\_

**4** Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) \_\_\_\_\_

Exemption from FATCA reporting code (if any) \_\_\_\_\_

(Applies to accounts maintained outside the U.S.)

**5** Address (number, street, and apt. or suite no.) See instructions.

**6** City, state, and ZIP code

**7** List account number(s) here (optional)

Requester's name and address (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

**Social security number**

				-				-					

OR

**Employer identification number**

								-					

## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here

Signature of U.S. person ▶

Date ▶

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding, later.*

ASSISTANCE TO BUSINESSES  
INTAKE DOCUMENT – INCOME VERIFICATION FORM

Name of Business/Applicant: \_\_\_\_\_ Employee Initials: \_\_\_\_\_  
Employee Average Hours Worked in a 7-day Period: \_\_\_\_\_

The City of Salem is utilizing this form to document eligibility for the OCRA CDBG COVID-19 Small Business Assistance Program. If you have any questions concerning this document, please contact your account or financial advisor.

1. Determine the correct number of person(s) in your family and circle that number in the appropriate box below.
2. Look at the amount of money listed in the block that is circled. Is the total family income above or below that amount of money? (see instructions for calculating income)
3. Place a check after either "Above" or "Below" to match the appropriate answer in Question 2.

1	2	3	4	5	6	7	8
Person	Persons	Persons	Persons	Persons	Persons	Persons	Persons
\$36,150	\$41,300	\$46,450	\$51,600	\$55,750	\$59,900	\$64,000	\$68,150
Above __	Above __	Above __	Above __	Above __	Above __	Above __	Above __
Below __	Below __	Below __	Below __	Below __	Below __	Below __	Below __

The income limits listed in the boxes above are from Washington County.

FAMILY RACIAL/ETHNIC INFORMATION:	
Respondents may refuse to provide the following information by marking this box : Refuse to Answer <input type="checkbox"/>	
Number in Family	Of Hispanic Origin
White	
African American	
African American and White	
Asian	
American Indian / Alaskan Native	
Native Hawaiian / Other Pacific Islander	
American Indian/Alaskan Native and White	
Asian and White	
American Indian/Alaskan Native and African American	
Other Multi-Racial	
TOTAL PERSONS IN FAMILY:	

**Family Make-up:**

Enter number of elderly or severely disabled family members.

Number of Elderly (age 62 and over): \_\_\_\_\_

Number of Severely Disabled: \_\_\_\_\_

Indicate with an "X" if a female head of household is present: Yes \_\_\_ No \_\_\_

Date this Form Was Completed: \_\_\_\_\_

Check box if answer to Question 3 is "Below" \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETING INTAKE FORM

1. Name of Business/Applicant  
List the name of the Business/Applicant applying for assistance from the City of Salem
2. Employee Initials  
The employee should list their initials in this space. This will help to maintain confidentiality of income verification for the employee.
3. Employee Average Hours Worked in a 7-day Period  
Each employee should list the average hours they work in a 7-day period. This number will be used to identify the number of Full Time Equivalent hours.
4. Number of Persons in the Family  
This number will include all residents temporarily away from the surveyed family (e.g. college students, persons on extended vacation, etc.) **Note:** If there is more than one family residing in the house/apartment, a separate form should be completed by each family.
5. Family Income  
Income is determined by computing the total income of all family members for the last three (3) months and then multiplying that number by four(4) including persons temporarily away from the family/house. **Note:** Income is not limited to salaries, wages, and tips. All other forms of income as specified by the Internal Revenue Service should be included (e.g. payments received from social security, pensions, annuities, dividends, taxable interest income, tax exempt interest income, IRA distributions, etc.)
6. Above or Below  
Simply identify the box which appropriately determines the number of persons in the family. If the total family income amount is above the dollar amount listed in this box, check the "Above" category. If the total family income amount is below the dollar amount listed in this box, check the "Below" category.
7. Family Ethnic and Racial Information  
Racial and ethnic information is needed for data reporting purposes. Each member in family should be designated by race. A number should be placed in the Hispanic column for each family member who considers themselves of Hispanic ethnicity. *If the resident chooses not to answer this question, the box "refuses to answer" should be marked.*
8. Family Makeup  
Enter the number of elderly (62 years or older) in family. Enter the number of severely disabled adults in the family. Indicate by checking Yes or No if the head of the family is female.
9. Date  
Enter the date the form was completed
10. Check the box in the bottom left corner of the survey form if the answer to Question 3 is determined to be "Below". If so, this residency is to be considered a "low-to moderate-income family."