



READY2OPEN SMALL BUSINESS ASSISTANCE PROGRAM FREQUENTLY ASKED QUESTIONS (FAQ)

On August 11, 2020, the Merced County Board of Supervisors established a Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funded COVID-19 Business Assistance Program (Ready2Open Business Grant). This program was created to provide qualifying businesses with cash reimbursement for certain eligible COVID-19 related expenses, or certain Personal Protective Equipment (PPE) supplies. The following FAQ regarding these programs and the grant application process is intended only as a guide for general and easy reference.

Q1. How do I apply for this grant?

Please submit your complete application online at www.reopenmercedcounty.com.

Grants will be awarded on a first-come, first-served basis, for qualified applicants. Incomplete applications will NOT be considered.

Q2. Who is eligible to apply for these grants?

1. Applicants shall be a:
 - a. for-profit business physically located, operating, and headquartered in Merced County with a demonstrated economic need and negatively impacted by COVID-19. For-profit applicants must attest to a loss of net revenue as a result of COVID-19 pandemic. Merced County corporate franchisees are eligible to apply; or
 - b. non-profit business physically located, operating, and headquartered in Merced County with a demonstrated economic need and negatively impacted by COVID-19.
2. Business must have 25 full-time employees or fewer. Self-employed business owners are eligible.
3. Applicants must demonstrate that the business has been operating on or prior March 19, 2020
4. Applicants must be in good standing with Merced County and the city in which their business is located.
5. Applications for businesses who have not received a SBA Paycheck Protection Program (PPP) Loan, a SBA Economic Injury Disaster Loan (EIDL), or other COVID-19 related grants or loans will be prioritized. The Reopen Merced County Fund grant will not impact the priority of the application.
6. Selected businesses will be required to sign a contract to be carried out throughout the term of the grant.
7. Applicants must submit a current W-9 form.

Q3. What are the COVID-19 related expenses eligible for reimbursement?

The following COVID-19 related expenses are eligible for reimbursement through the Ready2Open Business Grant. The expenses must have been realized by the small



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business between March 19, 2020 and the date of the grant application. The grant applicant must include documentation of the expenses.

- Certain payroll costs: Grant funding may be used to reimburse employers for unemployment insurance costs and increases in workers' compensation costs incurred by the employer due to the COVID-19 public health emergency. Grant funding may also be used to reimburse small businesses for payroll expenses realized as a result of the business closure required by the public health emergency.
- Rent / Lease costs: Unfunded expenditures for rent/lease costs realized during the required closure of a small business are an eligible use of grant funds.
- Inventory or supplies required to safely reopen the business: Personal protective equipment, unfunded expenditures for the costs related to the reconfiguring of workspaces to accommodate social distancing, disinfectants, sanitizers, etc. and expenditures to adapt spaces for outdoor services/dining.

Q4. Are there limits on the size of the grant I can request?

Yes. The grant fund maximum is calculated based upon the number of full-time employees the business has employed, multiplied by \$2,000. For example, a small business with five (5) full-time employees can request reimbursement for actual COVID-19 related expenses (payroll, rent/lease, or inventory or supplies required to safely reopen the business, including personal protective equipment, disinfectants, sanitizers, etc. and expenditures to adapt spaces for outdoor services/dining) of up to \$10,000.

Q5. I own a business in Merced County and a business outside of Merced County – can I still apply?

Yes, but only for the business within Merced County. Please also confirm that the business meets the remaining eligibility requirements for application.

Q6. I have received financial assistance from other organizations, will that impact my eligibility?

Possibly, depending upon the type and source of previous funding. The application requests this information so that the County can make the appropriate determination. Businesses who have not received a SBA Paycheck Protection Program (PPP), a SBA Economic Injury Disaster Loan (EIDL), or other COVID-19 related grants or loans will be prioritized. The Reopen Merced County Fund grant will not impact the priority of the application.

Q7. How do I count the total number of employees? Is that part-time or full-time?

This application requests the number of employees at the time of application and only counts



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full-time employees. This does not include independent contractors.

The County defines a full-time employee as an employee who works an average of 30 hours per week.

Q8. What does it mean to be in “good standing” with the County?

As a starting place, all businesses physically located and/or conducting business in Merced County must have an active business license either with Merced County (for the unincorporated areas) or with one of its incorporated cities (Atwater, Dos Palos, Gustine, Livingston, Los Banos and Merced). In this regard, please take note that a business can still be in good standing without a business license if that business is exempted or excluded from that jurisdiction’s business license ordinances. For example, in unincorporated Merced County, many agriculture-oriented businesses are exempt and do not require a business license. Those businesses would still be in good standing for the purposes of making an application. Should you have questions about business licenses, please contact the County’s Department of Community & Economic Development at (209) 385-7686 for issues within unincorporated Merced County. For business license questions within one of the cities, please contact their offices directly.

Other examples of being in good standing include the following:

1. The applicant business must not be in breach of contract or agreement with the County or one of its incorporated cities;
2. The applicant business must not have unpaid or delinquent property taxes. However, those with existing payment plans already in place at the time of application, may still apply; and,
3. The applicant business must be fully compliant with all federal, state and local laws and regulations.

We have developed this program to make it as simple and easy for applicants to apply. We simply want to ensure that all of our applicants are treated fairly and equitably, so that we can help them during these most challenging times.

Q9. Can I mail my application?

No. Because applicants are being reviewed on a first-come, first-served basis, we are only accepting electronically submitted applications.

Q10. Can I use the grant funds to pay for business expenses incurred prior to March 19, 2020?

No, the funds from this program may only be used for expenses incurred due to COVID-19 that occur between March 19, 2020 and the date of the grant application.



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Q11. What kind of documentation is needed to support the number of employees prior to the disaster reported on the Estimated COVID-19 Economic Injury Worksheet?

Please submit payroll records which support the number of employees reported and evidence that these employees worked an average of at least 30 hours per week. For example, please submit payroll records pertaining to late February or early March, 2020. Because having at least one employee working an average of 30 hours per week just prior to the disaster is required for eligibility, this documentation must be submitted even if the applicant is not seeking payroll reimbursement.

Q12. What kind of documentation is needed to substantiate the expenses claimed in your application?

*If you are seeking reimbursement for one or more of the following expense categories please provide the relevant additional documents. **Please redact any personally identifying information pertaining to your employees such as their Social Security Numbers.***

Payroll

-Payroll reports for actual payroll expenses incurred after March 1, 2020 for which the business is seeking reimbursement. Examples include payroll reports, payroll detail reports, pay stubs, or other records such as bank statements showing that payroll costs have been paid.

-Unemployment insurance (UI) statements (pre and post affected date), only if seeking reimbursement for UI expenses.

-Workers' compensation (WC) bills/statements, clearly showing effect of COVID-19, only if seeking reimbursement for WC expenses

Rent / Lease

-Bank statements or check stubs showing rent/lease payments made since affected date

-Copy of signed lease/mortgage

Inventory or supplies required to safely reopen the business

-Invoices, receipts, bank statements, credit card statements, or check stubs for expenditures related to personal protective equipment, purchases to accommodate workspaces for social distancing, disinfectants, sanitizers, etc. and expenditures to adapt spaces for outdoor services/dining. All receipts must include the business' information.



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Q13. How can I show Proof of Business?

You will need to provide one of the following:

- Business License
- 2019 Federal Tax Return showing business income (including Schedule C, if applicable)
- For Non-Profits Organizations - IRS Determination Letter

Q14. If I received Pandemic Unemployment Assistance (PUA), am I still eligible?

Yes, you are eligible to apply as long as your business meets all other eligibility requirements.

Q15. Are nonprofit organizations eligible to apply?

Yes, non-profit organizations are eligible to apply if they meet all other eligibility requirements.

Q16. Can a 501c6 non-profit apply for this grant?

No.

Q17. Are religious organizations/churches eligible to apply?

Yes, religious organizations/churches are eligible to apply if they meet all other eligibility requirements.

Q18. Are realtors eligible to apply?

Yes, realtors may be considered Sole Proprietors or Independent Contractors and can apply if they meet all other eligibility requirements.

Q19. I am self-employed, am I eligible to apply?

Yes, Self Employed or Independent Contractors can apply if they meet all other eligibility requirements.

Q20. If my business has multiple locations can I apply for more than 1 grant? Answer

No, each individual/business entity may only apply for 1 grant.

Q21. Who can apply on behalf of a business?

If you are not the business owner you must have signatory authority OR own at least 20% of the business. Only one application per business entity is permitted.

Q22. I am a local franchisee, am I eligible to apply?

Yes, local franchisees are eligible to apply provided they meet all other eligibility requirements.

Q23. Am I eligible for grant funding if I received assistance through the Payroll Protection Plan or the Economic Injury Disaster Loan?

Yes. If you have received any assistance from the Paycheck Protection Program or an Economic Injury Disaster Loan or other COVID-19 related grants or loans, your application will be reviewed after those applicants who did not receive assistance. The Reopen Merced County Fund grant will not impact the priority of the application.



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Q24. If I start the application and have to stop, will it save my place or will I need to start over?

You will need to start the application over. We've worked hard to ensure that the application can be completed in a single session. We encourage you to have all of the necessary documents available when you begin the application.

If you're on your mobile device, take photos of your required documents before you start.

Q25. How long will it take to fill out the application?

If you have all of your documents it should take 20 minutes or less.

Q26. Will I get a confirmation that my application was received?

Yes, you will receive a confirmation email once the application is submitted.

Q27. How can I apply if I don't have access to a computer?

If you do not have access to a computer, the application is very mobile-friendly, we suggest using your Smartphone or Tablet to fill out the application. If you prefer to use a computer, you may contact your local Employment Connection to schedule a time to use one of the computers in the resource room.

Worknet Merced County: Merced – 1205 W. 18th St, Merced, 209.724.2100

Worknet Merced County: Los Banos – 800 7th St, Los Banos, 209.710.6140