



**CITY OF LAUDERHILL**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**SMALL BUSINESS & MICROENTERPRISE ASSISTANCE PROGRAM**



**APPLICANT FREQUENTLY ASKED QUESTIONS (FAQ)**

This FAQ is intended to help applicants better understand the CDBG Small Business & Microenterprise Assistance Program, including eligibility requirements, application procedures, eligible uses of funds, and program compliance requirements.

**I. PROGRAM OVERVIEW**

**1. What is this program?**

The City of Lauderhill provides **forgivable loans** to help for-profit businesses grow, stabilize, and create or retain jobs for low- and moderate-income (LMI) residents.

**2. Is this a grant?**

No. The assistance is provided in the form of a forgivable loan. Loan funds may be fully forgiven if the business remains in compliance with all program requirements during the applicable compliance period (18 months for Microenterprises; 5 years for Small Businesses).

**3. How much funding can I receive?**

- **Small Business (6 to 25 employees):** Up to \$25,000.
- **Microenterprise (5 or fewer employees):** Up to \$10,000.

**4. What is the difference between a Small Business and a Microenterprise?**

A Small Business has 6 to 25 employees, including the owner or owners. A Microenterprise has 5 or fewer employees, including the owner or owners.

**5. Who administers this program?**

Through its Economic Development Division, in collaboration with the Grants Division, the City administers the Community Development Block Grant (CDBG) Small Business and Microenterprise Assistance Program to support economic development activities that benefit low- and moderate-income (LMI) persons, in accordance with 24 CFR Part 570.

**6. What do the Economic Development Division and Grants Division do?**

- The Economic Development Division supports outreach, business engagement, and informational assistance related to the program.
- The Grants Division is responsible for application review, eligibility determination, and compliance with applicable CDBG requirements.

**II. ELIGIBILITY**

**7. Who can apply?**

To be eligible, your business must:

- Be a for-profit entity with a physical presence or a permanent dedicated space (suite or unit) in the City of Lauderhill.
- Have been in continuous operation for at least 24 months before applying.
- Provide goods or services to the public (e.g., retail, restaurants, salons, or professional offices).
- Be a U.S. Citizen or a Qualified Alien (e.g., Lawful Permanent Resident/Green Card holder, Refugee, Asylee, or certain other legal statuses).

**8. What does "providing goods and services to the public" mean?**

It means your business must be "**consumer-facing**," selling products or providing services directly to the local community (like a grocery store, salon, or repair shop). To qualify, your business must be open to the general public and serve a neighborhood where the majority of residents are low- and moderate-income (LMI). **Passive ventures**, such as real estate investing or rental properties, do not qualify.



**9. Are home-based businesses eligible?**

They are considered on a case-by-case basis. You must prove "commercial legitimacy," be operating within a permanent dedicated area of the home, have all required City and County Business Tax Receipts (BTRs), and maintain a clear separation between business and personal finances.

**III. USE OF FUNDS (DOs AND DON'Ts)**

(Please refer to the table located in the Program Overview & Guidelines for eligible & ineligible expenses.)

**10. What can the money be used for?**

Approved "Working Capital" and expansion costs, including:

- **Operating Costs:** Limited rent, utilities, insurance, and payroll.
- **Inventory:** Supplies and stock needed for business activity.
- **Equipment:** Machinery and tools (portable, no installation and must be under \$5,000).
- **Professional Services:** Accounting, marketing, workforce training, or business planning services.

**11. What is NOT allowed?**

- **Debt:** Paying off old bills, refinancing loans, interest, or late fees.
- **Owner Pay:** Owner draws, dividends, or bonuses.
- **Construction:** New construction, structural expansions, or major renovations.
- **Personal:** Any personal or household expenses.
- **Other:** Long-term subsidies, real estate investment, political activities, prohibited business activities, or any cost not allowed under the program.

**IV. THE "ENVIRONMENTAL CLEARANCE" RULE**

**12. Can I buy my equipment or sign my lease before I'm approved?**

**NO.** This is the most important rule. **Pre-award costs are not eligible.** No purchases, contracts, or commitments (like signing a new lease) may be made before the City provides written authorization. If you spend money before "Environmental Clearance," those costs cannot be reimbursed.

**13. Can I begin the project before receiving approval?**

No. Applicants should not incur costs, purchase equipment, execute contracts, or begin activities related to the project before receiving written authorization from the City. Costs incurred prior to approval may be deemed ineligible.

**V. APPLICATION & JOB REQUIREMENTS**

**14. How do I apply?**

Applications must be submitted electronically through the City's official [Neighborly Application Portal](#) to protect applicant information, maintain data security, and ensure a fair review process. Applicants are responsible for submitting a complete and accurate application with all required supporting documentation through the portal.

Documents submitted outside the official portal, including emailed or in-person submissions, may not be incorporated into the official application file or considered for funding.

**15. Will City staff help me complete my application?**

Yes. City staff may provide general information regarding the application process; however, applicants are responsible for completing and submitting their own application and supporting documentation. Assistance provided by City staff does not guarantee eligibility, approval, or funding.

**16. What documents are typically required?**

The application package includes the application, signed disclosures and terms, business formation records, tax IDs, proof of location, licenses, insurance, ownership documentation, tax returns, current financial statements, bank statements, payroll records where applicable, duplication of benefits information, and a business plan or narrative.

**17. Can I write "see attachment" in the application responses?**



No. Applicants must provide a brief response to each question within the application. The Business Plan/Narrative and supporting documents should provide additional detail and supporting information.

**18. Do I need a UEI from SAM.gov?**

Yes. Approved applicants must have a valid Unique Entity ID from [SAM.gov](https://sam.gov) before execution of the loan agreement.

**19. How do I request a Unique Entity ID (UEI) number only?**

Go to the official [SAM.gov Entity Registration](https://sam.gov) site. You can get a UEI for free without completing a full business registration.

**Step 1. Visit SAM.gov:** Go to the official SAM.gov Entity Registration page.

**Step 2. Sign In or Create Account:** Click "Get Started" and sign in to your account. You will be redirected to

**Step 3. Login.gov** to create or verify your credentials.

**Step 4. Select Your Option:** Once logged in, choose "Get a Unique Entity ID Only" if you just need the number without the full government bidding registration.

**Step 5. Enter Your Details:** Provide your legal business name and physical address. You may be asked to provide official documentation to validate your entity's existence.

**Step 6. Receive Your UEI:** After verification, your 12-character alpha-numeric UEI will be issued

**20. What should be included in the business plan or narrative?**

At a minimum, it should describe the business, products or services, target market, ownership and management, project readiness, budget and sources of funds, 12-month projections, and the economic impact or community benefit.

**21. What if my application is incomplete?**

Incomplete applications, including applications with missing signatures or required documentation, may be deemed ineligible and may not be considered for funding. The City reserves the right to request additional information or clarification during the review process and may establish deadlines for submission of requested supporting documents. Such requests do not guarantee funding, eligibility, or reservation of funds.

**22. Do I need to create jobs?**

- **Small Business:** Yes. You must create or retain permanent jobs, ensuring that at least 51% are held by, or made available to, LMI persons.
- **Microenterprise:** No. Instead, the owner must meet HUD income limits (LMI status) and provide a self-certification form.

**23. Can I submit applications for multiple businesses?**

The City reserves the right to limit funding to one application per owner, business entity, or affiliated business interest, as determined appropriate to ensure equitable distribution of funds.

**VI. FUNDING REVIEW & APPROVAL**

**24. How does the City evaluate applications?**

The City reviews applications based on completeness, eligibility, compliance with program requirements, demonstrated need, eligible use of funds, project readiness, and benefit to low- and moderate-income (LMI) persons.

Applications are evaluated in accordance with applicable program requirements and federal regulations to ensure a fair and consistent review process.

**25. Does submitting an application guarantee funding?**

No. Funding is not guaranteed. Awards depend on eligibility, compliance, project review, and availability of funds. Meeting minimum eligibility requirements does not guarantee an award.

**26. Is funding awarded on a first-come, first-served basis?**

Funding is subject to eligibility, compliance review, application quality, and availability of funds. Submission of an application does not guarantee funding or reservation of funds.



The City reserves the right to prioritize applications based on program goals, demonstrated need, readiness, and benefit to low- and moderate-income (LMI) persons.

**27. Can the City request more information?**

Yes. The City may request additional documentation at any time to verify eligibility, compliance, cost reasonableness, or readiness.

**VII. PAYMENT & COMPLIANCE**

**28. When and how do I get the money?**

This is a **reimbursement program**.

- You get approved and sign your agreement.
- You spend your own funds on pre-approved items.
- You submit invoices and **proof of payment** (business bank statements/cleared checks, cash payments and unsupported receipts may not be eligible for reimbursement.).
- The City reimburses you. (Direct U.S. based vendor payment is only available in limited cases with prior approval.)

**29. How are funds paid?**

Funds are generally disbursed on a reimbursement basis or, in limited cases, paid directly to approved vendors.

**30. What do I need to submit for reimbursement?**

You will need supporting documentation such as invoices, receipts, proof of payment, and any other documents the City requests.

**31. Can the City pay my vendor directly?**

Possibly. Direct U.S. based vendor payment requires City approval, verification of eligible costs, and may require invoices, quotes, or contracts.

**32. Do I need multiple quotes?**

The City may require a minimum of three (3) quotes, estimates, or other documentation to verify that costs are reasonable and consistent with market rates. For expenses over \$2,500, the application states that the City may require multiple quotes or supporting documentation.

**VIII. AFTER AWARD AND COMPLIANCE**

**33. What happens after I am approved?**

Approved applicants must execute a Forgivable Loan Agreement, use funds only for approved eligible activities, remain operational in Lauderhill during the compliance period, maintain required licenses and registrations, and participate in required reporting and monitoring.

**34. How long is the compliance period?**

For Small Businesses, the compliance period is five years. For Microenterprises, the compliance period is eighteen months.

**35. What kinds of records do I need to keep?**

You must keep financial records, receipts, invoices, contracts, and other supporting documentation related to the use of funds.

**36. How long do I need to keep records?**

At least five years following the closeout of the City's CDBG program year with HUD, or longer if litigation or audit issues remain unresolved.

**37. Will the City monitor my business after the award?**

Yes. To have the loan forgiven, you must participate in monitoring, which includes providing updates, submitting documents, and allowing site visits, and other monitoring activities to ensure you are still operating in Lauderhill.

**38. What happens if I move or close my business?**

If you relocate outside of Lauderhill, sell the business, or fail to follow the rules during your compliance period, you may be required to **repay the funds** to the City.

**IX. DEFAULTS, REPAYMENT, AND LEGAL ISSUES**



**39. What could cause me to repay the funds?**

Repayment may be required if the business relocates, sells, or transfers ownership during the compliance period; loses required licenses or registrations; misuses the funds; fails to provide required reporting or documentation; or otherwise violates the program terms.

**40. What if I give false information in the application?**

False or misleading information may result in denial, repayment, termination of the agreement, civil action, and referral to law enforcement.

**41. Can related-party vendors be used?**

Possibly, but all related-party relationships must be fully disclosed to the City and are subject to review and approval. Vendor transactions must be conducted at arm's length, and prohibited conflicts of interest are not permitted under applicable federal regulations, including 24 CFR 570.611, state law, or City policy. Failure to disclose a related-party relationship or conflict of interest may result in denial of funding, repayment obligations, termination of the agreement, or other enforcement action.

The City reserves the right to deny participation where a conflict of interest or appearance of impropriety cannot be adequately resolved.

**X. PROGRAM QUESTIONS**

**42. Are accommodations available for individuals with disabilities or limited English proficiency (LEP)?**

Yes. Reasonable accommodations and language assistance are available upon request. Applicants requiring accommodation or technical assistance should contact the City prior to submitting an application.

**43. How can I contact the City if I have additional questions about the program?**

Applicants may contact the City by email at [smallbiz@laudershill-fl.gov](mailto:smallbiz@laudershill-fl.gov) for general program information, application questions, and requests for technical assistance. Email communication is the preferred method of communication for program-related inquiries; however, email communication is informational only and does not constitute submission of an application or supporting documentation. All applications and required documents must be submitted through the City's official [Neighborly Application Portal](#).