

## First Amendment to the 5-Year Neighborhood Preservation Program Plan Covid-19 Response Pilot Program in Millville, NJ May 5, 2020

A report produced by Stockton University's William J. Hughes Center for Public Policy, released on Monday April 20, 2020, is predicting that the South Jersey's coronavirus economic impact will be greater than the one it experienced during the Great Recession.

"While we will eventually begin to work and play again, it strains credulity to believe that we will all do so at the same levels we previously did — at least for the better part of what remains of 2020," said Oliver Cooke PhD, editor of the review and associate professor of economics at Stockton University.

Even as restrictions ease, residents and tourists still may be hesitant to go to restaurants, casinos, conventions, concerts and retail stores, Cooke said, calling it the "COVID-19 drag."

Further the report states that while businesses can receive some help from federal stimulus programs, "at the end of the day it can't accomplish what a fully rebooted economy ultimately requires: 'Open for Business' signs in every window."

The report goes on to state that in a best-case scenario, South Jersey will resume some degree of normalcy by mid-June, in the worst-case scenario, those mass closures and the ensuing "COVID-19 drag" would stay in place until mid-August, which would deal a massive blow to South Jersey's economy.

### In Response.....an NPP Pilot Program for Year II

Millville is currently a Neighborhood Preservation Program (NPP) grant recipient, and as such they have developed a comprehensive, data based, community driven plan to address the challenges faced by their Center City neighborhood. The NPP Millville plan was written *before* the Covid-19 breakout.

In response to this enormous threat, staff from the NPP program, the City of Millville, and Holly City Development Corporation, are working together to create a pilot program for implementation in Year II to support the NPP District's small businesses as they face their new (Covid-19 created) challenges.

### Program Eligibility

- Businesses must be located within the NPP District in order to qualify for assistance
- The selection will not be based on first come, first serve, but will be selected based on need, previous profitability, ability to continue operations seamlessly upon reopening, etc.
- All businesses must evaluate and, if eligible, apply for other business assistance programs (via the Business Assistance Coordinator) before being eligible to receive other assistance from NPP
- All business must be willing to participate in a small business needs assessment that includes: the businesses current marketing strategies; promotional strategies; etc.
- Priority will be given to the following businesses;

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- Priority 1: Businesses that are currently open or have demonstrated profitability prior to closing
- Priority 2: Retailers (currently closed)
- Priority 3: Service providers (currently closed)

## The NPP Millville Covid-19 Response Pilot Program Objectives

This pilot program will initially consist of four components to holistically assist small businesses: Technical Assistance, eCommerce, Gift Cards, and Small Business Grants.

### Technical Assistance

The pilot program will provide funds for the retention of a professional (Small Business Assistance Coordinator or SBAC) who will provide small business owners in the Millville NPP district, with guidance in applying for small business grants and loans from all sources as well as recovery planning.

### Marketing and Ecommerce Assistance

The SBAC will seek resources to assist small businesses develop marketing and ecommerce capacity. The program will utilize IT students to provide this service to the small businesses in the NPP district. Students may be paid with a small stipend, NPP District gift cards, and letters of recommendation.

### Gift Cards and Small Business Purchasing

The purchase of goods, services, gift cards will be evaluated at the time of application through a business needs assessment. The assessment will take into account the businesses marketing, promotions and small business needs. Recommendations will be made by the Small Business Assistance Coordinator on additional resources needed.

### Small Business Grant Program

The SBAC will review all applicant files and recommend (or not recommend) an NPP Small Business COVID-19 Grant. The SBAC will use triage criteria to assess the likelihood of a business surviving if NPP grant funds were awarded.

The SBAC will assume the worst-case scenario (end of August) to determine if the business is financially sound enough to survive until then.

Businesses that could prove that they have leverage funds from other sources, and that NPP funds were being used for gap financing, would be prioritized.

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These recommendations will be submitted to The Millville NPP Covid-19 Pilot Program Team which will consist of representatives from the State, City and Holly City Development Corporation. This team will meet on a weekly basis to make a determination on grant recipients.

Approved grantees will receive a grant of up to \$5,000 for eligible expenditures.

*Eligible NPP COVID Small Business Covid-19 Grant Expenditures*

- Inventory restock
- Supplies
- Rent/mortgage payments
- Utilities
- Marketing/promotions
- Equipment
- Payroll
- Other (please list)

Metrics

The SBAC will monitor the following metrics in order to evaluate the program and to make recommendations for needed adjustments.

- Number of businesses that received assistance from the Small Business Assistant Consultant
- Number of jobs retained as a result of small business assistance (NPP and other)
- Amount of money “leveraged” for business assistance from other federal, county, local and other sources.
- Additional technical assistance provided to the small business
  - # of businesses that increased digital marketing presence
  - # of businesses that increased their promotional presence
  - etc.

City of Millville NPP Covid-19 Pilot Program Budget

| <b>NPP Objective</b>                                   | <b>NPP Funds</b> | <b>Other Funds</b> |
|--|------------------|--------------------|
| Small Business Assistance Coordinator for Grants/Loans | \$15,000         |                    |
| Business Grant   | \$75,000         |                    |
| Other?   |                  |                    |
| Contingency  | \$1,000          |                    |
|  |                  |                    |
| <i>1.3 Free Community Dinner Under Stars</i>           | <i>\$4,000*</i>  |                    |
| <b>TOTAL</b>   | <b>\$91,000</b>  |                    |

*Was scheduled for 4/25/20. Reschedule for later date if able to do so. If not before, July 30<sup>th</sup>, reallocate to business grant program for total of \$95,000.*

Additional Information

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## Definitions

Small Businesses and micro-enterprises as defined under Governor Murphy's plan for a fairer economic New Jersey (I forget the exact name of the report that was generated)

## Business Assistance Coordinator Job Description

- The Business Assistance Coordinator will meet with local businesses to identify their business needs.
- They will conduct business assessments that show other areas of need in addition to grant/loan assistance (such as marketing/promotions/etc.). See assessment attached.
- They will aid the small businesses in drafting/processing loan applications
- They will work on coordinating additional needed resources (business assessments) with City, HCDC and DCA staffing.
- They will meet weekly with DCA, HCDC, City staff to make NPP grant recommendations.
- They will report on the tracking measurements as outlined above.

## Selection Criterial for NPP Small Business Covid-19 Grants:

- Must be located in the NPP area
- Must submit a completed application and meet with the small business assistance coordinator
- Must complete the Business Needs Assessment and being willing to participate in technical assistance as recommended by the SBAC
- Must demonstrate either profitability prior to the COVID-19 crisis, or clientele that need that will resume once able to reopen
- Must look into and apply for additional funding resources as needed to meet the businesses needs
- SBAC may recommend exceptions to the policy herein during its recommendation to the Millville NPP Covid-19 Pilot Program Team where justified and documents.

## Original Year II Program Budget and Reallocation Crosswalk

| NPP Objective                                 | Funding Amount: | Funding Source: | Recommendation:   |
|---|-----------------|-----------------|---|
| 1.1 Beautify the Triangle                     | \$8,000         | NPP             | Reallocate to business grant program.   |
| 1.2 Free Little Libraries                     | \$6,350         | Other           | Project will continue when safe to do so.   |
| 1.3 Free Community Dinner Under Stars         | \$4,000         | NPP             | Was scheduled for 4/25/20. Reschedule for later date if able to do so. If not before, July 30 <sup>th</sup> , reallocate to business grant program. |
| 1.4 Community Garden                          | \$9,336         | Other           | Project will continue when safe to do so.   |
| 2.1 Conduct Study of Buildings on High Street | \$15,000        | NPP             | Reallocate to business grant program.   |
| 2.2 Façade Improvement Program                | \$10,000        | Other           | Will continue.  |

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|  |          |       |   |
|--|----------|-------|---|
| 2.3 Pop Up Shops on High Street                    | \$12,000 | NPP   | Reallocate to business grant program.   |
| 2.4 Creative Streetscape                           | \$5,000  | NPP   | Reallocate to business grant program.   |
| 2.5 Assessment and upgrade of lighting in downtown | \$36,000 | Other | Assessment will happen. Upgrade will not at this time because the grant wasn't received.        |
| 2.6 Create Commercial Rehab Program                | \$27,000 | NPP   | Reallocated to business grant program.  |
| 3.1 Clean and Green Vacant Lots                    | \$15,000 | NPP   | Reallocated to business grant program.<br>(community garden will be a clean and green project). |
| 3.2 Increase Community Policing                    | \$25,000 | Other | Grant wasn't received but we will work with MPD to make happen.                                 |
| 3.3 Housing Rehab to Ownership Program             | \$9,000  | NPP   | Reallocate to grant program.  |

With the reallocation of funding (highlighted figures above) to the NPP Millville Covid-19 Response Pilot Program will total \$91,000. With a possible additional \$4,000 if we are unable to safely host the Community Dinner Under the Stars.

**Budget for the Pilot Program:**

|  |                 |
|--|-----------------|
| Small Business Assistance Coordinator for Grants/Loans | \$15,000        |
| Grants of \$5,000 for Small Business Assistance        | \$75,000        |
| Miscellaneous Expenses for Program                     | \$1,000         |
| <b>TOTAL:</b>  | <b>\$91,000</b> |

**Attachments**

- A. Small Business Grant Program Application
- B. Business Needs Assessment

Attachment A

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## Applicant Information

Full Name: \_\_\_\_\_ *Date:* \_\_\_\_\_  
Last First M.I.

Address: \_\_\_\_\_  
Street Address Apartment/Unit #

City State ZIP Code

Phone: \_\_\_\_\_ *Email* \_\_\_\_\_

Federal Employer Identification Number (EIN) or Social Security Number: \_\_\_\_\_

Years in Business: \_\_\_\_\_ Employees (prior to 3/15/20): Full Time Part Time

Annual Payroll: \_\_\_\_\_ \$

Have you applied for and/or received Covid-19 funding from another sources? YES NO *If yes, list the source and amount:* \_\_\_\_\_

In one sentence, what does your business do? \_\_\_\_\_

| USE OF FUNDS:           |                 |
|-------------------------|-----------------|
| Inventory restock       | \$ _____        |
| General Supplies        | \$ _____        |
| Rent/Mortgage           | \$ _____        |
| Utilities               | \$ _____        |
| Marketing               | \$ _____        |
| Equipment               | \$ _____        |
| Payroll                 | \$ _____        |
| Other (please list)     | \$ _____        |
| <b>TOTAL REQUESTED:</b> | <b>\$ _____</b> |

## COVID-19 IMPACTS

Is your business Open due to Covid-19? OPEN LIMITED HOURS CLOSED

Summarize Covid-19 Impacts to the business: \_\_\_\_\_

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When do you expect to reopen?

When do you expect to return to pre-Covid-19 operations?

**DOCUMENTATION**

1. Payroll or roster of employees
2. 2018 Federal Tax Return. Only applicable if your business was operational in 2018. Personal returns will be accepted for independent contractors and self-employed individuals if business returns are not available.
3. 2019 Federal Tax Return (if filed). If not, income Statement showing monthly sales. You may use your regular format, such as downloading from your accounting software. Or you may use this free template (<https://corporatefinanceinstitute.com/resources/templates/excel-modeling/free-income-statement-template/> )
4. 2020 year-to-date (January - March) income statement showing monthly sales. You may use your regular format, such as downloading from your accounting software. Or you may use this free template (<https://corporatefinanceinstitute.com/resources/templates/excel-modeling/free-income-statement-template/>)
5. Supporting documentation for potential revenue in April 2020 such as proof of canceled contracts, revenue generating events, etc.

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**CERTIFICATIONS**

This application does not commit the City to making an award.

The City of Millville reserves the right to accept or deny any or all applications if it is determined to be in the best interest of the City to do so. The City shall notify the applicant if it rejects their application.

**By signing my name, I certify that my responses to the questions have been truthful and the supporting documentation I have provided is authentic. I understand that the City of Millville reserves the right to deny funding based on tax history.**

- I am/was in good standing with all property taxes and inspections
- Without an infusion of emergency assistance I would be unable to reopen
- I intend to re-hire as many of my previous employees as materially possible within the next six months
- If collateral is not available, I will provide a personal guarantee for the loan amount

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**Signature**

**Date**

## Attachment B

### Business Needs Assessment

The Covid-19 Response Pilot Program will use this checklist as an Informal SWOT Analysis (Strengths, Weakness, Opportunities, Threats) to help Identify areas of need. Please use extra space in chart for notes.

Name: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Business Name: \_\_\_\_\_  
 Business Address: \_\_\_\_\_  
 Number of Employees (including self): \_\_\_\_\_

### GENERAL MANAGEMENT

|  | YES                      | NO                       | DON'T KNOW               | PROVIDE COPY                        |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| Are you happy with the current performance of your business? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪  |                          |                          |                          |                                     |
| Has your revenue grown annually?                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪  |                          |                          |                          |                                     |
| Do you track expenses to monitor profit variability?         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪  |                          |                          |                          |                                     |
| Do you have a business plan or strategic plan?               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ▪  |                          |                          |                          |                                     |
| Do you have an evaluation method for your employees?         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ▪  |                          |                          |                          |                                     |
| Do you have a need to develop systems for productivity?      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪  |                          |                          |                          |                                     |
| Do you need renovations?                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪  |                          |                          |                          |                                     |

### MARKETING

|                                    |                          |                          |                          |                                     |
|------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| Do you have a website? List if so: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪                                  |                          |                          |                          |                                     |
| Do you have a marketing plan?      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ▪                                  |                          |                          |                          |                                     |
| Do you use direct marketing?       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                     |
| ▪                                  |                          |                          |                          |                                     |

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|   |                          |                          |                          |                 |                          |                    |                          |
|---|--------------------------|--------------------------|--------------------------|-----------------|--------------------------|--------------------|--------------------------|
| Do you have a social media presence?                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Do you set a goal and measure marketing results?          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Are your marketing efforts effective?                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Do you have a unique brand?                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Are you hitting your sales targets?                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Are you reaching your target group?                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Do you hold events and/or promotions?                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Do you partner with other business?                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                 |                          |                    |                          |
| ▪   |                          |                          |                          |                 |                          |                    |                          |
| Are you looking to improve in any of the following areas? |                          |                          |                          |                 |                          |                    |                          |
| Management  | <input type="checkbox"/> | Marketing                | <input type="checkbox"/> | Finance & Sales | <input type="checkbox"/> | Strategic Planning | <input type="checkbox"/> |