

City of Olean Boost Business Grant Programs

POLICY GUIDELINES AND OPERATING PLAN

**Implementing the American Rescue Plan Act of 2021
Utilizing Funds Awarded to the City of Olean**

Adopted: February 22, 2022

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The Common Council has committed \$200,000 to the Boost Business Grant Programs (BBGP) from the American Rescue Plan Act (ARPA) of 2021. As such, \$100,000 has been allocated for the Real Estate Assistance portion of the project and \$100,000 has been allocated for the Marketing portion of the project.

SECTION 1. GENERAL

- 1.1 Program Overview. The City of Olean, New York (the “City”) has received an allocation of \$1.37 million of ARPA funding. The City and the Small Business Development Center (SBDC) have entered into an agreement (the “Partner Agreement”) whereby the SBDC will perform, including but not limited to, applicant intake forms, appropriate backup documentation, etc. and forward directly to the Department of Community Development. For the purposes of this Policy Guidelines and Operating Plan, the Program is defined as the following activities that are further detailed in the Subrecipient Agreement.
- (a) Administration
 - (b) Marketing
 - (c) Program delivery using ARPA funds including grant application underwriting; and
 - (d) BBGP grant administration.
- 1.2 Policy Guidelines and Operating plan. This Policy Guidelines and Operating Plan (the “Plan”) is adopted by the City and is intended to serve as the primary administrative document for the Program. Any changes to the Plan must also be adopted by the City and the Boost Business Grant Program Committee and must be consistent with the terms and conditions of the Partner Agreement.
- 1.3 Objectives. The primary objectives of the Program are to assist in the establishment and expansion of business activity within the City of Olean, create employment opportunities for City residents, and preserve, create and expand area businesses while stabilizing the City’s tax base.
- 1.4 Program Administration. The City will have responsibility for administering and/or overseeing the administration of all aspects of the Program as set forth in the Subrecipient Agreement and as detailed herein.
- 1.5 BBGP Committee. The City has established a BBGP Committee (the “Committee”) to oversee Program implementation activities. The Committee, in coordination with City staff and derived of what’s known as the members of the Revolving Loan Fund Committee, the Mayor, two Common Council members and the Community Development Program Coordinator, will be responsible for the following:

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- (a) Review the prepared & complete client application packages received from the SBDC;
- (b) Review Program assistance to be offered to clients;
- (c) Make recommendations to the Common Council regarding the approval or declination of program applications; and
- (d) Provide guidance and recommendations to the Community Development Department regarding general Program operations.

1.6 Form of Assistance. Assistance to clients using ARPA grant funding may only be in the form of grants to businesses under the Real Estate and Marketing activities.

SECTION 2. ELIGIBILITY REQUIREMENTS

2.1 Eligible & Ineligible Program Participants.

- (a) Eligible Program Participants must be an existing or to-be-formed small business, which is defined as a commercial enterprise having 20 or fewer employees, one or more of whom own the business. Business status with respect to ownership and the number of employees is determined at the time of the Program application. The form of the business may be a sole proprietorship, partnership, corporation, LLC, LLP, cooperative, or any other legal form of business. Not-for-profit corporations or similar nonprofit entities are eligible to participate in the Marketing Assistance Program, NOT the Real Estate Assistance Program. Professional, legal and major medical offices and groups are not eligible participants under either program.
- (b) The assisted business must be located in the target areas as follows: Real Estate Assistance: To all commercial and industrial uses within the City of Olean: Marketing: Citywide.

2.2 Eligible activities.

- (a) The principal business activity to be assisted with Program funding must be located within the City of Olean and in the target areas defined above.
- (b) Program assistance may be provided for any business activity that meets the Program objectives.

2.3 Ineligible Activities. Activities that primarily consist of investing, speculation, or realty ownership held primarily for sale or investment; any activity which is illegal; and any activity which does not further the objectives of the Program will be ineligible for Program financing.

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2.4 Eligible Uses of Program Funds.

(a) Program grants for the Real Estate Assistance Program may be used to offset 25% of the business' monthly real estate payment whether it be in the form of rent, mortgage or a land contract. The business will be responsible for pay the other 75% of the monthly cost on their own. The business shall pay the entire cost up front and show paper proof of payment (cancelled check, proof of wire transfer, detailed receipt, etc.) to the City prior to the 25% reimbursement taking place. Minimum Award: \$500, Maximum Award: \$5,000 up to a 2 year period. Project must begin within 3 months of award.

(b) Program grants for the Marketing Program may be used to fund:

Professional consulting services;
Branding including logo design;
Point of sale merchandising signage;
Signage-building and yard signs;
Social Media advertisement;
Print and TV advertisement;
Website building & updating;
E-commerce;
Software expenses for technology related to marketing;
Printing for brochures, flyers, business cards;
Handouts for trade shows & public markets;
Development of a brand book;
Search engine optimization; and
Other (as deemed appropriate by BBGPC)

Minimum Award: \$500, Maximum Award: \$5,000 up to a 2 year period. Project must begin within 3 months of award.

(c) Program grants may not be used to fund construction or construction-related costs of any kind including new construction, rehabilitation, renovations, leasehold improvements, demolition, or clearance activities.

(d) All uses of funds shall be detailed in the City/Client Grant Agreement.

SECTION 3. PROGRAM STANDARDS

3.1 General. The existing or proposed business must present a reasonable likelihood of long-term commercial viability based on such factors as management, product, marketability, competition and capitalization. Program clients must be of generally good character and credit standing and must not be in

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arrears in the payment of any real property taxes or other taxes or fees to the City or any municipality or municipal agency within Cattaraugus County.

3.2 Program Funding Amount. Consistent with Program Guidelines, the assistance must be no less than the minimum amount of \$500 or greater than the maximum of \$5,000 per program activity. (\$5,000 Real Estate; \$5,000 Marketing).

3.3 Funding Match. Grantees will not be required to provide a match; however, they will be required to cover project costs and provide proper documentation to request reimbursement under the program. Proper documentation to show proof of payment may include copy of cancelled check, proof of wire transfer, receipt, etc.

3.4 Minimum Amount of Program Assistance. Program assistance will not be considered where the amount of such required assistance is less than \$500 per program activity.

3.5 Maximum Amount of Program Assistance. Program assistance provided to a business may not exceed the aggregate amount of ten thousand dollars (\$10,000) \$5,000 Real Estate Assistance; \$5,000 Marketing Assistance.

Each program activity has a minimum award of \$500 and a maximum award of \$5,000, respectfully.

SECTION 4. GRANT POLICIES

4.1 Program Grant Terms. The following terms and conditions shall apply to Program grants established by the City of Olean:

- (a) Program grants shall require no repayment except upon certain conditions of default as set forth in the City/Client Agreement. The grant agreement shall include appropriate default provisions that address the grantee's failure to comply with the terms, conditions, or covenants of the agreement.
- (b) Security for the repayment of Program grants in the event of a default shall consist of a blanket lien on all assets of the business receiving grant funding unless the City of Olean determines that additional or alternative security is appropriate or that no security will be required.
- (c) No Program grant disbursements may be made until the required proof of payment and reimbursement documentation is received and approved by the City and consistent with the schedule set forth in the Grant Agreement.

SECTION 5. APPLICATION PROCESSING

5.1 Program Applications. Applications to receive Program grant assistance must include backup documentation in a format acceptable to the City of Olean and the SBDC, the information required by the

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Program Application Forms (attached hereto as Appendix A), and any additional information as may be reasonably requested.

5.2 Application Fee. No application fee will be required.

5.3 Application Processing. The processing of Program applications will be the joint responsibility of SBDC and the Committee and will generally consist of the following:

- (a) Review of applications for completeness and procurement of appropriate additional information (SBDC);
- (b) Review for Program eligibility criteria and eligibility (SBDC);
- (c) Notification to applicants that the application has been received and is complete, and an anticipated schedule for processing (SBDC);
- (d) Forwarding of application(s) and backup materials to the City of Olean;
- (e) Performance of an appropriateness review and viability, if applicable (Committee);
- (f) Providing recommendations regarding grant funding including grant terms and conditions (Committee); and
- (g) Referral by the Committee to the CC with the Committee's recommendation for the approval or declination of the grant application and any associated terms and conditions (Committee & Community Development).

SECTION 6. GRANT APPROVALS & POST-APPROVAL PROCESSING

6.1 Applicant Acceptance/Declination and Grant Approvals.

- (a) The Common Council shall have sole authority to approve Program funding for the BBGP recipients. Such authority shall include the commitment to grant Program funds and to establish all associated terms and conditions as recommended by the Committee.
- (b) Accepted applicants shall be promptly notified in writing by the Community Development Program Coordinator (the "PC") of their acceptance and the amount, terms, and conditions of any Program funding being offered. Such notification shall include the following as applicable.
 - (i) The amount of the grant approved and the expiration date of the commitment.
 - (ii) The approved use of the Program grant funds and applicable disbursement requirements.
 - (iii) Any other applicable grant conditions.
 - (iv) A listing of those conditions and requirements of the applicant that must be fulfilled prior to the closing and funding of grant funds.

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- (v) Any other information that could reasonably be expected to influence the applicant's decision to accept the terms of the grant.

(c) Applicants not accepted shall be promptly notified in writing.

6.2 Grant Closings. In coordination with the City Attorney, the Department of Community Development shall have the responsibility to prepare all appropriate grant closing documents based upon the terms and conditions of the grant approval and prorated/approved by the City Attorney. Such documents shall generally include the following:

- (a) A grant agreement that includes a description of the grant terms, eligible uses of the funds, appropriate representations and warranties, the conditions of granting, affirmative and negative covenants – including compliance and applicable laws and regulations, requirements regarding reporting, requirements for procurement of technical assistance, default provisions, and any other provisions, which may be appropriate.
- (b) Other appropriate documents as required by the terms and conditions of the grant approval.

6.3 Security. Consistent with Section 4.2(b) herein, the requirement for security will be at the discretion of the Committee and the Common Council.

6.4 Reimbursement Requests. Reimbursement of grant funds for disbursement to approved applicants will be the responsibility of the Department of Community Development in coordination with the City Auditor. Community Development will provide the requests, including appropriate cost documentation to sustain the reimbursement to the City Auditor. Funds drawn for the grant will be disbursed to the applicant within three (3) business days of their receipt.

6.5 Grant Disbursements. The disbursement of grant proceeds shall be the responsibility of the PC under the following general guidelines:

- (a) Subject to the grantee's compliance with the terms and conditions of the grant agreement, all documents evidencing and, if applicable, securing the grant, and other guidelines for disbursement as described in this Section 6.4, the City may disburse grant proceeds upon the grantee's presentation of vouchers and other such evidence satisfactory to Community Development that represent paid or accrued expenses of the grantee and which are eligible costs as determined by the PC with consultation by the Committee, if necessary.

SECTION 7. GRANT MANAGEMENT

7.1 Adjustment of Terms and Conditions. Requests by the grantee for adjustment of any of the terms and conditions of the grant will be reviewed by the Committee to determine whether the adjustment is in the best interest of the Program. Requests will be processed in accordance with the following:

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- (a) Requests to increase the grant amount may only be approved by the Committee & Common Council.
- (b) Requests to adjust the use of the grant funds or revise any applicable security requirements may be approved by the Committee & Common Council.
- (c) Requests for any other changes to the terms or conditions of the grant including, but not limited to such areas as reporting requirements, cost documentation, and maintenance of records may be approved by the Committee & Common Council.

7.2 Grantee Monitoring. Community Development shall be responsible for periodic monitoring of grantee progress, technical assistance needs, and compliance with all of the conditions and covenants of the grant agreement. Such responsibility shall include taking appropriate actions in the event of non-compliance, advising the Committee of any incidence of default under the terms and conditions of the grant, and providing file documentation as appropriate. Community Development shall report to, and consult with, the Committee, Common Council and City Attorney regarding any incidents of default or other issues that may affect grant eligibility or other ARPA requirements.

7.3 Reporting. Community Development shall be responsible for the compilation of required data and information regarding Program grants to businesses and shall make such information available to the Committee, Common Council and City. The City Auditor and the PC will have joint responsibility for the submission of all required reports, data, and information to the State of New York.

7.4 Other Grant Administration. The Department of Community Development shall be responsible for all other grant management activities as detailed in the Program Guidelines.