



**Economic & Community
Development Agency**

Program Guidelines for

Kankakee Works

Grants Program



City of Kankakee, IL
ARPA Funded Kankakee Works Grant Program – Guidelines

Purpose

The City of Kankakee has allocated over \$350,000.00 of its federal American Rescue Plan Act award to fund a local small business grant program titled Kankakee Works. This program is intended to respond to the negative economic impacts of the COVID-19 public health emergency by focusing on the needs of for-profit small businesses within City limits. Grant awards up to \$30,000 will help businesses keep their doors open, protect local jobs threatened by the pandemic, support community recovery, and increase resiliency.

Eligible businesses may apply for cash assistance to help mitigate the impacts of revenue reductions associated with the pandemic. The City expects to award approximately 20 businesses a one-time cash grant.

This is a reimbursement program; award payments will be made following execution of a City/Grantee contract and the City's receipt, review, and acceptance of expense documentation. Grantees will be reimbursed for eligible expenses with appropriate documentation in an amount not to exceed \$30,000.00. Expenses must have been incurred between March 3, 2021 and October 31, 2024.

To expedite reimbursement, applicants are encouraged to apply for funding to cover expenses already incurred and for which the applicant has the required documentation. Evidence of expenditures must include sufficient information for the City to determine what the expense was for, to whom it was paid, and when it was paid. Supporting documentation may include copies of cancelled checks, bank statements, credit card statements, and/or vendor receipts.

Timeline

Application Round Opens:	Tuesday January 16, 2024
Submission Deadline:	Tuesday, February 13, 2024
Public Presentation:	TBD
Award Announcements:	Tuesday, March 12, 2024 (Tentative to Council approval)
Contract Start Date:	Monday, April 8, 2024
Contract End Date:	Tuesday, December 17, 2024
Last Date to Submit Reimbursement Request:	Friday, October 18, 2024

Applicant Eligibility

Preference will be given to MBE (minority-owned,) WBE (women-owned) and VBE (veteran-owned) businesses, and to those that occupy a vulnerable sector as defined by the U.S. Treasury; this includes but is not limited to restaurant/dining, retail, hospitality, arts and entertainment, or another service sector.

Preference will be given to micro-businesses; this is defined as a business that resides in Illinois and is licensed or registered to do business in Illinois, independently owned and operated, not dominant in its field, and employs 10 or fewer fulltime equivalent (FTE) employees.

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 Kankakee limits and have a valid business license
- Have 50 or fewer employees
- Be registered to do business in the Illinois unless the business is a sole proprietorship
- Be registered as a DBA if the sole proprietorship does business under a name other than the owner’s
- Be independently owned and operated and not be dominant in its field of operation
- Have been operating in the City of Kankakee prior to **March 1, 2020**.
- Not be 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

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, 2024, 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
- Signage
- Technical Assistance, counseling, or other services to assist with business planning needs
- Improvements to ventilation
- Personal Protective Equipment
- Other physical improvements to processes or location to comply with social distancing or other directives issued by the County or State due to the pandemic (e.g., outdoor dining furniture)
- Workforce needs such as training, certificate programs, attraction efforts, etc.

Other Potential Eligible Use of Funds

Applicant should contact the Economic and Community Development Agency 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

Ineligible Uses of Funds

- 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

Application Materials/Submission

Instructions and the grant application are available at www.citykankakee-il.gov. Please note that the application form is a fillable pdf; applicants may download and type directly into the form or print and fill it out by hand.

A complete application package must include:

- Grant Application Form
- Applicant Certification Form
- Copy of IRS W9 Tax Form
- IRS EIN #, ITIN #, or SS #
- Copies of tax returns for the three most recent completed fiscal years the business has been in operation
- Two most recent business account bank statements
- Proof of payroll to verify employee numbers and wages
- Projected revenue and expenditure totals for fiscal year 2022
- 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)

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

Mailing/Delivery Address: ECDA
200 E. Court St., Suite 410
Kankakee, IL 60901

Email: dsforquer@citykankakee-il.gov
(Confirmation email will be sent upon receipt.)

Application Review Process

City staff will review all grant applications for completeness and eligibility. Applicants may be asked to revise proposals or provide additional information.

Complete and eligible applications will then be reviewed by a panel comprised of community members and staff. Those community members and staff will listen to a public presentation of the application request at a date yet to be determined.

Reviewers will use the following scoring criteria to evaluate the application prior to making funding recommendations. Scoring will help determine the priority of applications; the highest scoring projects will be recommended for funding.

Scoring Criteria	Possible Points
Business meets all eligibility requirements and application is complete.	15
Business is 51% or above Women, Veteran and/or Minority-Owned	15
Business Industry is Travel, Tourism, Hospitality or Arts/Entertainment or other service (e.g., hair or nail salon)	15
Business demonstrates disproportionate financial impact	15
Business is in an area that was disproportionately impacted	15
Business has 10 or fewer fulltime equivalent (FTE) paid employees	15
Other special consideration (to be documented by reviewer)	10

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.

For questions about the application, eligibility or another concern, please contact:
Devyn Forquer, ECDA Project Manager
dsforquer@citykankakee-il.gov.