Planning, Economic Development, and Environment Commitee

Community Development Block Grant - Disaster Recovery (CDBG-DR) Small Business Support Program (SBSP) Updates

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SMALL BUSINESS SUPPORT PROGRAM



Key Takeaways

- City Council has approved awards totaling $15.5 million to four subrecipients: Mountain Bizworks, Arts AVL, Eagle Market Streets, and Venture Asheville.
- Staff and Subrecipients are working as diligently as possible to responsibly finalize program specifics and complete award contingencies.
- In addition to steps toward completing award contingencies, Subrecipients are working behind the scenes to complete vital operational steps.
- Small businesses can prepare for applications opening by gathering required documentation now.

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Background

- On January 27th, City Council approved awards of $15.5 million to four subrecipients:
    - Mountain Bizworks: $10 million
    - Arts AVL: $2,322,500
    - Eagle Market Streets: $2,322,500
    - Venture Asheville: $855,000
- Staff are working as quickly possible to finalize all award contigencies with Subrecipients including:
    - Developing and executing the **Subrecipient Agreement (SRA)** and collecting accompanying documentation
    - Clearly defining **grant eligibility criteria** and **management processes** through the development of **Project Manuals**

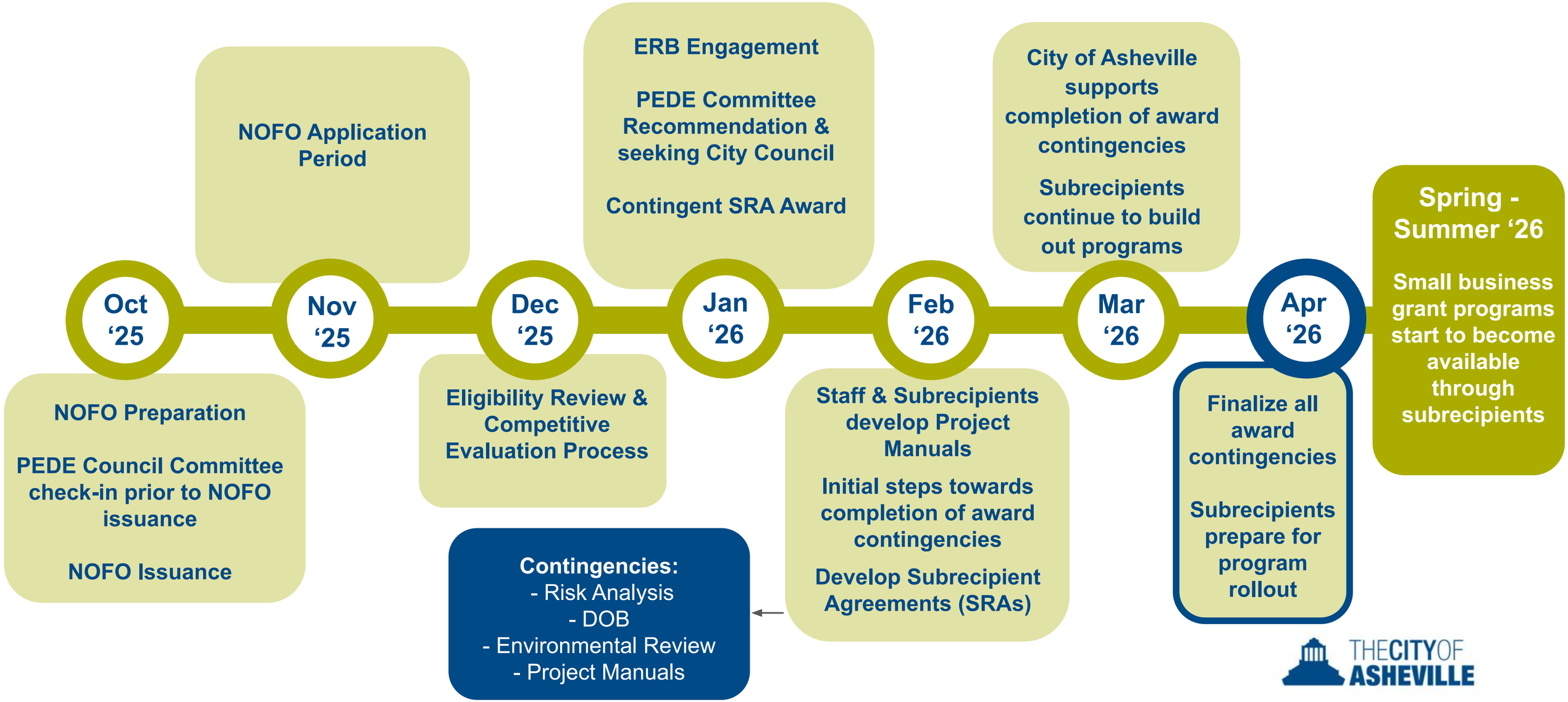
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Program Priorities

- The Small Business Support Program must comply with federal regulations, and it was refined to reflect key priorities highlighted through robust engagement:
  - **Responsive:** Provide critical business support quickly while complying with federal requirements.
  - **Efficient:** Provide these resources in a way that reduces burdens on business owners.
  - **Effective:** Ensure these funds address the needs of critically impacted sectors and businesses that may experience more difficulty accessing resources.
  - **Strategic:** Ensure these funds provide a lasting impact to Asheville's economy and workforce.

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Where Are We & What Happens Next?



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Subrecipient Parallel Steps

While some award contingencies remain outstanding before we can issue Notices to Proceed (NTP), Subrecipients are completing vital operational steps in parallel, including:

- Formalizing relationships with community partners
- Developing materials for community outreach
- Creating systems to process applicant submissions
- Establishing required systems of internal control for compliance and monitoring purposes

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Eligibility: Independent Small Business

Meet the U.S. Small Business Administration (SBA) size standards for their primary industry, as defined by the applicable NAICS code

Be independently owned and operated, and not dominant in their field of operation on a national basis (generally excludes franchises with a national presence)

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Eligibility: Located in Asheville

Must maintain a **principal place of business** in Asheville, defined as a physical, commercial location within Asheville city limits where the applicant regularly conducts its core business operations. This location must be controlled, leased, or owned by the applicant and must serve as the business's primary operational base, as documented by a verifiable street address.

**To find out if your business is in City limits, review the City's GIS System*

Principal Place of Business

Characteristics: Subrecipients will look for evidence indicating site control of locations in which the business:

- Maintains day-to-day operations
- Makes management decisions
- Maintains a main site of employees, production, or service delivery
- Generates business revenue tied to the disaster area

Supporting Documents: Subrecipients will look for the following types of documentation:

- Current commercial lease, contractual agreement or deed for the business location
- Utility bills (electric, water, gas, internet) in the business name
- Business license or local occupation tax certificate listing the address
- State or local sales tax registration tied to the physical address
- Payroll records showing employees reporting to that location

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Eligibility: Storm Impacted

Must be able to demonstrate a direct or indirect economic impact or disruption resulting from Tropical Storm Helene.

Once the programs are launched, Subrecipients and their partners will be available to provide business owners individualized assistance in identifying if and how Tropical Storm Helene impacted their business.

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Eligibility: Storm Impacted

Direct vs. Indirect Tieback		
Impact Category	**What it Means**	**Types of Required Documentation**
Direct Tie-back	Physical damage or immediate operational halt.	Damage or rebuilding estimates
		Insurance loss reports
		Photos or images of damage
Indirect Tie-back	Economic loss or a "ripple effect" impact on revenue.	Pre- and post-disaster financial statements
		Comparative employment records
		Narrative of post-disaster economic impacts

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Eligibility: Create and Retain Jobs

Must support job creation or retention, especially benefiting low- and moderate-income (LMI) residents.

Subrecipients will assess the ability of businesses to create and retain jobs through an assessment process using materials submitted in the application.

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Eligibility: UEI, CAGE, and NAICS

Businesses must have UEI, CAGE, and NAICS designations. If a business is missing one, they can register:

- Unique Entity Identifier (UEI) number: https://sam.gov
- Commercial and Government Entity (CAGE): https://cage.dla.mil/Home/UsageAgree
- North American Industry Classification System (NAICS) code: https://www.naics.com/

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