



As businesses struggle to remain viable during COVID-19 and recover following the pandemic, many cities are launching relief programs on the municipal level. The following is based on research of programs from other cities and outlines a potential Littleton Business Recovery Grant Program.

Littleton Business Recovery Grant Program

The Littleton City Council understands the challenges being faced by the small businesses in our community. With that in mind, we have established the Littleton Business Recovery Grant Program providing grants of up to \$5,000 to eligible businesses in the city.

Fund Total: \$200,000

Grant Amount: Proposed to be up to \$5,000

Launch Date: TBD

Eligibility Requirements:

- A non-home-based business with a physical address within the City of Littleton
- A for-profit business
- A sales and/or use tax producing business
- Business was in operation on Jan. 1, 2020
- Currently licensed with City of Littleton
- Business is in good standing with the City of Littleton as of February 1st, 2020 (e.g., no liens, judgments, code violations, etc.)
- A business with no more than 50 full-time equivalent Full Time Employees (FTE) positions
- Business has been forced to temporarily close or forced to dramatically limit operations due to the Public Health Orders related to the COVID-19 public health crisis
- Able to demonstrate economic injury and a need for the loan and use of proceeds due to directly related economic injury caused by the designated disaster
- Business will use funds for **operational needs such as lease/mortgage payments, payroll, materials, supplies and services**
 - **Prohibited uses of funds:**
 - Any expense not be considered an eligible business expense by IRS rules
 - Wages to any member of owner's family who is not a bona fide employee
 - Charitable contributions
 - Political contributions
 - Draw or salary to owner that exceeded the amount they were paid on a weekly or monthly basis for the same period last year
 - Pay down or pay off debt by more than required in underlying debt instrument

The following list of business types are **not eligible** for assistance:

- Home-based/home-occupations
- National chains
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities
- Businesses engaged in any illegal activity
- Marijuana (*medical and recreational*)
- Businesses offering adult services or products

Proposed Process:

1. Businesses requesting grant funds would submit an online application received by the Economic Development Department

2. In addition to the application, businesses would need to provide a balance sheet from 4th Quarter 2019 and 1st Quarter 2020 (*this information is vital to operations and is readily available through business bookkeeping systems such as QuickBooks or a business accountant*)
 - a. This will help determine the grant amount and if the business is positioned to reopen providing this occurs in the next two to three months
3. The application will be reviewed and if eligibility requirements are met the application will be reviewed by the Grant Advisory Committee
4. If grant award is approved by the Grant Advisory Committee, the applicant will be notified and a check will be issued/mailed

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