

# CITY OF LOMITA

FORGIVABLE LOAN PROGRAM FOR  
SMALL BUSINESSES IMPACTED BY  
COVID-19



## Small Business Grant Program Requirements and Application

All applications must be submitted electronically to:  
[ecodev@lomitacity.com](mailto:ecodev@lomitacity.com)

Application acceptance period:  
**June 11, 2020 – June 25, 2020 at 5:30 PM**

**APPLICATIONS WILL NOT BE ACCEPTED  
BEFORE OR PAST THIS TIMEFRAME**

---

**Questions?** Please contact Alicia Velasco, Community and Economic  
Development Director at [a.velasco@lomitacity.com](mailto:a.velasco@lomitacity.com)



## CITY OF LOMITA

Community and  
Economic Development  
Department

# CDBG SMALL BUSINESS GRANT PROGRAM GUIDELINES AND APPLICATION

## PROGRAM SUMMARY

The Covid-19 pandemic, and resulting emergency orders, have resulted in a drastic negative economic impact to small businesses operating across the State and County. In an effort to assist, the City of Lomita is proud to present the CDBG Small Business Grant Program to provide much needed financial assistance to the City's small businesses which have been most impacted by the pandemic. Utilizing an additional \$89,000 in CDBG funds the City received through the CARES Act, grants of \$5,000 will be available to the City's small businesses per the requirements outlined below.

Community Development Block Grant (CDBG) funds were established in 1974 by the Federal Department of Housing and Urban Development. A primary directive of these funds are to provide financial resources towards economic development programs which directly impact persons in the low to moderate income category. This program achieves that directive by providing business assistance which will aid in the creation and retention of low to moderate income jobs.

## PROGRAM REQUIREMENTS

- Businesses with no more than 25 total full-time equivalent employees. For those businesses with multiple locations, only the location based in the City of Lomita will be counted.
- The business must be located on a commercially zoned property and have a bona fide ground floor commercial store front within the city limits.
- The business must have an active City of Lomita business license at the time of the application submittal.
- The forgivable loan (grant) must be utilized to assist in the retention of one job for a low-moderate income employee per CDBG requirements for one year or the loan will have to be repaid to the City.
- The loan recipient must certify that they will remain open, or if the business is closed, will reopen in a timely manner following the lifting or easing of COVID-19 restrictions or shall be subject to repayment of grant.
- Completed application with all supporting documentation

### **Eligibility Exclusions**

- Any national chain which is not locally franchised.
- Businesses with active code enforcement cases or other outstanding debts to the City.
- Adult businesses, massage facilities, home based businesses, and those businesses which do not occupy a bona-fide ground-floor commercial store front.



## CITY OF LOMITA

Community and  
Economic Development  
Department

# CDBG SMALL BUSINESS GRANT PROGRAM GUIDELINES AND APPLICATION

## CRITERIA AND PROCESS OF AWARDING GRANTS

Applications will initially be received for a two-week period. All applications must be submitted electronically via email to [ecodev@lomitacity.com](mailto:ecodev@lomitacity.com). After the two-week time period closes each application will be scored per the following criteria for a maximum score of 40 points:

1. Business Type:
  - Independently owned retail, restaurants, cafés, and breweries (15 points)
  - Individual locally owned franchises of retail, restaurants, cafés, and gastropubs (10 points)
  - All other eligible business types (10 points)
2. Length of time business has been in continuous operation in the city:
  - 5 years or more (15 points)
  - 2 -4 years (10 points)
  - Less than two years (5 points)
3. Will the forgivable loan be used to directly pay the wages of a low-moderate income employee?
  - Yes (5 points)
  - No (0 points)
4. Will the current finances of your business, plus the \$5,000 forgivable loan, allow your business to remain open (or open when permitted) for a minimum period of 90 days following the rewarding of the loan?
  - Yes (5 Points)
  - No (0 points)

Applications will be reviewed and scored up to 40 total points based on the criteria above. All businesses scoring 35 points or greater will be deemed eligible for the initial round of funding. If there are more than 15 applications scoring 35 or better, recipients will be chosen through a random lottery held by the City Clerk.

For more questions, please contact Alicia Velasco, Community and Economic Development Director at [a.velasco@lomitacity.com](mailto:a.velasco@lomitacity.com).



**CITY OF LOMITA  
COMMUNITY AND ECONOMIC DEVELOPMENT  
DEPARTMENT**

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
SMALL BUSINESS GRANT PROGRAM APPLICATION**  
**Grant Applications Accepted June 11<sup>th</sup> through June 25<sup>th</sup> at 5:30 p.m.**  
**(Email Submissions Only) to**  
[ecodev@lomitacity.com](mailto:ecodev@lomitacity.com)

**BUSINESS APPLICANT INFORMATION**

BUSINESS NAME: \_\_\_\_\_

BUSINESS ADDRESS: \_\_\_\_\_

BUSINESS OWNER FIRST AND LAST NAME(S): \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ EMAIL: \_\_\_\_\_

**PROGRAM REQUIREMENTS CHECKLIST - City staff will verify accuracy of all answers**

*Definitions for specific terms can be found in the Program Guidelines and Requirements.*

Number of full-time equivalent (FTE) employees (including owners and independent contractors): \_\_\_\_\_

Does your business have a ground-floor commercial storefront? Yes  No

Does your business have an active City of Lomita Business License? Yes  No

Does your business have any unresolved municipal code violations and/or delinquent penalties? Yes No

**GRANT CRITERIA - City staff will verify accuracy of all answers**

*Definitions for specific terms can be found in the Program Guidelines and Requirements.*

1. BUSINESS TYPE: Please indicate which category your business falls into

Independently owned retail, restaurant, café, or breweries (15 Points)

Individual locally owned franchises of retail, restaurant, café, or breweries (10 Points)

Other eligible business type (10 points)

2. LENGTH OF TIME YOUR BUSINESS HAS BEEN IN CONTINUOUS OPERATION IN THE CITY:

5 years or more (15 Points)

2-4 years (10 Points)

Less than 2 years (5 points)

3. Will the forgivable loan be used to directly pay the wages of a low-moderate income employee? Please see Attachment A of this application.

Yes (5 points)

No (0 points)

4. Will the current finances of your business, plus the \$5,000 forgivable loan, allow your business to remain open (or open when permitted) for a minimum period of 90 days following the rewarding of the loan?

Yes (5 points)

No (0 points)

**ACKNOWLEDGEMENT**

I/We HEREBY CERTIFY that the aforementioned facts are true and correct. Furthermore, if approved, I/We will provide additional documentation and certification of the information provided on the application form prior to grant issuance. I/We will be liable for all costs incurred through the program if any information provided is determined to be false and/or incorrect which may have initially qualified me/us for the Small Business Grant Program.

\_\_\_\_\_

Applicant's signature

\_\_\_\_\_

Date

\_\_\_\_\_

Co-Applicant's signature

\_\_\_\_\_

Date

.....  
**FOR OFFICE USE ONLY**

Date and Time Submitted: \_\_\_\_\_

Total Score: \_\_\_\_\_ Eligibility: \_\_\_\_\_

Evaluator: \_\_\_\_\_ Date Evaluated: \_\_\_\_\_

## **ATTACHMENT A: LOW-MODERATE INCOME GUIDELINES**

For purposes of this application, “low-moderate income” persons and jobs are those whose household income is at or less than 80% of the Median Household Income for Los Angeles County, as defined under the CDBG 2020 Program Income Guidelines listed below:

<b>Persons Per Household</b>	<b>Maximum Household Income</b>
1	\$63,100
2	\$72,100
3	\$81,100
4	\$90,100
5	\$97,350
6	\$104,550
7	\$111,750
8	\$118,950