

# **Business Assistance Grant Rules and Regulations**

*Revised 8/14/17*

**NOTE:**

**Unchanged text** is in plain or **bold** Calibri font.

**Additions to text** are in *red single-underline italics or italics bold Times New Roman font.*

**Deletions to text** are in ~~*red strikethrough italics or italics bold Times New Roman font.*~~

## **1. Scope**

These rules and regulations apply to Business Assistance Grants to Legacy Businesses, as set forth at Administrative Code Section 2A.243 (b).

## **2. Application Timeline**

For fiscal year 2016-17, the Business Assistance Grant application deadline is extended to December 15, 2016. Funding for approved applications will be issued on or near Feb. 1, 2017. For fiscal year 2017-18 and after, the filing timeline will be July 1 through September 30.

## **3. Verification of Grant Fund Use**

Consistent with the purposes of the Legacy Business Preservation Fund as set forth in Administrative Code section 2A.243 (a), Business Assistance Grant funds shall be used only to promote the long-term stability of Legacy Businesses and to help Legacy Businesses remain in San Francisco. Authorized uses could include tenant improvements, capital improvements, rent, relocation within San Francisco, marketing, professional services, and other activities necessary to support the continuation of the business as a Legacy Business. Each Business Grant application shall include a detailed description showing the intended uses of the grant funds. Failure to demonstrate that grant funds will be used for an authorized use, or failure to demonstrate that grant funds from prior years were used for an authorized use, may result in a denial of a grant application.

## **4. No Amounts Owed to City**

Applicants must certify they do not owe any amounts to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application.



## 5. Certification of Full-Time Equivalent Employees (FTEs)

Applicants must verify the number of full-time equivalent employees employed in San Francisco as of the immediately preceding June 30. Full-time equivalent is determined by adding for each employee employed as of June 30, the employee's average weekly hours over the preceding 12 months (July 1-June 30), dividing the result by 40, and rounding to the nearest full employee. Verification of the number of reported full-time equivalent employees may include payroll reports or the equivalent.

For an employee employed as of June 30 who was hired during the preceding 12 months after July 1, the employee's average weekly hours shall be for the period of employment versus for the entire preceding 12 months (July 1-June 30).

Following is who is considered an "employee" for purposes of the Business Assistance Grant:

- For all applicants, if there is payroll with any employees, then the applicant should use IRS determinations regarding employees (e.g., the owner(s) is not included unless he/she is in payroll him/herself).
- For for-profit businesses, if there is no payroll and no employees, then the owner(s) may be considered an employee(s) regarding the grant because the owner(s) is serving in that capacity.
- For nonprofit organizations, if there is no payroll and no employees, then the number of reported full-time equivalent employees shall be 1.

## 6. Business Assessment Questionnaire

The Office of Small Business (~~OSB~~) shall prepare a business assessment questionnaire for each Applicant to complete as part of the grant application. The questionnaire shall solicit information related to the financial status of the business and whether the business is receiving other grants (e.g., Nonprofit Mitigation Fund, SF Shines, SF Biz Fit). ~~OSB~~The Office of Small Business shall keep individual questionnaires responses confidential but may use the responses to identify additional programs that may help the business and in its regular reporting to this Commission and the Board of Supervisors.to the Board of Supervisors.

## 7. Amount of Grant

The ~~OSB~~Office of Small Business shall award Qualified Legacy Businesses a grant equal to \$500 per full-time equivalent employee employed in San Francisco up to a maximum of 100 full-time equivalent employees. The total combined grants paid to all Qualified Legacy Businesses in a fiscal year (July 1-June 30) shall not exceed the appropriations into the Legacy Business Assistance Account in the Legacy Business Historic Preservation Fund. When the total grants in a fiscal year requested by all Qualified Legacy Businesses exceed the amount of the appropriations into the Legacy Business Assistance Account, the ~~OSB~~Office of Small Business shall allocate the grants to be paid to all Qualified Legacy Businesses proportionately based on the number of full-



time equivalent employees employed in San Francisco by each Qualified Legacy Business as of the immediately preceding June 30.

*Per Administrative Code section 2A.243 (f), for fiscal year 2017-2018 and each second succeeding fiscal year thereafter, the Office of Small Business shall increase the amount per full-time equivalent employee (rounded to the nearest dollar) to reflect increases in the Consumer Price Index: All Urban Consumers for the San Francisco/Oakland/San Jose Area for All Items as reported by the United States Bureau of Labor Statistics, or any other index that, in the discretion of the Controller, better reflects increases in commercial rents, for each of the preceding two years. These revised figures shall be used prospectively to calculate grants.*

### **9.8. Receipt of Grant Payment**

To be paid, Grantees must become a City Vendor. The Legacy Business Program Manager shall assist Applicants in completing the registration requirements for becoming City Vendors. Applicants who cannot or refuse to become City Vendors will be paid by a contracted third party vendor selected by *OSB-the Office of Small Business*.

### **10.2. Reapplication requirements**

Applicants who wish to reapply for Business Assistance grants shall be required to (1) verify they still qualify as Legacy Businesses; *and* (2) submit an application that complies with these regulations; ~~*and (3) submit a grant evaluation survey to be prepared by OSB.*~~

