



## Tempe Small Business Program– Frequently Asked Questions

### What is the “Tempe Small Business Program?”

The City of Tempe has established the Tempe Small Business Grant Program to assist in the stabilization of existing small businesses within the City of Tempe that have had significant business disruption due to the impact of COVID-19. These grant funds will assist small businesses in the City of Tempe by helping them to meet general business expenses which in turn may help them retain or hire employees. An additional goal of the program is to award up to 20% of the funds to minority-owned businesses. Applications will be accepted starting at 8:00 a.m. on Monday, October 12, 2020 through 5:00 p.m. on Friday, October 30, 2020.

### How much funding is available?

Approximately \$1.1 million is available.

### Who can qualify for a grant?

- ✓ Private, for-profit business with a physical commercial establishment within the City of Tempe committed to remaining in Tempe beyond April 30, 2021. (Home-based or mobile businesses are not eligible)
- ✓ Have experienced a substantial loss of revenue due to the COVID-19 global pandemic. Proof of financial hardship may be required.
- ✓ Have less than \$5,000,000 in gross annual receipts.
- ✓ Have no outstanding tax liens or legal judgments.
- ✓ Is in good standing with the Arizona Corporation Commission.
- ✓ Is not affiliated with another business under common ownership/management that has applied for funds.
- ✓ Small business with minimum of 1 employee, and no more than 100 employees. Either 1099 contract employees or direct employees will be counted to meet this requirement.
- ✓ Have been in continuous business in Tempe since at least October 12, 2019, except for closures mandated by governmental orders issued or in connection with the pandemic.
- ✓ Is not an adult-oriented business as defined in A.R.S. Section 11-811 (E) (5)
- ✓ Is not engaged in the growth, harvest, storage, transport, distribution, use or otherwise in providing cannabis for medical or recreational purposes.
- ✓ Meets all City of Tempe, county, and state zoning and regulatory requirements.

The program is designed for businesses in industries directly impacted by business restrictions imposed under executive orders and mayoral proclamations related to the COVID-19 pandemic as shown in area unemployment data by industry. Those industries are:

- [Accommodations and Food Services \(NAICS Sector 72\)](#) - Includes hotels, motels, restaurants, bars.

- [Health Care and Social Assistance \(NAICS Sector 62\)](#) - Includes hospitals, clinics, offices of physicians, offices of dentists, establishments providing social assistance to individuals and families, home health care services, medical and diagnostic labs, nursing care facilities, child day care services.
- [Retail Trade \(NAICS Sector 44-45\)](#) - Includes motor vehicles and parts dealers, furniture stores, electronics stores, food and beverage stores, health and personal care stores, clothing stores, gas stations, sporting goods stores, bookstores, hobby stores, gift shops, music stores.
- [Manufacturing \(NAICS Sector 31-33\)](#) - Includes businesses that transform materials or components into new products.
- [Arts, Entertainment, and Recreation \(NAICS Sector 71\)](#) - Includes gyms, fitness centers, recreation centers, golf clubs, bowling alleys.
- [Administrative & Support and Waste Mgmt. & Remediation Svcs. \(NAICS Sector 56\)](#) - Includes businesses that specialize in providing support activities to clients, such as office administration, hiring and placing of personnel, document preparation and clerical services, collections, security and surveillance, cleaning, and waste disposal.
- [Other Services \(NAICS Sector 81\)](#) - Includes automotive repair, car washes, computer and appliance repair, barber shops, nail salons, laundries and drycleaners.

**What information will I need to provide?**

- Fully executed application at <https://www.azfoundation.org/TempeGrants>
- [IRS Form 941](#) documenting number of employees or other documentation showing 1099 contracted employees as of December 2019 and the same documents for the current quarter/month
- IRS [Form W-9](#)
- Documentation verifying the company’s Tempe business address. (i.e. City of Tempe solid waste or water bill)

**What if I don’t have an Employer Identification Number (EIN)/Tax ID?**

In Arizona, sole proprietors with no direct employees can use their social security numbers (SSN) as an EIN. A business must have at least 1 employee (1099 or direct) to qualify for the program

**How do you calculate full-time equivalent employees?**

Each employee that works 40 or more hours per week counts at 1.0 and employees who work fewer than 40 hours per week count as 0.5.

**Will all qualified applicants receive a \$10,000 grant?**

The maximum award per business is \$10,000 and is determined by the number of jobs created or retained, valued at \$1,300 each, with a total award of whichever amount is less.

**What is the application review and decision-making process?**

The Arizona Community Foundation, administrator of the program, will accept applications, review them on a first come, first served basis, applying the program criteria, and recommend grant awards. The City of Tempe will review recommended awardees verifying there are no outstanding issues with City business requirements.

**When will the application be available?**

Applications will be accepted October 12, 2020 through October 30, 2020. Grants will be awarded on a rolling basis until the funding is exhausted or until the grant period closes, whichever comes first.

**Is there a deadline to apply?**

The deadline to apply is 5:00 p.m. on Friday, October 30, 2020

**When can my business expect to receive funds if awarded?**

Grant payments will be issued by check within approximately 15 business days of the award notification to the recipient. Recipients will receive communications via email through the online application portal at <https://www.azfoundation.org/TempeGrants>.

**Do the grants need to be paid back?**

This program is designed to help Tempe small businesses weather a financially challenging time and funds are awarded with the intention that they need not be paid back. However, if it is determined that the grantee received funding under false pretenses or if the grantee misused funding received, the Arizona Community Foundation reserves the right, in consultation with the City of Tempe, to demand the return of funds

**What if I have more questions?**

Applicants may contact the Arizona Community Foundation at [TempeBusinessGrant@azfoundation.org](mailto:TempeBusinessGrant@azfoundation.org) for additional assistance.