



## City of Mukilteo CARES for Businesses Program

To apply, please fill out the application through the following link:  
[APPLICATION](#)

### About

On August 17, 2020 the Mukilteo City Council authorized the use of \$150,000 of federal Coronavirus Aid, Relief and Economic Security (CARES) Act funding to support the recovery of small businesses physically located within the City of Mukilteo impacted by the COVID-19 pandemic. This action reflects the City's commitment to its small business community and the importance of small businesses successfully recovering from the impacts of the pandemic.

Through the Mukilteo CARES for Businesses Program, eligible small businesses physically located in the City of Mukilteo that have been impacted by the COVID-19 pandemic will have the opportunity to apply for a small business grant to:

1. Mitigate the impact of business closures and revenue reductions associated with the COVID-19 pandemic
2. Support business recovery
3. Ensure a safe environment for owners, staff, and customers
4. Protect local jobs

**Eligible small businesses may be awarded a grant of up to \$10,000.** Small businesses can follow the simple online application process to apply for a cash grant of \$2,500, \$5,000, \$7,500 or \$10,000 based on justifiable need and business resiliency. Funds are limited so it is expected that not all businesses that apply will be awarded a grant.

### Timeline

Date	Activity	Detail
8/20/2020	Applications Open	N/A
8/20/2020 - 9/1/2020	Questions and Staff Assistance Period  Questions submitted to <a href="mailto:MukilteoCARES@mukilteowa.gov">MukilteoCARES@mukilteowa.gov</a> will be answered via email as well as posted on the <a href="#">City website</a> by close of the next business day.  Business applicants may make appointments with staff during regular business hours to get questions answered and receive guidance on completing the application. Translation services are available for these appointments. For staff appointments please email: <a href="mailto:MukilteoCARES@mukilteowa.gov">MukilteoCARES@mukilteowa.gov</a> .	N/A

9/1/2020	Applications are Due	5:00 pm
9/9/2020	Grant Awards Announced Award payments must be completed by 10/31/2020 or earlier	Time TBD

## Eligibility

To be eligible for the Mukilteo CARES Program, a small business must meet the following criteria:

- Business has at least a 25% drop in revenue directly attributable to the COVID-19 pandemic
- Business has 20 or fewer full time equivalent (FTE) employees (including the business owner/worker). (See information under “Questions” to see how to convert part time employee hours to FTE’s)
- Business has a valid City of Mukilteo business license
- Business has been in operation in the City of Mukilteo for at least one year from August 1, 2020
- Business is physically located in the City of Mukilteo
- Must be a for-profit or a non-profit with a federal 501(c)(3) standing

The following are businesses that are **ineligible** to apply for or receive funding under the program:

- Businesses facing any pending litigation or legal action
- Businesses suspended or debarred from the use of federal funds
- A business that is a franchise - unless that franchise is not a subsidiary of a larger corporation and is able to document that it is not a subsidiary
- Business whose entire establishment is restricted to patrons over the age of 18
- Passive real estate holding companies and other entities holding passive investments
- Non-profit entities that do not have federal 501(c)(3) status
- Businesses that do not comply with all federal, state, and local laws and regulations
- Businesses that do not otherwise meet the eligibility requirements set forth above

## Use of Funds

Awarded small businesses will only use grant funds for approved, allowable functions as broken down in the following three categories:

1. Salaries and Benefits

*Salaries and Benefits may be used in order to retain staff facing imminent layoff, for owners or leadership who are unable to take a salary due to loss of revenue, or may be used to cover costs associated directly with unplanned COVID-19 related staffing costs such as: staff time training on personal protective equipment (PPE) use, staff time adding safety measures to physical locations, staff time implementing and/or training on virtual business service platforms, staff time updating processes and procedures to allow for safety and social distancing for customer and/or staff, and other such costs.*

2. Facilities

*Facilities include payments towards commercial mortgage, utilities, commercial lease, and other such necessary costs required to keep physical locations open and operable through the COVID-19 crisis.*

3. Cost of Goods and General and Administrative Expenses (SGA)

*This category includes, for example, new equipment needed to assist the business to a temporary digital transition (webcams, software licensing for video conferencing, etc.) as well as other general costs deemed necessary for business operations*

**These expenditures must have been incurred only between March 1, 2020 and October 31, 2020 to be eligible.**

The following is a non-exhaustive list of examples of disallowable functions for grant funds:

- Paying off non-business debt, such as personal credit cards for purchases not associated with the business
- Purchase of personal expenses such as buying a new family car or making repairs to a home
- Paying rent, mortgage and utilities on a personal place of residence unless paid in direct equivalency to business expense percentages, as set forth in tax records
- Direct financing to political activities or paying off taxes and fines
- Purchase of personal items
- The purchase of drugs, tobacco, and/or alcohol
- Food and entertainment
- Bonuses
- Travel not associated with direct business operations

## Application Process

**Applications will be accepted between August 20, 2020 and September 1, 2020 at 5:00pm.** No applications will be accepted after September 1, 2020 at 5:00 pm.

Applicants will need to provide the following information:

- Legal name of business
- Washington State Unified Business Identifier (UBI)
- Physical business address and date of establishment
- Owner/applicant contact information
- Industry sector
- Number of full time equivalent (FTE) employees in the City of Mukilteo as of January 1, 2020
- A brief description of the business and its products/services
- A brief description of how the business has been affected by the COVID-19 pandemic, including an estimate on the revenue impact
- An estimate of how many jobs this grant will help the business hire and/or retain,
- A description for how the funds will help the business remain solvent, and a justification for the amount requested
- A breakdown of funds requested based on the three categories listed above: Salaries and Benefits; Facilities; and Cost of Goods and General and Administrative Expenses

## Application Review

All eligible applications will be reviewed by the City of Mukilteo based on the following criteria:

- Funding clearly supports business recovery, continuity, and resiliency.
- Business has clearly been affected by the COVID 19 pandemic.
- Clearly identifies how funding will support business continuity. Alignment is clear and relevant.
- Clearly provides a justification that is quantifiable and substantial.
- Proposal clearly articulates need. Logical alignment between needs and funding.
- Overall proposal is clear and logical.

## Award

Grant awardees shall be required to enter into an agreement with the City of Mukilteo. Awards will be provided for eligible documented expenses. Award is a grant, not a loan.

## End of Program Reporting

All awarded small businesses will be required to provide an end of program report to the city of Mukilteo detailing how funding was used and the outcomes experienced. Fully completed end of program reports will be due to the City of Mukilteo by November 30, 2020. Reporting templates will be provided upon award of the grant.

## Other Specifications and Requirements

### **Award Period**

This solicitation will result in grant award agreements in September.

### **Cost of Preparing Proposals**

Costs for developing an application are solely the responsibility of the applicant. The City of Mukilteo will not provide reimbursement for these costs.

### **Clarification Procedures**

The City of Mukilteo is not able to accept clarifications or additional information outside of the submitted application. Applicants will receive an editable link upon submitting their application. If an applicant determines the need to change information on an application, the applicant must edit or re-submit a full application before the deadline.

After the deadline, the City of Mukilteo will not accept changes to applications and all applications will be rated as submitted. The City of Mukilteo reserves the right to ask clarifying questions to applicants after the deadline. If multiple applications are received by the same business the City of Mukilteo will use the last submission, and will discard all other submissions.

### **Privacy Policy**

All personal and business financial information will be kept confidential to the extent permitted by law.

**Agreement**

The award will not be final until the City of Mukilteo and the business have executed an award Agreement.

**Debarment and Suspension**

The business must certify that they are not debarred, suspended, otherwise excluded from, or are ineligible for the participation in Federal Assistance programs under Office of Management and Budget 2 CFR Parts 180 and 215. The business must also certify that it will not contract with a subcontractor that is debarred or suspended.

**Limitation**

This application does not commit the City of Mukilteo to award an agreement, to pay any costs incurred in the preparation of a response to this application, or to procure or contract for services or supplies. The city of Mukilteo reserves the right to accept or reject any or all applications received as a result of this solicitation, to negotiate with all qualified sources, to waive formalities, to postpone award, or to cancel in part or in its entirety this solicitation if it is in the best interest of the City of Mukilteo to do so.

**Cancellation of Award**

The City of Mukilteo reserves the right to immediately cancel any and all awards if the agreement has not been entered into or if new federal, state, or county regulations or policy make it necessary to change the program purpose or content, discontinue such programs, or impose funding reductions.

**Equal Opportunity**

This program will be implemented in ways consistent with the City of Mukilteo's commitment to State and Federal equal opportunity laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CARES Act funds on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, or political affiliation or belief.

**Appeals Process**

Applicants not selected may appeal the decision with a limitation to procedural errors only. Appeals will be accepted through [MukilteoCARES@mukilteowa.gov](mailto:MukilteoCARES@mukilteowa.gov) within seven (7) calendar days of award announcement.

**Questions and Answers - Updated as Received**

Questions are considered public information and all relevant questions, as determined by the City of Mukilteo, received during the application period will be posted on the [City of Mukilteo website](#).

Questions will be accepted by email at: [MukilteoCARES@mukilteowa.gov](mailto:MukilteoCARES@mukilteowa.gov).

Appointments can be made with applicants to assist with completing the application. Interpretive services will be made available at no cost to the applicant. These guidelines will be posted on-line in Korean, Russian, Spanish, Vietnamese, and English.

To make an appointment for assistance in completing the application including interpretive services, please email: [MukilteoCARES@mukilteowa.gov](mailto:MukilteoCARES@mukilteowa.gov).

**Do part-time employees count as an employee?**

Yes, any person on payroll counts as an employee; however, part time employee hours need to be converted to FTE's for the purposes of determining if the 20 employee FTE maximum is met (see following question).

**What constitutes a full-time equivalent (FTE) employee?**

The calculation of full-time equivalent (FTE) is an employee's scheduled hours divided by the employer's hours for a full-time workweek. When an employer has a 40-hour workweek, employees who are scheduled to work 40 hours per week are 1.0 FTEs. Employees scheduled to work 20 hours per week are 0.5 FTEs.

**Will applicant names and submission materials be available to the public?**

Yes, submitted applications and supporting documents are public records under RCW chapter 42.56.

**We are applying for the PPP program. Does this conflict?**

Businesses that received other COVID-19 related assistance are still eligible to apply. Mukilteo CARES for Businesses Program funds and other COVID-related assistance may not always be used for the same costs and must not be duplicative.

**I received a small business assistance grant through another grant program. May I apply for the City of Mukilteo CARES for Businesses Program funds?**

See previous answer.

**A requirement for qualification is that there must be 25% or more reduction in revenue. What period would be included in figuring this (from what date to what date)?**

Due to the differences in how small businesses operate, it is up to the applicant to determine how to assess a 25% drop in revenue that can be attributable to COVID-19. There is a box provided in the application to provide explanation of both the revenue decrease and how it can be connected to the pandemic.

**Does my business need to presently be open for business to apply? We are currently shut down due to the mandate.**

No, you do not need to be open. A business temporarily closed due to the shutdown is still eligible to apply.

**I have a business that has multiple locations. When it is stated that the business must be 20 or fewer FTE, does this apply to only one location, or does it apply to the company as a whole?**

All employees in the physical location in Mukilteo must be counted towards the 20 FTE census. If the business has locations outside the City of Mukilteo, awarded funds must only be used for the location physically located in the City of Mukilteo.

**Is it "first-come, first-eligible served" or will you wait until the application deadline before you start to make decisions?**

Award decisions are not based on "first-come, first-eligible served" basis. All grants will be assessed after the application period closes.

**Will there be partial awards granted (e.g. if an applicant requests \$10,000 and is denied the full amount, is it possible they could still receive an award less than the full requested amount)?**

Yes. Grants may be awarded for partial funds at the discretion of the City of Mukilteo and availability of funds.

**I would like to get a copy of my application.**

Copies of your application are automatically sent upon submission. If you did not receive one, please email: [MukilteoCARES@mukilteowa.gov](mailto:MukilteoCARES@mukilteowa.gov) for a copy.

**Would we be able to include our rent expense in the grant expenditures?**

Business location lease and rent is an allowable expense. Businesses operating out of a home may use grant funds for an equivalent share of home rent or mortgage as claimed in tax records.

**Will the Program accept applications from undocumented immigrant and refugee business owners?**

Businesses must be owned by individuals who are work authorized. Refugees can apply and are encouraged to do so.

**Do I need to pay the money back if I receive the grant?** No, you are not required to pay the money back as long as you spend the money in accordance with the grant's agreement. This is not a loan.

**Do I qualify if I am a vendor at a farmers market?**

Yes, as long as you meet the eligibility criteria.

**Do I need a business license to receive a grant?**

You must have a valid City of Mukilteo business license to be eligible for the grant.

**If selected, what documentation will I need to provide?**

You will need to present a valid City of Mukilteo business license, a UBI number and a W9 form.

**What can the grant be used for?**

Grant money may only be used for the operating expenses of the awarded business. The operating expenses are defined as the day-to-day trading operations of the business such as covering payroll and rent, see section, "Use of Funds", above for more details.

**Where must businesses be located to be eligible to apply?**

The program will be available to all eligible businesses physically located in the City of Mukilteo. A Mukilteo mailing address alone is not sufficient.

**Where did this funding come from?**

The City received funds come from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Congress designated a portion of funds to go to local governments to meet urgent financial needs within communities. The City Council chose to allocate this portion of the City's grant funds for business support.

**I utilize contractors for my business and issue them 1099 tax documents. Do they count toward my 20 FTE?**

No.

**What if I own my own business, but have no employees?**

As long as you meet all of the other eligibility requirements, you may still apply for a grant. As the business owner (or owners in the case of a partnership) you are considered the sole employee(s).

**May home occupations apply?**

Yes.

**May sole proprietors apply?**

Yes.

**Are realtors registered as S-Corps with their home address as a business location eligible?**

Yes.

**Are commercial and residential landlords eligible for this grant?**

No.