

City of University City – COVID-19 Business Assistance Program (Round 1 - Guidelines)



Department of Planning and Development

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Program Guidelines

Overview

The City of University City is pleased to announce a multi-round forgivable Small Business Assistance Program. The program will be implemented in two funding cycles and is intended to help eligible local retail and creative for-profit businesses address cash for short term financial operational needs such as payroll, payment to suppliers, payment to service providers or payment of utilities. This Grant may not be used for capital expenditures or rent. The intent of this program is to provide local businesses relief due to their economic loss during the current COVID-19 Pandemic.

Funding Qualifications

A limited number of projects will be approved through this program. Proposals will be evaluated based on the following Qualifications:

1. Businesses would need to apply for assistance to the Director of Planning & Development under the program and be able to demonstrate a need for the assistance using an established form and submit current financial statements.
2. Applicants would have until June 30, 2020 to apply for assistance.
3. Applicants would need to demonstrate their approval for available State or Federally Funded programs, including the Payroll Protection Program and programs under the SBA's assistance program (Economic Injury Disaster Loan, Debt Relief or other SBA loan resources), and disclose funds awarded by these efforts.
4. Assistance would be in the form of a loan, forgivable under the following conditions:
 - The business reopens within two weeks after applicable governmental emergency orders expire or are amended to allow the business to reopen;
 - The business requests loan forgiveness by August 31, 2020 and submits documentation that verifies the above requirements were met.
5. If the above conditions are not met, the term of the loan will be two years at an annual rate of .5%*

**These terms and forgivable loan qualifications mirror that of the Payroll Protection Program.*

Business Eligibility

To be considered an eligible business, to receive grant assistance, a business must meet the following requirements:

1. Have and maintain a current and valid City of University City Business License;
2. Business must have not permanently ceased operations as of the date of the funds are to be dispersed. Businesses that have ceased operations, per the Governor's or St. Louis County's "Stay at Home" order, will not be considered to have permanently ceased operations;
3. Business must generate municipal sales tax as part of its operations and sales;
4. Business shall not be part of a chain consisting of more than 4 units;
5. Business shall not be part of a franchise system;
6. Business shall not be a private club and must be open to the general public;
7. Business shall not be a home occupation;

Business License Fee Deferment

Business license renewals are due on May 1, 2020. As a part of this assistance program, late fees will be waived until September 1, 2020. At such time, all business licenses must be paid in full, otherwise full penalties will be charged as of the May 1 due date.

Forgivable Loan Amount: Based Upon 2019 EDRSTB Fee Contributions

The loan does not require payments and is forgiven if the recipient meets program guidelines identified in the Funding Qualifications section of this program. The eligible loan opportunities are based upon the following formula;

1. Eligible amount equaling 100% of 2019 EDRSTB Fee Contributions from applicant.

Funding Source

University City Economic Development Retail Sales Tax - \$500,000 Committed to Round 1

Application Process

Interested businesses are recommended to contact Clifford Cross, Director of Planning & Development at 314-505-8516 or by email at ccross@ucitymo.org **BEFORE** submitting an application in order to learn more about the program and determine preliminary eligibility.

Applications will be reviewed on funding availability. Applications which are complete and meet program criteria will be evaluated for compliance with funding priorities. Detailed information about the business and the project will be required.