

# Sole Proprietor Stabilization Program

## Vermont Community Development Block Grant (CDBG) CARES Act (CV)

Vermont's CDBG Sole Proprietor stabilization grant program is designed to assist sole proprietors with no employees that have been impacted by COVID-19 that have remaining unmet needs that can be documented. Businesses will be required to provide a duplication of benefit affidavit to document unmet need. This program will provide grants of \$5,000, \$7,500 or \$10,000 to qualifying sole proprietors through a Lottery draw. Funds may only be used for working capital to cover business costs, such as rent, utilities, and for retrofitting to meet COVID-19 requirements to re-open and remain open.

### Timeline:

Portal Opens – July 20

Pre-Application July 20 until July 27 @ Midnight EST

Applications July 20 (once approved) until July 31 @Midnight EST

Lottery Draw August 14

Winners issued Subgrant Agreements August 17-25

Checks issued to Businesses starting August 27

More details for the applying with be available as of July 15

### Program Grant Breakdown:

Amount	# of Grants to businesses	Total
\$10,000	50	\$500,000
\$7,500	64	\$480,000
\$5,000	110	\$550,000
<b>Totals</b>	<b>224</b>	<b>\$1,530,000</b>

### Eligibility:

To qualify, you must be a bona fide business entity at the time of shut-down in the State of Vermont and defined as a sole proprietor. **Sole Proprietor is defined as someone who owns an unincorporated business by himself or herself and does not have W-2 employees regardless of how they are set up for tax purposes.** The owner of the enterprise must be a Vermont resident.

Businesses must meet all of the following eligibility criteria:

1. Be a Sole Proprietor, *do not issue W-2s to any employees.*
2. Be a for-profit entity.
3. Have a physical establishment (mailing address only is not sufficient) in the Vermont city/town of application.
4. Provide goods or services to multiple clients or customers.
5. Be in good standing with the State of Vermont and Vermont, city/town.

- a. Be current on all taxes due through March 31, 2020 or have a workout arrangement in place with the taxing entity.
  - b. Active and valid state licenses/registrations, if applicable
  - c. Not a party to litigation involving the State of Vermont or Vermont, city/town
6. Have annual gross revenues greater than \$25,000.
7. Be able to document past or expected eligible costs of no more than ten (10) items totaling the amount of the grant award.
8. Be able to show that paying these costs is a hardship due to loss of income between March 1, 2020 and September 1, 2020 as a result of COVID-19.
9. Have been legally established prior to or as of January 1, 2020.
10. Not be listed under the excluded business types (see below), and not be a subsidiary enterprise or franchise.

**Excluded Business Types:**

The following business types are excluded from participating in this program:

- cannabis-related businesses
- businesses owned by persons under age 18
- businesses that are franchises or chains
- weapons/firearms dealers
- lobbyists
- persons operating as independent consultants/contractors and providing services to a single entity

**Application Processing:**

The program is being administered by Brattleboro Development Credit Corporation (BDCC) for the counties of Windham, Bennington, Rutland, Addison, Washington, and Lamoille; and Two Rivers – Ottauquechee Regional Commission (TRORC) for the counties of Windsor, Orange, Caledonia, Essex, Orleans, Franklin, Grand Isle, and Chittenden.

**Application Materials:**

The Grant Application will be submitted via a web-based application portal. Paper applications will not be accepted. Ensuring sensitivity to personal information social security numbers will not be collected, but a DUNS # is required, and there is no charge.

A DUNS # can be requested at <https://fedgov.dnb.com/webform/pages/CCRSearch.jsp>

When you apply you will be asked to provide the following information/documents:

- Grant Application
- DUNS # - a DUNS # can be requested at <https://fedgov.dnb.com/webform/pages/CCRSearch.jsp>
- Driver’s license or state-issued photo ID
- 2018 & 2019 Tax Returns (personal information will be encrypted)
  - If you have not filed for 2019, then provide 2017 & 2018 Tax Returns
  - For Start Ups, provide 2018 Tax Returns
- Detailed summary of revenue for impacted period in 2020 (i.e. March), and same period in 2018 (if applicable), or 2019
- HUD Duplication of Benefit Form
- 2019 HUD Family Income Statement of Applicant (this information does not impact your eligibility for this project but is required to meet federal data collection requirements)