

2020 Small Business Emergency Fund

Frequently Asked Questions

- 1) How much assistance is available?
The 2020 Emergency Fund has a total of \$250,000. Each business is limited to a maximum of \$15,000 in forgivable loan funding.
- 2) What are the terms of this loan?
These funds are provided as a forgivable loan, at 0% interest for a term of 6 months. At the end of 6 months the loan will be completely forgiven if all conditions are met. Conditions will be determined by fulfilling the scope of work outlined in the application submitted to the City, and compliance with relevant HUD regulations.
- 3) What types of expenses can these funds be used for?
The 2020 Emergency Fund is prioritizing employee retention. Funds can be used for payroll, inventory, equipment, rent, insurance, and utilities among other expenses. A full list of eligible expenses is included in the program guidelines.
- 4) How will the City determine which applications to fund?
Applications received will be scored according to the 'scoring matrix' provided in the program guidelines. The highest scoring businesses will be selected for funding until all program funds are expended.
- 5) Can these funds be used to start a new business?
These funds are limited to businesses that have been operating for 6 months or more. Start up financing is available through local Small Business Development Organizations including wwbic.org.
- 6) Where can I find details of HUD regulations?
The 2020 Small Business Emergency Fund Notice of Funding Availability (NOFA) has a list of all HUD regulations as they apply to this program. City staff will be able to assist businesses with deciphering these regulations.
- 7) What are the geographic boundaries of this program?
These funds are limited to businesses located within the City of Racine jurisdictional boundaries. Check your address here: <https://gis.cityofracine.org/RacineGIS/>
- 8) How does this reimbursement process work?
Loan recipients will be provided a reimbursement template as an Excel document. Businesses will complete the template, scan in receipts, and submit it to the City via email. Reimbursements will take 5-9 days. Businesses without reserves available to pay reimbursable expenses before receiving the reimbursement will be provided a work-around, however, the 5-9 day turn around will still apply.
- 9) How do I show Full-time Equivalent (FTE)?
FTE is defined as 40 payroll hours per week. These 40 hours can be completed by one or more employees. (ie. 2 employees x 20 hrs/week = 1 FTE)

- 10) How many employees must my business have to qualify?
These funds are targeting businesses with 10 or fewer employees, as determined by payroll summaries.
- 11) If I have more than 10 employees are there other programs available?
Yes, but not through the City at this time. Please visit wwbic.org or www.sba.gov/coronavirus for additional business assistance programs.
- 12) Do owner-operated businesses qualify?
Yes, owner-operated businesses where the owner is from a low/moderate income household as defined in the program guidelines qualify under the micro-enterprise category.
- 13) Is the Micro Fund Revolving Loan Fund still available?
No. The Micro Fund Revolving Loan program has been delayed until further notice.
- 14) Is the City's Small Business Development Revolving Loan Fund still available?
No. The SBD-RLF is not accepting applications at this time.
- 15) How do I submit an application?
The Notice of Funding Availability, Program Guidelines and full application are available on the City of Racine website: <https://cityofracine.org/CDV/RFP/> . Please review all documents prior to completing the application. Applications should be saved as PDFs with support documents included as a jpeg, PDF, or tif file extension and emailed to matthew.rejc@cityofracine.org and ben.lehner@cityofracine.org.
- 16) Who can I contact for additional information?
Please email (preferred) Matthew.rejc@cityofracine.org or ben.lehner@cityofracine.org OR call Neighborhood Services Division at 262.822.7487.