

FAQ

Small Business Support Program

Many Renton businesses have been unable to access initial CARES Act or other funds before programs were closed due to high demand, while others have found the impact to their business from the COVID-19 emergency is much larger than the relief funding made available thus far. To help address this shortfall, the City of Renton has developed a Small Business Support Program (SBSP) to support Renton small businesses.

- \$1,381,000 City-administered grant fund for small businesses (defined as businesses with up to 25 employees, counting business owners).
- Depending on the number of employees, grant awards would be up to \$15,000, as noted in the table below. Sole proprietors (business owners) would also be eligible to receive funds and would be counted as employees for his purpose.

# Employees (including business owners)	Maximum Grant Award
1-5	\$5,000
6-15	\$10,000
16-25	\$15,000

Eligible Businesses and Evaluation Criteria

Eligibility requirements and evaluation criteria for the SBSP would be as follows:

<i>Eligibility Requirements</i>	<i>Evaluation Criteria</i>
<ul style="list-style-type: none">• Up to 25 employees, counting business owners (not FTE employees)	<ul style="list-style-type: none">• Loss of revenue due to COVID-19 and subsequent government-ordered restrictions on business operations
<ul style="list-style-type: none">• In business since July 1, 2018	<ul style="list-style-type: none">• Focus on serving general consumer categories, such as dining, entertainment, beauty services, etc., which serve as a draw to an area for the benefit of other nearby businesses

<ul style="list-style-type: none"> • Business must not have received reimbursement under any other federal program 	<ul style="list-style-type: none"> • Allowable expenditures have not been reimbursed by any other source
<ul style="list-style-type: none"> • Physical location within Renton with a public-facing store front 	<ul style="list-style-type: none"> • Independent business (not franchise)
<ul style="list-style-type: none"> • Experienced a loss of income due to COVID-19 	<ul style="list-style-type: none"> • Number of jobs at risk
<ul style="list-style-type: none"> • Business in good standing, including such factors as: <ul style="list-style-type: none"> ○ Current business licenses ○ City taxes and fees paid ○ Current on all State and regulatory requirements ○ Not facing pending litigation or legal action; including Renton code enforcement 	<ul style="list-style-type: none"> • Historically marginalized/underrepresented business, including minority-owned or 51% women-owned business

Eligible Business Expenses

Eligible business expenses would be limited to the following types of expenditures:

- Payment of rent or required monthly loan payments.
- Payments of regular wages, taxes, and typical benefits to employees (e.g., health insurance, paid vacation / sick leave essential to maintain operations, but only to the extent those wages, taxes and benefits have not been reimbursed by other federal, state or regional grants or loans.
- Payment for personal protective equipment, sanitizer, disinfectant, or other supplies, equipment or physical changes (e.g., plexiglass barriers, or other furnishings to accommodate physical distancing) necessary for the protection of public health or the health of business or organization owners or employees in relation to the COVID-19 emergency.
- Typical operating costs and expenses, including those set forth on an income statement, as a regular, ongoing cost of operating the business.
- Typical draw or wages on a regular interval to owner, provided such draws or wages are consistent with those paid in previous intervals, quarters or years.

Ineligible Businesses

- Businesses that have not suffered financial loss due to COVID-19 and restrictions on operations.

- Businesses that have suffered financial loss but still have sufficient revenue to sustain minimum operations.
- Businesses owned, or partially owned, by managers, officers, directors or public officials associated with the City of Renton.

Ineligible Expenses

- Expenses considered ineligible business expenses by IRS.
- Political contributions.
- Bonuses to owners or employees.
- Wages to any member of owner's family (not a bona fide employee).
- Charitable contributions.
- Gifts or parties.
- Draw or salary to the business owner that exceeds the amount that they were paid on a weekly or monthly basis for the same period in the prior year.
- Pay down or pay off of debt by more than required in underlying debt instrument.
- Any expenses related to activities prohibited under COVID-19 guidelines, state, federal, or local law.
- Payment of property taxes, B&O taxes, etc.
- Damages covered by insurance.
- Expenses that have been or will be reimbursed under any federal program.
- Severance pay.
- Legal settlements.