ARPA Small Business Micro Grant Program

GUIDELINES

Purpose:

The City of Atlantic City has allocated over $400,000 from its federal American Rescue Plan Act (ARPA) funding to establish a Small Business Grant Program. This initiative is designed to address the negative economic impacts of the COVID-19 public health emergency by supporting for-profit small businesses operating within city limits.

Grant awards of up to **$15,000** are available to help local businesses remain operational, retain jobs at risk due to the pandemic, contribute to community recovery, and strengthen long-term resiliency.

Program Details:

Existing Businesses

Eligible businesses may apply for financial assistance to help offset revenue losses and other adverse effects related to the COVID-19 pandemic. This grant includes a reimbursement-based program; funds will be disbursed only after the execution of a City/Grantee agreement and upon submission and approval of the required expense documentation.

Reimbursements of up to $15,000 will be provided for eligible expenses incurred between March 3, 2021, and October 1, 2023. To facilitate timely processing, applicants are encouraged to submit documentation for previously incurred expenses.

Startups and New Businesses

Startups and newer businesses established in 2022 or later may also be eligible. If you experienced economic hardship directly caused or exacerbated by the COVID-19 public health emergency, please provide a narrative explaining the impact. Be sure to include a copy of your current business plan with your application.

Applicant Eligibility:

Small businesses that are located, or will be located within Atlantic City, New Jersey are eligible to apply.

"Small Business" means a business which is resident in the State of New Jersey, incorporated in the State of New Jersey and licensed or registered to do business in the State of New Jersey, is independently owned and operated, not dominant in its field, and employs fifty or less persons.

Per the Final Rule on Coronavirus State and Local Fiscal Recovery Funds, the U.S. Treasury recognized "impacted" and "disproportionately impacted" small businesses eligible to receive funding for this program.

A small business is "impacted" if it meets the City's definition of small business (50 or fewer employees) and can demonstrate and provide evidence of a negative economic impact caused by the pandemic.

A small business is "disproportionately impacted" if it meets the definition of small business as defined by the City (50 or fewer employees), is located within a Disproportionately Impacted Area or Qualified Census Tract and can provide evidence of a negative economic impact caused by the pandemic. Types of evidence may include:

- Decreased revenue or gross receipts
- Financial insecurity
- Increased costs created directly by the pandemic
- Reduced capacity to weather financial hardship created by the pandemic
- Challenges covering payroll, rent, mortgage, and other operating costs

In addition to providing evidence of negative economic impact caused by the pandemic, to be eligible for an award, a business must:

- Be a for-profit business based within City of Atlantic City limits
- Have 50 or fewer employees
- Be registered to do business in the State of New Jersey
- Be independently owned and operated and not be dominant in its field of operation
- Not facing any pending litigation or legal action
- Not have any business owners, including all managing members and/or officers, who have been convicted of financial crimes within the past three years
- Not have received alternate federal, state, or local grant funding to cover the **same costs and/or uses included in this application**
- Not be suspended or debarred from the use of federal funds
- Not be a franchise, unless the franchise is not a subsidiary of a larger corporation

<u>Required Documents for Existing Businesses:</u>

- Grant Application Form
- Applicant Certification Form
- Copy of IRS W-9 Tax Form
- Copies of tax returns for the two most recent completed fiscal years the business has been in operation
- Two most recent business account bank statements
- Projected revenue and expenditure totals for the fiscal year covered by the Grant funds

If available, other financial documentation that provides clear evidence or proof of revenue loss due to the negative impact of COVID-19 on the business (e.g., audits for 2019 through 2021; copies of invoices demonstrating an increase in cost of operations since March 1, 2020; past-due mortgage/rent statements; past-due utility bills; copies of invoices or evidence of pandemic-related expense incurred; evidence or statements demonstrating a loss of funds or income due to the pandemic)

Required Documents for Startups and New Businesses:

Startups and newer businesses established in 2022 or later may also be eligible. If you experienced economic hardship directly caused or exacerbated by the COVID-19 public health emergency, please provide a narrative explaining the impact. Be sure to include a copy of your current business plan with your application.

Required Documents

- Grant Application Form
- Applicant Certification Form
- Copy of IRS W-9 Tax Form
- Two most recent bank statements
    - Business
    - Personal
- Business Plan
- Personal Rental Agreement, if applicable
- Personal Mortgage Statements, if applicable
- Projected revenue and expenditure totals for the fiscal year covered by the Grant funds

Eligible Uses of Funds:

Businesses may use funds to mitigate financial hardship, such as declines in revenue resulting from periods of closure. Grants are for costs not yet incurred by the date the American Rescue Plan Act was passed (March 3, 2021). Expenses incurred between March 3, 2021 and October 31, 2023, are eligible for reimbursement.

Grants funds may be used for:

• Payroll and cost of benefits
• Rent
• Mortgage
• Utilities

• Installed Equipment (e.g., oven, refrigerator)
• Other Equipment (e.g., computer, software)
• Product inventory
• Technical Assistance
• Improvements to ventilation

<u>Other Potential Eligible Use of Funds:</u>
Applicants should contact the Department of Planning and Development prior to submitting an application for the following:

• Capital Improvements, including but not limited to, rehabilitation of commercial property, storefront and façade improvements
• Childcare and transportation costs for micro-businesses

<u>Ineligible Uses of Funds:</u>

• Costs incurred prior to March 3, 2021
• Loss that bears no relation or is grossly disproportionate to the type or extent of harm experienced due to the pandemic
• Payment of non-business expenses (e.g., personal credit cards, family car, home repairs)
• Direct financing to political activities
• Religious activities, such as worship, religious instruction, or proselytization and/or those that promote or inhibit religious interest
• Economic hardship incurred for reasons other than the pandemic
• Costs previously covered by alternate federal, state, or local grant funding
• Payment of fines or federal or state taxes
• Purchase of drugs, tobacco, or alcohol
• Food and entertainment
• Bonuses
• Non-business travel

<u>Timeline:</u>

Application Round Opens: 09/17/2025
Submission Deadline:10/31/2025
Award Announcements: Rolling

Application Materials/Submission:

Application packets should be delivered via regular mail, in-person delivery, or email to:

Department of Planning & Development
Attn: Bruce Weekes
1301 Bacharach Blvd.
Suite 506
Atlantic City, NJ 08401

Bweekes@acnj.gov

Application Review Process:

City staff will review all grant applications for completeness and eligibility.

Applicants may be asked to revise proposals, provide additional information, and complete an in-person interview.

Important Notes:

No person or business will be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with the City's funds on the basis of race, color, religion, sex including pregnancy (childbirth, and related medical conditions), sex stereotyping, transgender status and gender identity, national origin (including limited English proficiency), age, disability, or political affiliation or belief.

Grant awards may be considered taxable income. Recipients may receive a 1099-G for the funds received. Businesses should consult with a tax professional to determine whether the grant award is considered taxable income. Recipients found to have expended grant funds on expenses previously covered by another federal, state, or local program or on ineligible expenses will be required to repay all grant funding awarded by this program.