



Mercer Island COVID-19 Relief for Small Businesses & Nonprofits

GRANT PROGRAM OVERVIEW

The Mercer Island COVID-19 Relief for Small Businesses Grant Program is intended to assist organizations that have been significantly impacted by the COVID-19 Pandemic, including those organizations that were required to modify or close operations in order to comply with the guidelines outlined in Governor Inslee's Safe Start Washington Plan and other COVID-19 related mandates. With this grant program, we hope Island businesses and nonprofits can remain open, retain/hire employees, and stay in business to continue serving the Mercer Island community. The program is funded entirely by CARES Act federal stimulus funds provided by the U.S. Department of Treasury to the State of Washington. Governor Inslee awarded local governments \$300 million of the State's CARES funding in early May and allocated an additional \$125 million to local governments on August 31, 2020, of which \$367,050 has been awarded to the City of Mercer Island. \$97,050 of that sum will be used to defray eligible City expenses related to its response to the COVID-19 Pandemic. The remaining \$270,000 will be used for grants to Mercer Island small businesses, subject to City Council approval.

Grant Program Details

- Grants will be awarded in a single amount that is expected be no less than \$5,000 to each recipient. The final award amount will be determined based on available funding and number of eligible applicants.
- Grant recipients will be selected from a pool of eligible applications via a lottery system. All eligible applications will be sorted into three prioritization pools as described below. A committee comprised of City staff and City Council members will review the lottery selection and recommend grant awards to City Council for approval at its November 2, 2020, regular meeting.
- Eligible expenses are those that will have occurred from March 1, 2020, to November 30, 2020, must be directly related to the COVID-19 Pandemic, and **have not** previously been paid for by other COVID-19 relief grant/loan programs such as the Paycheck Protection Program.
- Once awarded, grant recipients will be required to enter a Subrecipient Agreement with the City to enable the City to fulfill its reporting requirements for how the funds were spent.

Qualifying Expenses

Grant funds can be used to cover the costs of business interruption due to the COVID-19 Pandemic because of required closures, voluntary closures to promote physical distancing, decreased customer demand, and other disruptions. Eligible expenses are those occurring from March 1 through November 30, 2020, and include:

- Rent, mortgage, and utilities payments for the business/organization brick-and-mortar location;
- Payroll expenses (provided that those expenses have **not** already been reimbursed by other federal, state, county, or regional grants/loans such as the Paycheck Protection Program or the Economic Injury Disaster Loan);
- Personal Protective Equipment (PPE) and/or sanitation supplies, equipment, and services needed to safely reopen;
- Marketing; and
- Temporary or permanent changes made to business operations (e.g. pivoting to e-business and delivery, limiting in-store service, shifting to telework, etc.).

Grant funds may be taxable income. Recipients are advised to consult with their tax advisors for guidance. A 1099 Form will be issued to each grant recipient as required by the IRS no later than January 31, 2021.



APPLICATION PROCESS

Eligibility Criteria

To qualify for a grant, an organization must:

- Be a small business or 501(c)(3) nonprofit organization, other than regional/national chain businesses and home-based businesses;
- Have a customer-facing physical location within Mercer Island city limits;
- Have been in operation as of January 1, 2020;
- Have an active City of Mercer Island Business license and be in good standing with the City of Mercer Island and the State of Washington;
- Demonstrate hardship due to the COVID-19 Pandemic, such as revenue loss, requirement to purchase PPE and other equipment, etc.; and
- Be able to explain how funding can be used in the immediate term to stabilize or sustain your organization.

APPLY TODAY!

The application opens Wednesday, October 21, 2020, and closes Thursday, October 29, 2020, at 5:00pm.

Before you apply, make sure you:

1. Confirm your eligibility (see criteria listed above). If you are unsure of whether your organization is eligible, contact Sarah Bluvus at sarah.bluvus@mercerisland.gov.
2. Locate your Mercer Island Business License number (UBI number) and verify that your license is up-to-date.

Once you confirm your eligibility and business license, apply online:

[Link to SurveyMonkey application here](#)

The application is also available via PDF. Download here: **[Link to PDF application here](#)**

If you choose to complete the PDF application, submit to Sarah Bluvus at sarah.bluvus@mercerisland.gov.

Only one application per organization will be considered. Remember, the deadline to submit the application form is **Thursday, October 29, 2020, at 5:00pm.**

Additional Documentation

In addition to a completed application form, grant recipients will need to submit the following documents:

- W9 Form (Taxpayer Identification Number and Certification)
- Proof of current monthly rent/lease, mortgage payment, property ownership, etc. (to prove physical location on Mercer Island)
- Current City of Mercer Island Business License
- Most recent IRS Form 941 (Employer's Quarterly or Annual Federal Tax Return as applicable)

You do not need to submit these documents with your initial application. City staff will follow up with you to collect these items if you are awarded.



ADDITIONAL APPLICATION INFORMATION

How will applications be evaluated?

City staff will evaluate applications based on the eligibility criteria outlined in this document. All eligible applicants will then be placed into a lottery system. Eligible applicants will be sorted into one of three pools according to the following priorities:

- **Pool 1:** Businesses and nonprofits such as Food & Drink Establishments (restaurants, bars, etc.); Retail (boutiques, bookstores, specialty shops, florists, etc.); Personal Service Providers (hair salons, nail salons, estheticians, dry cleaners, etc.); Fitness Studios; Education/Childcare Service Providers (daycare, preschool, etc.); and Entertainment/Arts/Recreation Service Providers
- **Pool 2:** Other businesses and nonprofits such as Professional Service Providers (financial services, real estate, architects, etc.) and Health & Wellness Providers (doctors, dentists, physical therapists, etc.)
- **Pool 3:** All other eligible applicants

Funds will be allocated based on the priorities outlined above, with awards being selected by lottery in the following order:

1. Select from Pool 1 by lottery until all funds are allocated or all Pool 1 applicants are awarded
2. Select from Pool 2 by lottery until all funds are allocated or all Pool 2 applicants are awarded
3. Select from Pool 3 by lottery until all funds are allocated or all Pool 3 applicants are awarded

Once the lottery selection is complete, a committee comprised of City staff and City Council liaisons will conduct a final review of the awards to ensure eligibility. The City aims to distribute the grant funds in accordance with the priorities listed above and to as many businesses as possible within the timeframe prescribed by the CARES Act.

Notification Timeline & Grant Disbursement

- October 21: Application opens
- October 29: Application closes
- October 30-November 1: Lottery selection for grant recipients and internal review by City staff/City Council
- November 2: City Council approves grant awards
- November 3-15: City announces awards and contracts with grant recipients
- December 2020: Funds distributed to recipients

Privacy Information

This application and any supporting documentation are considered a public record and may be subject to public disclosure under **Washington's Public Records Act, Chapter 42.56 RCW**.

Questions? Contact Sarah Bluvas, EOC Small Business Liaison, at sarah.bluvas@mercerisland.gov. Find more resources for your business on Let's Talk: letstalk.mercergov.org/coronavirus_business