



City of Santa Ana Small Business Incentive Program Grant Guidelines

The City of Santa Ana is dedicated to the support, stabilization, and growth of local businesses. The Small Business Incentive Program provides grants and technical support through our various partnerships to help new businesses in Santa Ana during their first three years of development. This grant program is funded by the Community Development Block Grant (CDBG) Program from the US Department of Housing and Urban Development (HUD).

The business owner(s) and their household family members must be within 80% of the Orange County median income limits set by the US Department of Housing and Urban Development (HUD). The grant is provided to eligible businesses on a first-come, first-served basis. The application will remain open until grant funds have been exhausted.

Businesses interested in participating in the program are encouraged to become familiar with the following grant guidelines:

I. Size of the grant:

The Small Business Incentive Program offers up to \$5,000 for Santa Ana Businesses with 5 or less employees (including the owners) during the first three years in business. Funds are granted as a reimbursement for eligible business expenses. Businesses must be able to provide proof (receipts) for those expenses.

- Up to \$5,000 for businesses with a commercial/industrial/office location – Certificate of Occupancy Required
- Up to \$2,500 for home-based businesses – Home Occupation Permit Required

II. Summary of Eligibility Requirements:

Businesses must meet the following eligibility requirements:

- Located in Santa Ana and in operation for no more than 3 years from the date of the application
- Must be a Microenterprise - a for-profit business with 5 or fewer employees (including all owners)
- Valid and Active Santa Ana Business License
- Valid Certificate of Occupancy or Home Occupation Permit issued by the City of Santa Ana
- **Income Eligible:** The business owner(s) and household family income for all family members 18+ must be within 80% of the Orange County median income limits set by the US Department of Housing and Urban Development (HUD) - 2024 Income Limits (Effective April 1, 2024).

- Income is based on Adjusted Gross Income, Line 11 of most recent IRS 1040 Tax Returns

Family Size	Income Limit
1 Person	\$ 88,400
2 Persons	\$ 101,000
3 Persons	\$ 113,650
4 Persons	\$ 126,250
5 Persons	\$ 136,350
6 Persons	\$ 146,450
7 Persons	\$ 156,550
8 or More Persons	\$ 166,650

- Complete a free business consultation with the Orange County Inland Empire Small Business Development Center (OCIE SBDC)
- Must have or obtain a free Unique Entity ID Number assigned by SAM.gov

Ineligible Businesses:

The following types of businesses are not eligible for the program:

- Businesses with active code violations or a history of multiple code enforcement violations
- Independent contractors
- Non-profit organizations
- Alcohol/Bars
- Tobacco/Vaping-related businesses
- Cannabis-related businesses
- Gambling facilities
- Adult entertainment businesses

III. Eligible Business Expenses & Reimbursement:

This grant is issued as a reimbursement for business expenses. Copies of invoices, bills, and receipts of the business expenses, are required and must be submitted with corresponding verification of payment in the form of canceled checks, bank statements, and credit card statements are required. All expenditures must be reasonable, allowable, and necessary for the type businesses requesting the funding and subject to approval by the City.

Businesses may request reimbursement for the following eligible expenses:

- Santa Ana Business License
- Certificate of Occupancy/Home Occupation Permit
- City, County, and State fees associated with licensing and/or permitting
- Rent – 3 months (Home-based businesses not eligible)
- Utilities – 3 months (Home-based businesses not eligible)
- Commercial Kitchen Space Rent – 3 months
- Business Insurance

- Business Phone/Internet
- Marketing/Advertising
- Inventory/Equipment/Supplies
- Technology (Business Software, licensing, and equipment appropriate to the type of business)
- Professional Services (Tax Preparation, Bookkeeping, Payroll Services)
- Other reasonable, allowable, and necessary expenses as approved by the City

Ineligible Expenses of Grant:

- Expenses that will be reimbursed by other sources such as grants or insurance are not eligible, as this constitutes a duplication of benefits.
- Alcohol, tobacco, cannabis, adult entertainment, gambling products are not allowable expenses for reimbursement.

IV. Required Documents with the Application Submission:

- Copy of valid and active of Santa Ana Business License
- Certificate of Occupancy or Home Occupation Permit issued by the City of Santa Ana
- Business Owner’s State Identification Card or Driver’s License
- No active code enforcement violations (verified by staff)
- Most recent IRS Form 1040 U.S. Individual Tax Returns, for ALL OWNERS and their HOUSEHOLD FAMILY MEMBERS 18+.
 - Obtain a free IRS Tax Transcript here: <https://www.irs.gov/individuals/get-transcript>
- Most recent Business Tax Returns (Complete IRS tax filings)
- Most recent Quarterly Contribution Return and Report of Wages (Form DE 9) (For businesses with employees)
- Most recent Quarterly Contribution Return and Report of Wages (Continuation Form DE9 C) (For businesses with employees)
- Verification, such as an email, of a completed business consultation with the OCIE SBDC
 - Schedule a free consultation appointment by email at: roger.lloyd@ociesbdc.org
 - Email subject line: **Business Consultation / City of Santa Ana SBIP**
- Must register and obtain a free Unique Entity ID Number from SAM.gov
 - Obtain a Unique Entity ID Number here: <https://sam.gov/content/entity-registration>
- Invoices and receipts of business expenses, and verification of payment in the form of canceled checks, bank statements, credit card statements to receive reimbursement.
- Current signed Lease or Rental Agreement (required for reimbursement of rent expense).
- IRS Form W-9, Request for Taxpayer Identification and Certification
- ACH Form for direct deposit to a business account and submit a copy of a voided business check

V. Grant Application Period & First Come, First Served Basis:

The Small Business Incentive Program grant application will remain open until funds have exhausted. Completed applications will be reviewed and approved on a first-come, first-served basis until funds have exhausted. Applications with missing, invalid or expired requirements will be deemed incomplete and will lose priority placement until the remaining requirements are received.

VI. Grant Administration & Application Process:

The City of Santa Ana's Economic Development Division will administer the grant program which consists of receiving, reviewing, approving grant applications, and issuing approved grant funding. During this period applicants are encouraged to ask questions and seek assistance from program staff by contacting Gabriela Cramer for an appointment at 714-647-5385 or by email at gcramer@santa-ana.org or contact the Business Resource hotline at 714-647-5477.

The grant application process is completed in 3 steps as follows:

(Step 1) Pre-Eligibility Form - Business owners will submit a Pre-Eligibility Form through an online portal (Neighborly) provided by the Economic Development Division. If determined not pre-eligible, your business will be notified. If determined pre-eligible, your business will be notified by email and invited to continue the grant application.

Please note: Pre-eligibility does not guarantee that a grant has been approved. Applicants must still meet full application requirements and provide the necessary documentation (Step 2).

(Step 2) Application Submission - Business owners will have two weeks to complete the full grant application and upload the required documents to the online portal (Neighborly). An email is sent to the applicant confirming that the application submission was received.

Minimum requirements for Step 2:

- 1) Submit copies of most recent IRS Form 1040 U.S. Individual Tax Returns or IRS Tax Transcript for ALL OWNERS and their HOUSEHOLD FAMILY MEMBERS 18+
- 2) Submit a copy of current and valid Santa Ana Business License
- 3) Submit a copy of Certificate of Occupancy or Home Occupation Permit issued by the City of Santa Ana
- 4) Submit a copy of Business Owner's State Identification Card or Driver's License
- 5) No active Code Enforcement Violations (Verified by Staff)
- 6) Most recent Business Tax Returns (Complete IRS tax filings)
- 7) Most recent Quarterly Contribution Return and Report of Wages (Form DE 9) (For businesses with employees)

- 8) Most recent Quarterly Contribution Return and Report of Wages Continuation (Form DE9 C) (For businesses with employees)
- 9) Submit verification of completed business consultation with the Orange County Inland Empire Small Business Development Center (OCIE SBDC). An email confirming the business consultation was completed fulfills this requirement.
- 10) Submit copies of Business Expenses that will be reimbursed by the grant. Include invoices/receipts and proof of payment for reimbursement of these expenses.
- 11) Submit verification of the Unique Entity ID Number assigned to your business. An email or screen shot from SAM.gov will fulfill this requirement.
- 12) IRS Form W-9, Request for Taxpayer Identification and Certification
- 13) ACH Form for direct deposit to a business account and submit a copy of a voided business check.

(Step 3) Application Review/Notification of Determination – During the application review and validation of all grant requirements, business owners may be contacted by program staff for questions. Economic Development staff will notify each applicant of the final determination and whether the application was deemed eligible or not eligible to receive grant funding.

VII. Grant Application Submittal & Assistance:

Applications are submitted through a link to an online portal (Neighborly) provided by the Economic Development Division. The link to the application can also be accessed from the Economic Development Small Business Incentive Program Grant webpage. The application period will remain open and until grant funding has exhausted. Fully completed applications will be reviewed on a first-come, first-served basis until grant funding has exhausted.

For general questions or assistance, please contact the Business Resource Hotline at 714-647-5477.

Business owners who need application assistance are encouraged to contact Gabriela Cramer for an appointment at 714-647-5385 or by email at gcramer@santa-ana.org.

VIII. Disbursement of Funds

Small business awardees will receive the approved funding in one disbursement via an Electronic Funds Transfer or Automated Clearing House (EFT or ACH)

IX. Business Consultation/Technical Assistance

An intent of the program is to connect new businesses to available resources and guidance that will help as businesses establish themselves in Santa Ana. Businesses are required to schedule and complete a FREE business consultation with the OCIE SBDC.

- Schedule a free consultation appointment by email at: roger.lloyd@ociesbdc.org
- Email subject line: **Business Consultation / City of Santa Ana SBIP**

X. Unique Entity ID Number (UEI):

Businesses must register and obtain a Unique Entity ID Number (UEI) issued by SAM.gov. Obtaining a number for your business is FREE and is a two-step process:

- (1) Sign up and select the option to ***Get A Unique Entity ID Only:***
<https://sam.gov/content/entity-registration>
- (2) Return to SAM.gov after approximately 5 business days to complete the last step of the validation process.
 - For Video Instructions select link/copy into your browser: <https://youtu.be/0uv1YNAsINk>
 - **If you already have a Unique Entity ID number, use that number on your application. You do not need to request a new number.**

XI. Certifications:

Business will sign the following certifications in the application:

- I certify that I have the authority to apply for this grant on behalf of the business described herein.
- I certify that my business is for-profit and has 5 or fewer employees including all owners (full-time equivalent). I do not operate as an independent contractor. My business is not a non-profit.
- I certify that my business has a valid and active Santa Ana Business license, Certificate of Occupancy or Home Occupation Permit issued by the City of Santa Ana, and my business complies with and is not in violation of any City codes and regulations.
- I certify that my business does not sell or promote a majority of items such as alcohol, tobacco, cannabis, firearms, and/or adult entertainment.
- I certify that my business is currently operational and will be at the time of reimbursement. The grant is for businesses that intend to remain open and operational after receipt of grant.
- I agree that if approved, reimbursements will be issued for paid receipts for business expenses according to approved costs as identified by the City.
- I understand that applying for the grant is not a guarantee of funding and the City has the right to reject any and all applications.
- Funding is not transferable and other restrictions may apply.
- I understand that eligibility for this program is based on Business Owner Income Qualification (LMI) – business owner(s) must be at, or below, the low-moderate income

limits set by the U.S. Department of Housing and Urban Development (HUD) listed in the table provided in these grant guidelines (Section II Eligibility Requirements). Applicants must use total family household size as their measure of eligibility. If the business has more than one owner, at minimum, 51% of the ownership stake must be held by LMI qualified business owner(s).

- I agree to provide the City of Santa Ana and its employees additional documentation for audit and reporting purposes and to assess the benefits derived from participating in the program. Such information may include, but is not limited to, profit loss statements, payroll records, and income certifications of new or retained employees.
- This grant program is supported with Federal funding from the U.S. Department of Housing and Urban Development, Community Development Block Grant Program. According to Title 18, Section 1001 of the U.S. Code, it is a felony for any person to knowingly and willingly make false or fraudulent statement to any department of the United States Government. I understand that any willful misrepresentation on this application could result in a fine and/or imprisonment under provision of the United States Criminal Code U.S.C. Title 18, Section 1001.
- By providing my electronic signature below, I certify under penalty of perjury that all the information on this application is correct to the best of my knowledge and belief, and I acknowledge that such information is subject to verification. I also acknowledge that my failure to provide necessary documents within a reasonable period of time or falsification of information shall be grounds for repayment of funds, and that I may be subject to prosecution under the law. Any violation of the program guidelines will result in the business promptly repaying the City any amount issued pursuant to this program. I authorize the release of said information to local, State and/or Federal agencies and to City of Santa Ana staff within five years of this date.