

**CITY OF BEAUMONT**  
**Business Assistance Job Creation Program**  
**Program Description & Guideline**

**Program Description**

The City of Beaumont Business Assistance Job Creation Program (Program) is designed to assist eligible commercial businesses within the City of Beaumont by offsetting the staffing costs of newly hired employees and creating jobs to assist members of the community in obtaining employment. The City Council has determined there is a public benefit to the residents and businesses of Beaumont by facilitating the hiring of employees working for Beaumont businesses, which therefore adds jobs to the local economy.

The job created must be a permanent full-time equivalent employment. The program requires that the new full-time employment position remain in effect for one year or more. While it is a loan program, if the applicant has maintained compliance with the Program Guidelines during the one-year loan term, the interest-free loan will be 100% forgiven. Owners of equity interest(s) of twenty percent (20%) or more in the Applicant shall be required to guaranty the forgivable loan. The 2025 funding amount per job through this Program is \$20,000.

A pre-application submitted by interested businesses will be required for participation in the program. Applications will be accepted and evaluated on qualifications and program focus. Only one application per business will be considered. Owners of multiple businesses may only submit one application for one of their businesses located within the City. Applicants who have participated in other City economic development programs within the last year are not eligible to apply for assistance again.

**Program Eligibility Criteria**

To be eligible for the Program, the business must be located in the City of Beaumont and meet all of the following requirements:

1. The business must not be delinquent on any existing debt obligations to the U.S government (no past defaults).
2. No outstanding code violations.
3. Business must meet all State and local building and zoning codes.
4. Building must directly front/face a public right-of-way.
5. A Beaumont business license or a pending application.
6. Business will need to provide liability insurance.
7. The business will need to provide a business plan that includes a budget, initial start-up costs, fixed costs, variable costs, and critical/optional expenses, and profit margins. Please refer to Attachment B for Business Plan Outline.
8. The business must provide copies of official filing with the California Secretary of State, if applicable, or local municipality for the business such as one of the following: Articles of Incorporation, Certificate of Organization, Fictitious Business Name of Registration or Government-Issued Business License.

9. All business owners with a 20% or greater ownership will need to submit a copy of an acceptable form of government issued identification and execute a guaranty of the forgivable loan.

#### Ineligible Businesses

- Businesses not visible from the public right-of-way or publicly owned space.
- Home-based businesses.
- Independent contractors (i.e., consignment booths, salon chairs, etc.).
- Any national chain that is not locally franchised.
- Massage parlors and bail bond services.
- Corporate-owned fast-food restaurants (franchisees are eligible).
- Check cashing, liquor stores, smoke/cannabis shops, firearms retailers, pawnshops.
- Non-profit organizations or service providers.
- Religious institutions.
- Real estate salespersons.
- Financial businesses primarily engaged in the business of lending, such as banks and finance companies.
- Passive businesses owned by developers and landlords that do not operate an active business or occupy a storefront in the Downtown Area.
- Life insurance companies.
- Businesses located in a foreign country (businesses in the U.S. owned by aliens may qualify).
- Pyramid sale distribution plans. (i.e. Amway, Herbalife, Mary Kay).
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities.
- Businesses engaged in any illegal activity.
- Private clubs and businesses which limit entrance or memberships for reasons other than capacity.
- Government-owned entities.
- Businesses principally engaged in teaching, instructing, or counseling religion or religious beliefs, whether in a religious or secular setting.
- Loan packagers earning more than one-third of their gross annual revenue from packaging SBA loans.
- Businesses with an Associate who is incarcerated, on probation, on parole, or has been indicted for a felony or a crime of moral turpitude.
- Businesses in which the city or any of its Associates owns an equity interest.
- Multi-national or publicly traded businesses are not eligible for this program.
- Adult oriented businesses.
- Business owned by a person listed on the Federal Excluded Parties List (EPLS) maintained on [www.sam.gov](http://www.sam.gov).
- Business owned by City of Beaumont employees or members of the City Council.

#### Program Procedure

Pre-applications for participation in the Program are available by emailing [EconDev@beaumontca.gov](mailto:EconDev@beaumontca.gov).

Pre-Applications will be accepted until 5:00 p.m. of the first Friday of February and August each year the program is in effect; or until 10 pre-applications have been received in each six-month period, whichever is first. Pre-applications will be reviewed for qualifications and those that meet the basic qualifications will be entered into a lottery. Applicants entered into the lottery will be contacted to complete a full application and move forward in the evaluation process in the order of the lottery selection until program slots are fulfilled and based on the availability of Program funding.

The full applications will be scored based on program focus areas. If an applicant scores below 70 points on their application, they will be deemed ineligible to continue. All applicants will need to score 70 and above on their application and have completed their application in its entirety, signed and submitted with all required documents as listed in the application. Applications will be reviewed in the order in which they are received. Incomplete applications will not be processed. An appointment is required with program staff to submit the application. To request an appointment, contact the Economic Development Department at [EconDev@beaumontca.gov](mailto:EconDev@beaumontca.gov).

Program staff's eligibility determination is not a commitment of funds. Funds shall only be committed upon approval by the City Council and the full execution of the Contract Agreement and other pertinent documents.

### **Application and Award Process**

**Step 1.** Pre-Applications will be accepted until the 5:00 p.m. of the first Friday of February and August each year the program is in effect, or until 10 pre-applications have been received for each six-month period, whichever is first. Pre-applications will be reviewed for qualifications and those that meet the basic qualifications will be entered into a lottery.

### **Pre-Application Requirements**

The pre-application consists of a letter from the applicant detailing the following:

1. The location of the new or expanded business
2. The type of business the applicant intends to establish or expand
3. The applicant's experience in operating this type of business
4. How many jobs this establishment or expansion will create
5. How this business will meet the goals of the Program (hiring of Beaumont residents, veterans, high wage employees, businesses of the type identified in Attachment A, businesses in priority locations and overall beneficial impacts)
6. Confirmation that the business and applicant meet the Eligibility Criteria

**Step 2.** Applicants entered into the lottery will move forward in the evaluation process in the order of the lottery selection until program slots are fulfilled and based on the availability of Program funding. Applicants who are selected will be contacted to complete a full application with all required within (2) weeks of notification of eligibility by the City.

### **Full Application Requirements**

1. The preselected applicants will be invited to complete a full application with all documentation. All documentation will need to be returned to the City within (2) weeks of notification of eligibility by the City. The documentation criteria are as follows:
2. Must provide a copy of their current lease agreement/mortgage statement for the commercial space their business occupies.
3. Provide completed vendor forms (W-9 and CA 590 form).
4. Organizational documents such as fictitious business statements, articles of incorporation, operating agreements, etc.
  - i. For corporations: copy of recorded Articles of Incorporation and Bylaws.
  - ii. For partnerships (general or limited): copy of Partnership Agreement and GP-1 or LP-1. For LLCs: copy of recorded Articles of Organization and Operating Agreement.
  - iii. For sole proprietorships: recorded Fictitious Name filing, if available.
  - iv. If a trust is involved: Trust Agreement and names of trustees and signers.
5. All business owners with a 20% or greater ownership must submit the following:
  - i. An acceptable form of government issued identification.
  - ii. A completed Authorization to Release Information form.
6. A copy of current Beaumont Business License.
7. A copy of business liability insurance.
8. Document which specifies what person/s in a corporation or partnership is authorized to sign documents and assume debt on behalf of the business.
9. A Business Plan as outlined in Attachment B.

### **Application Evaluation and Scoring Process**

1. Applications will be accepted and evaluated for completeness and Applicant eligibility.
2. Applications will be evaluated in accordance with the scoring criteria as listed below.

#### Rating/Scoring Criteria of Application

| <b>Criteria</b>                        | <b>Points</b> | <b>Description</b>  | <b>Score</b> |
|--|---------------|---|--------------|
| Jobs Created/Retained                  | 40            | Points awarded for number of jobs created or retained.  |              |
| Business Plan                          | 10            | Points awarded for thoroughness of business plan.   |              |
| Preferential hiring for City residents | 10            | Points awarded for priority hiring of Beaumont residents.   |              |
| Preferential hiring for veterans       | 5             | Points awarded for targeting hiring of veterans.  |              |
| High Wage employees                    | 15            | Points awarded for hiring of employees with wages above County average.   |              |
| Targeted Industry Jobs                 | 10            | Points awarded for the establishment or retention of a business identified in the City's Economic Development Strategic Plan as Targets for Business Attraction |              |
| Priority Location                      | 5             | Points awarded for establishment or retention of a business in a priority location (e.g. Town Center)   |              |
| Overall Economic and/or Social Impact  | 5             | Points awarded for overall benefit to the City.   |              |

|       |  |
|-------|--|
| Total |  |
|-------|--|

**Step 3.** Applications that are complete, with all of the required documentation, will be reviewed for eligibility. Program staff will review application information and provide an eligibility determination within 14 business days. Program staff will advise Applicants of any deficiencies within incomplete applications, and indicate corrective measures required. Applications will be reviewed for qualifications and scored. Those with a passing score of 70 and above on their application will be notified of approval.

**Step 4.** Upon approval of application, Program staff shall schedule an appointment with each qualified Applicant to review program requirements, hiring goals, and reporting and documentation requirements. Applicant will review and sign the Contract Agreement and all other pertinent documents. Program staff will schedule the Contract Agreement for City Council consideration.

**Step 5.** Should the City Council approve the Contract Agreement, a single distribution payment of the total contract dollar amount will be made. The approximate processing time between executed Contract Agreement and fund disbursement is 4 weeks.

**Step 6.** Applicant will have three months from the date the Contract Agreement was executed to fulfill the employment position, or if for three consecutive months the required position has remained vacant, the forgivable loan agreement will be terminated, and the loan balance will be due and payable. An Applicant may request an extension of time to complete recruitment based on demonstration of good faith efforts to fill the position(s) without success.

**Step 7.** During the Participation Period, the Participant is responsible for providing:

- A. Monthly payroll of all employees under program. The payroll shall include at a minimum the following for each required employment position: employee name, job title, hours worked per week, the hourly rate for participating employees, plus any other documentation as determined by Staff. Monthly payroll will be due on the 15th of each month from when full-time equivalent employment started.
- B. A Close Out report is due along with final payroll submission. The Close Out Report will indicate the number of jobs created and a short narrative of accomplishments for the program. If documentation of expenditure is not provided, funds must be returned to the City. The template is provided in Attachment C.

Upon approval of application, the business will need to maintain employee(s) hired under this program for at least one (1) year. A close-out report will be required for review to determine compliance with Program requirements.

All of the above criteria are important, and the absence of any one of these elements may be sufficient to reject an application. Please note that Participant may be required to submit

additional documentation, as requested by Program staff, in instances where additional application clarification is required.

## **Job Creation Requirement & Term**

### **Program Participation Period:**

The required period of time for program compliance and loan forgiveness is one year (Participation Period) from the hiring date of the eligible job created. The Applicant is responsible for retaining any documentation evidencing eligible expense use and subject to an audit to evidence such use of loans. Should the Applicant not meet the obligations as required in the Contract Agreement, loaned funds will be due and payable to the City.

### **Sale of Business During Program Term**

Any business receiving program funding shall disclose the information and details of the loan upon sale or transfer of the business to any subsequent owner. In the case of sale of a participating business during the one-year program term, the new buyer must provide a complete application and written agreement to the City affirming assumption of all conditions of the Program for the remainder of the term.

### **Close of Business**

Any business receiving program funding shall disclose the information and details of close of business 30 days in advanced. The City may require the business to return a portion of or the entire loan, including but not limited to any fees or costs incurred.

### **Created Jobs Defined:**

“Jobs created” is defined as a full-time equivalent position or positions which are filled by a person or persons who are not a current or previous employee. Full-time is defined as 40 hours of work per week. The following additional policies apply for new employment positions:

- Multiple part-time positions may equal full-time equivalents (i.e., two new part-time positions each working 20 hours per week would be considered one full-time equivalent).
- Only permanent positions count. Temporary jobs may not be included.
- Seasonal jobs may be counted only if the season is long enough for the job to be considered as the employee’s principal occupation.

### **Full-time Equivalent (FTE) Defined:**

For the purposes of this program, Full-Time Equivalent (FTE) is defined as forty (40) hours of paid full-time work in a seven-day period. In the medical field, the industry practice defines full-time positions as 32 to 36 hours of work in a seven-day period. Therefore, the only exception to the forty-hour definition of FTE position requirement will be for positions created in the medical field, when the written personnel policy of the participating business states clearly the number of hours that constitutes full-time positions as 32 hours or more.

## **ATTACHMENT A TYPE OF PROJECT**

Funding priority will be recommended for projects that meet the overall design scope and criteria for the location, create jobs, expand economic opportunities, and generate sales tax. The following project types will be considered for project funding:

- Appliance and Furniture Sales
- Apparel Sales
- Electronic/computers Sales
- Kitchen equipment
- Gift stores
- Health and Sporting Goods stores
- Book and Entertainment stores
- Musical instruments and sound equipment store
- Upscale grocery and import stores
- Dinner houses/restaurants
- Coffee Shops
- Bakeries
- Cafés
- Gastropubs
- Microbrewery
- Aerospace
- Computer/Technology
- Bio-Tech
- Medical
- Manufacturing
- Vehicle Dealership

## **ATTACHMENT B BUSINESS PLAN OUTLINE**

### **BUSINESS PLAN**

Please provide a written description of the business as justification for the funding request to address the following:

#### *1. Executive Summary*

- A. **Overview of the Business:** Provide a brief description of the business, including its mission statement, vision, and values.
- B. **Key Objectives:** Outline the primary goals of the business over the next 3-5 years.
- C. **Summary of the Funding Request:** Explain how the business plans to use the Program funding, including the number of jobs it expects to create or retain.

#### *2. Company Description*

- A. **Business History:** Provide a brief history of the business, including the year it was founded and major milestones.
- B. **Legal Structure:** Describe the legal structure (e.g., LLC, Corporation, Partnership).
- C. **Location:** Detail the business's current location and any plans for relocation or expansion.
- D. **Ownership:** List the owners or major stakeholders and their respective shares.

#### *3. Market Analysis*

- A. **Industry Overview:** Describe the industry in which the business operates, including trends and market size.
- B. **Target Market:** Identify the specific customer segments the business targets, including demographics, needs, and purchasing behaviors.
- C. **Competitive Analysis:** Provide an analysis of key competitors, including their strengths and weaknesses relative to the business.

#### *4. Organization and Management*

- A. **Organizational Structure:** Provide an organizational chart or description of the company's structure.
- B. **Management Team:** List key members of the management team, including their backgrounds, roles, and responsibilities.
- C. **Advisors and Consultants:** Mention any external advisors or consultants the business works with, including their contributions.

#### *5. Products or Services*



- A. Product/Service Description: Describe the products or services offered by the business, including any unique selling propositions (USPs).
- B. Development Stage: Explain the current stage of development of the products or services (e.g., concept, prototype, fully developed).
- C. Research & Development: Outline any ongoing R&D efforts related to the products or services.

#### 6. *Marketing and Sales Strategy*

- A. Marketing Plan: Describe the marketing strategies the business will use to reach its target market, including pricing, promotion, and distribution strategies.
- B.
- C. Sales Strategy: Outline the sales tactics and channels the business will use to generate revenue.
- D. Customer Relationship Management (CRM): Explain how the business plans to manage relationships with customers.

#### 7. *Operations Plan*

- A. Operational Workflow: Describe the daily operations of the business, including production, delivery, and quality control processes.
- B. Facilities and Equipment: Detail the facilities and equipment required to operate the business.
- C. Technology and Systems: Outline the technology and systems used to manage the business, including any plans for upgrades or enhancements.

#### 8. *Financial Plan*

- A. Financial Projections: Provide financial projections for the next 3-5 years, including income statements, cash flow statements, and balance sheets.
- B. Break-Even Analysis: Include an analysis of the break-even point for the business.
- C. Assumptions: List the key assumptions underlying the financial projections.

#### 9. *Job Creation/Retention Plan*

- A. Job Descriptions: Provide descriptions of the new or retained positions, including required skills and expected compensation.
- B. Hiring Plan: Outline the timeline and process for hiring new employees, with a focus on city residents, veterans, and high-wage positions.
- C. Employee Development: Describe any training or development programs planned for employees.

#### 10. *Risk Analysis*

- A. SWOT Analysis: Include a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of the business.
- B. Contingency Plans: Detail any contingency plans for managing potential risks, such as economic downturns or industry changes.

#### *11. Appendix*

- A. Resumes of Key Personnel: Include the resumes of key management personnel.
- B. Legal Documents: Attach any relevant legal documents, such as incorporation papers or partnership agreements.
- C. Supporting Data: Include any additional data, charts, or research that supports the business plan.

**ATTACHMENT C  
CLOSE OUT REPORT TEMPLATE**

**Business Name:**

**Business Address:**

**Submitted by:**

**Date Submitted:**

| <b>Progress Report Narrative</b>                                     |                |                  |                   |
|--|----------------|------------------|-------------------|
| Please provide a short narrative of accomplishments for the program. |                |                  |                   |
|  |                |                  |                   |
| <b>Jobs Created</b>  |                |                  |                   |
| Month  | Position/Title | Name of Employee | Full or Part Time |
|  |                |                  |                   |
|  |                |                  |                   |
|  |                |                  |                   |
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