

DOWNSTATE SMALL BUSINESS STABILIZATION PROGRAM Pre-Application Guide & Checklist

Please return completed Pre-Application and required attachments to Village of Sherman via email to mstratton@shermanil.org or drop off at our office at 401 St. John's Drive, Sherman, IL.

The Economic Development Downstate Small Business Stabilization program offered through IDCEO to eligible local business through local government applications provides working capital funds to eligible businesses economically impacted by the COVID-19 virus. The program intent is to make funds available for 60 days of verifiable working capital up to a grant ceiling of \$25,000 and is available for businesses that employ 50 people or less. Number of employees includes the business owner(s).

Funds may be used to assist private for-profit small retail and service businesses, or businesses considered non-essential by the Governor's Executive Order without the ability for employees to work remotely.

Applicants that can demonstrate an "Urgent Need" in relation to the COVID-19 emergency will be funded. Projects should have solid commitments to retain permanent jobs. While all businesses with losses related to COVID-19 are encouraged to apply, certain qualifying criteria must be met and there is no guarantee funding will be awarded.

CDBG grant funds are granted by the State of Illinois to communities to be provided as financial assistance to a private for-profit entity. Funding is not made directly to a business by the State of Illinois.

ELIGIBLE ACTIVITIES

The business may use funds for working capital expenses (employee salaries, general operating expenses, inventory and advertising/marketing expenses). Costs incurred prior to the date of grant award are not reimbursable.

REQUIRED DOCUMENTATION

1. Company name, address, owner(s) name, owner(s) address, phone, email (form attached)
2. Company FEIN
3. Company DUNS -apply at this link if you do not already have one:
<https://fedgov.dnb.com/webform/>
4. Company SIC –can be found here https://www.osha.gov/pls/imis/sic_manual.html

5. A brief project narrative which includes details about the company, e.g., type of firm, its product or service, and how long they have been in business. Describe how CDBG funds will be used and reasons why funding is needed to retain jobs. Specific needs must be identified. Explain what circumstances make the funding necessary to maintain adequate permanent working capital to sustain operating needs. Please discuss losses already suffered and losses anticipated in the future directly related to the COVID-19 virus. You may want to discuss the inability of the company to maintain sufficient funding to sustain normal operating working capital needs by providing detail about how the funding will fill that gap. (Form attached)
 6. Please confirm in your narrative that your business does not earn more than 33% of its gross revenue from gaming. Businesses that do are ineligible to apply.
 7. A Certificate of Good Standing from the Illinois Secretary of State and the Illinois Department of Revenue must accompany the application.
 8. The business must provide evidence of net income for the last three fiscal years ending December 31, 2019. Net income can be obtained from the Profit and Loss statement, generally the last item on that statement. (Please provide copies of these statements and use them to complete attached form.) In the event Profit and Loss statements cannot be found, net income can be derived from total sales minus total expenses. The business must provide its cash balances. This will be either the first line item on the balance sheet or bank statements as of the last day of each fiscal year. Three years of ending cash balances must be provided.
 9. A copy of the most current bank statement for the business.
 10. Any other forms of documentation to demonstrate the lack of permanent working capital in support of operating expenses. Such evidence may include shutoff utility notices, delinquent bills, denied loan applications, etc.
 11. A Participation Agreement between the unit of local government and the business that will receive funding (under review by legal).
 12. Net Income Verification Form (attached).
 13. Employment Documentation Form which lists all employees as of January 1, 2020, employees hired since January 1, 2020 and their current status (attached).
 14. Certificate of Good Standing from the Illinois Secretary of State.
 15. Business Certifications Form (attached).
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NET INCOME VERIFICATION

The business must complete the white boxes below and identify net income for the last three fiscal years ending December 31, 2019. Net income can be obtained from the Profit and Loss statement, generally the last item on that statement. In the event that the Profit and Loss statements cannot be found, net income can be derived from total sales minus total expenses. In addition, cash balances must be provided. This will be either the first line item on the balance sheet or bank statements as of the last day of each fiscal year. Three years of ending cash balances must be provided for each fiscal year.

Fiscal Year Ending:	Net Income	Net Income derived from Profit/Loss Statement? (Yes/No)	Net Income calculated from total sales – total expenses? (Yes/No)	Cash Balance
December 31, 2017				
December 31, 2018				
December 31, 2019				
Current:				

JANUARY, 2020 MONTHLY BUDGET

Provide the appropriate information below reflecting your business's monthly budget for January, 2020.

Budget Item	Total Monthly Expenditures	Monthly Net Income Computation
Total Income		
Personnel (Salary & Wages)		
Fringe Benefits		
Equipment		
Inventory		
Supplies		
Occupancy (Rent & Utilities)		
Telecommunications		
Other (Specify)		
Other (Specify)		
Other (Specify)		
Total of All Expenditures		
Monthly Net Income (Total Income – Total of All Expenditures)		

BUSINESS CERTIFICATIONS

The Business understands that no aspect of the project proposed for assistance will commence prior to the award of funds to the community and the receipt of environmental clearance.

The Business certifies that it is a Business in good standing, authorized to do business in Illinois and has no delinquent tax liabilities. The Business further authorizes the Department of Commerce and Economic Opportunity to seek a tax clearance letter from the Illinois Department of Revenue and authorizes the Department of Revenue to provide such a letter stating whether the records of the Department show that Borrower is in compliance with all tax acts administered by the Department of Revenue and to which Borrower is subject.

The Business also certifies that no tax liens, including but not limited to, municipal, county, state, or federal, have been filed against the Business, any partners of the Business, the majority shareholder of the Business, or in the name of a related business owned by the recipient.

The Business authorizes the Department of Commerce and Economic Opportunity to verify in any manner deemed appropriate any and all items indicated in this application which includes information obtained through the Illinois Department of Employment Security, Consumer Credit Bureau Services, business reporting services such as Dun and Bradstreet and criminal history record check.

The Business certifies that all information and documentation contained in this application, is accurate, complete and true to the best of his/her knowledge.

The Business certifies that it has read and understands the application guidelines.

Signature of Chief Executive Officer

Date

Typed Name of Chief Executive Officer

Phone

Name of Company

FEIN #

Company Address

DUNS #

Email address

SIC #

60-DAY WORKING CAPITAL GRANT FUNDS BUDGET

Provide the appropriate information below reflecting how your business intends to utilize grant funds. See sample below.

*After grant funding, how the grant funds were used **must** be documented by invoices, cancelled checks and paystubs. After grants have been paid, all documentation will be **required** to be submitted to the Village of Sherman.*

Description	Quantity	Basis	Cost	Length of Time	Capital Cost
Personnel (Salaried and Wages)					
Fringe Benefits					
Occupancy (Rent/Mortgage Payments)					
Utilities (Electrical, Gas, Water, Sewer)					
Telecommunications & Internet					
Inventory/Goods Necessary					
Supplies (Office-related)					
Contractual Services (Pest Control, Cleanup, etc)					
Other (specify)					
				Total	\$

SAMPLE

Description	Quantity	Basis	Cost	Length of time	Capital Cost
Personnel (Salaries and Wages)	5	<i>hourly</i>	\$ 12.00	320	\$ 19,200.00
Fringe Benefits	5		\$ 90.00	2	\$ 900.00
Occupancy (Rent/Mortgage Payments)	1	<i>monthly</i>	\$ 650.00	2	\$ 1,300.00
Utilities (Electrical, Gas, Water, Sewer)	1	<i>monthly</i>	\$ 250.00	2	\$ 500.00
Telecommunications & Internet	1	<i>monthly</i>	\$ 300.00	2	\$ 600.00
Inventory/Goods Necessary	1	<i>monthly</i>	\$ 1,050.00	2	\$ 2,100.00
Supplies (office-related)	1	<i>monthly</i>	\$ 75.00	2	\$ 150.00
Contractual Services (Pest Control, Cleaning, etc.)	1	<i>monthly</i>	\$ 125.00	2	\$ 250.00
Other (specify):					\$ -
				<i>State Total</i>	<i>\$ 25,000.00</i>

