



COMMUNITY DEVELOPMENT BLOCK GRANT

SMALL BUSINESS & MICROENTERPRISE

PROGRAM OVERVIEW & GUIDELINES



DEPARTMENT

Grants Division & Economic Development



EFFECTIVE DATE

May 13, 2026



PREPARED BY

Grants Division



STRONG
NEIGHBORHOODS



THRIVING
BUSINESSES



BETTER
FUTURES



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



PROGRAM OVERVIEW

The City of Lauderhill (the "City") seeks to build a vibrant local economy by expanding economic opportunity and financial stability for its residents. Through the Community Development Block Grant (CDBG) Small Business & Microenterprise Assistance Program, the City provides forgivable loans to eligible businesses to support business stabilization and economic growth, including job creation or retention, and to promote long-term business sustainability, in accordance with 24 CFR Part 570.

This program is authorized under 24 CFR 570.203 (Special Economic Development Activities), including financial assistance to for-profit businesses for eligible economic development activities and microenterprise assistance under 24 CFR 570.201(o). All assistance will be underwritten in accordance with HUD guidelines and 24 CFR 570.209.

National Objective Compliance

All funded activities must meet a CDBG National Objective (24 CFR 570.208). Applicants must identify the proposed National Objective at the time of application. Final determination will be made and documented by the City in accordance with 24 CFR 570.208 and retained in accordance with 24 CFR 570.506.

- **Job Creation or Retention (LMJP):** Projects must create or retain permanent jobs, with at least 51% (Full-Time Equivalent) held by, or made available to, LMI persons.
- **Area Benefit (LMA):** For businesses serving primarily residential areas where at least 51% of residents are LMI. The City verifies this via HUD-approved Census data.
- **Limited Clientele (LMC):** Specifically for Microenterprises where the owner is documented as LMI (80% or less of Area Median Income).

ELIGIBILITY

In alignment with the City's strategic goal of Economic Opportunity and Sustainability, priority will be given to businesses that contribute to job creation and provide goods and services that enhance the quality of life for residents, particularly low- and moderate-income (LMI) persons.

To be considered for the program, applicants must meet the following **minimum requirements**:

- **For-Profit Status:** Must be a for-profit business.
- **Business Longevity:** Must have been in continuous operation with a physical presence in the City of Lauderhill for at least 24 months prior to the date of application.
- **Location:** Must be located within the City of Lauderhill (operational with a permanent dedicated space).
- **Public Benefit:** Must provide goods and/or services to the public.
- **National Objective:** Must meet one of the CDBG National Objectives described above.
- **Size:**
 - **Small Business:** Must have between six (6) and twenty-five (25), including the owner(s).
 - **Microenterprise:** Must have five (5) or fewer employees, including the owner(s).
- **Regulatory Compliance:** Must comply with all applicable federal, state, and local regulations.
- **Duplication of Benefits:** Funds may not be used for costs that are already covered by another funding source.
- **Financial Need:** Applicants must demonstrate a need for assistance and that funds are required for the project.
- **Eligible Applicants:** Assistance is limited to business owners who are either U.S. Citizens or "Qualified Aliens" as defined by 8 U.S.C. 1641.

Businesses engaged in ineligible activities under 24 CFR 570.207(a), including general government expenses, political activities, and income payments, are not eligible.

Home-Based Businesses

Eligible on a limited and case-by-case basis, subject to additional requirements.

To be eligible, **Home-Based Businesses** must also:

- **Commercial Legitimacy:** Demonstrate that the business is a legitimate, active commercial enterprise operating within a permanent dedicated area of the home.
- **Financial Separation:** Maintain clear separation between business and personal expenses.
- **Fund Usage:** Use funds exclusively for eligible business-related costs.



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- **Activity Verification:** Provide documentation verifying business activity (e.g., invoices, client records, sales activity). Priority will be given to businesses that provide essential goods and services and support neighborhood stability for LMI residents.

Applications will be evaluated based on demonstrated need, readiness, eligible use of funds, and benefit to LMI persons.

Grant Limitation

- A business owner with multiple businesses is eligible for **only one grant**. Additionally, only one grant may be awarded per business, regardless of the number of owners.

ELIGIBLE & INELIGIBLE EXPENDITURES & ACTIVITIES

Eligible Expenditures

CDBG funds may be used only for eligible costs necessary for business stabilization, economic growth, including job creation or retention, of the assisted business, as approved by the City. All costs must be necessary, reasonable, and directly related to the approved business activity. Eligible expenditures include:

Expenditure Category	Eligible Activities & Expenses
Working Capital	Short-term operating costs such as rent, utilities, insurance, and payroll.
Inventory & Supplies	Items necessary for day-to-day operations or business growth.
Machinery & Equipment	Purchase of portable, no installation equipment, such as tools, computers, or specialized machinery, under \$5,000.
Technical Assistance	Business training, such as accounting, marketing, or workforce development. Supporting employee training, upskilling, and professional development initiatives that strengthen business operations and long-term growth.
Professional Services	Marketing, Legal, accounting, or business planning services.

Ineligible Activities & Expenditures

Any cost not specifically identified as eligible will not be reimbursed or approved for payment. The City reserves the right to determine whether any cost is eligible and allowable under program requirements.

Category	Ineligible Activities & Expenses
Debt & Financial Obligations	Repayment of existing debt, refinancing, interest, or late fees.
Owner Compensation	Owner draws, distributions, dividends, bonuses, or personal compensation not tied to approved and documented labor costs.
Personal/Residential Expenses	Mortgage, rent, utilities, internet, cable, or any household expenses, including costs related to residential use of home-based businesses.
Rent Subsidies	Long-term or open-ended rent subsidies or recurring occupancy costs beyond approved short-term assistance.
Prohibited Businesses/Activities	Alcohol, firearms, weapons, controlled substances, gambling, adult entertainment, pawn shops/check cashing, franchise, chains, or any activity prohibited by federal, state, or local law.
Real Estate & Investment	Real estate speculation, passive investments, or acquisition of land or property for investment purposes.
Construction & Property Improvements	New construction, major structural expansion, or any activity requiring environmental review under federal regulations.
Political Activities	Political, lobbying, or partisan activities.
Pre-Award Costs	Any costs incurred prior to required approvals, including environmental clearance and execution of a loan agreement. No purchases, contracts, or commitments may be made prior to written authorization from the City.
Conflict of Interest	Any activity creating a prohibited conflict under 24 CFR 570.611 or applicable laws.
Job Relocation	Activities resulting in prohibited job relocation (anti-pirating).
General Ineligibility	Any activity not eligible under CDBG regulations or program requirements.
General Conduct of Government	Expenses related to the general operation of government are not eligible (24 CFR 570.207(a)(1)).



The City reserves the right to deny any cost deemed ineligible, unsupported, undocumented, or not directly related to the approved project scope.

BENEFITS & REQUIREMENTS

The CDBG Small Business & Microenterprise Assistance Program provides financial assistance in the form of forgivable loans to support business stabilization, economic growth, including job creation or retention, and long-term business sustainability.

Award Amounts

Award amounts are determined based on demonstrated need, eligibility, and availability of funds.

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

Forgivable Loan Compliance Period

Program assistance is provided in the form of forgivable loans. Loan funds may be fully forgiven if the business remains in compliance with all program requirements during the applicable compliance period:

- **Microenterprise Assistance:** 18 months
- **Small Business Assistance:** 5 years

Failure to comply with program requirements during the compliance period may result in repayment or recapture of funds.

Requirements for Approved Applicants

Applicants approved for funding must:

- Must possess a valid **Unique Entity ID (UEI)** from **SAM.gov** prior to the execution of the loan agreement.
- Execute a **Forgivable Loan Agreement** with the City.
- Use funds only for **approved eligible activities**.
- Maintain **active business operations within the City** during the compliance period.
- Maintain all required **licenses, registrations, and permits** in good standing.
- Participate in required **reporting and monitoring activities**, including providing all requested documentation required by the City to support **eligibility, use of funds, and ongoing compliance with program requirements**.
- Participate in **business technical assistance or training** as required by the City to support long-term sustainability.
- Failure to comply with program requirements may result in repayment of funds.

Disbursement of Funds

All program funds will be disbursed on a reimbursement basis or paid directly to approved vendors.

- **Reimbursement Basis:** Requests must include adequate supporting documentation, such as invoices, receipts, or proof of payment.
- **Direct Vendor Payments:** Requires City approval and verification of eligible costs prior to payment, and may require supporting documentation such as invoices, quotes, or contracts.
- **Withholding:** The City reserves the right to withhold payment for any cost that is ineligible, unsupported, or inconsistent with program requirements.

COST REASONABLENESS & PROCUREMENT

All costs charged to the program must be necessary, reasonable, and directly related to the approved business activity, in accordance with applicable CDBG requirements.

Cost Reasonableness Standards

Applicants must demonstrate that all costs are reasonable based on market value and appropriate for the scope of the project. To verify this, the City may require:

- **Cost Verification:** Quotes, estimates, or other documentation may be required to demonstrate that costs are reasonable and consistent with market rates.
- **Necessity Documentation:** Additional documentation to support the necessity and reasonableness of proposed expenses.



- **City Oversight:** The City reserves the right to determine whether any cost is reasonable and may deny or adjust funding for any cost deemed excessive, unsupported, or not aligned with program requirements.

Procurement & Vendor Requirements

- **Fair Procurement:** All goods and services must be procured in a manner that promotes fairness and cost reasonableness.
- **Significant Purchases:** Applicants are encouraged to obtain multiple quotes for significant purchases, particularly for equipment or high-cost services.
- **Vendor Legitimacy:** Vendors must be legitimate, independent businesses, and transactions must be conducted at arm's length.

Conflict of Interest (Vendor Level)

Program funds may not be used to pay vendors or service providers with whom the business or applicant owner has a financial or personal interest. Any such relationship must be disclosed and approved by the City prior to payment in accordance with applicable regulations.

Documentation Requirements

All costs must be supported by invoices, receipts, contracts, or similar documentation acceptable to the City. Failure to provide sufficient documentation may result in:

- Denial of reimbursement.
- Reduction of the award amount.
- Recapture of previously disbursed funds.

APPLICATION ASSISTANCE & SUBMISSION REQUIREMENTS

The City of Lauderhill may provide general guidance regarding the application process; however, such assistance is informational only and does not constitute legal, financial, or eligibility advice. Applicants are solely responsible for the completeness, accuracy, and timely submission of all application materials and supporting documentation as listed in the Application Checklist. Assistance provided by City staff does not guarantee eligibility, approval, or funding under this Program.

To ensure compliance with federal requirements, protect applicant information, maintain data security, and support an equitable review process, all applications and supporting documentation must be submitted electronically through the City's official [Neighborly Application Portal](#). Only applications formally submitted through the portal will enter the official review process. Documents sent by email, delivered in person, or provided outside the portal cannot be used as the official application submission.

Incomplete applications, applications missing required signatures or documentation, or applications submitted outside the official portal may be deemed ineligible and may not be considered for funding.

Reasonable accommodations for individuals with disabilities or limited English proficiency (LEP) are available upon request. Applicants requiring accommodation or technical assistance should contact the City.

APPLICATION, REVIEW & APPROVAL PROCEDURES

The City follows a structured process to ensure fairness and compliance with CDBG requirements.

- **Electronic Submission:** All applications must be submitted via the [Neighborly Application Portal](#). Incomplete applications or those missing required signatures may be deemed ineligible and may not be considered for funding.
- **Compliance Review:** The Grants Division will review applications for completeness, eligibility, and CDBG compliance. The City may request additional information or documentation during the review process.
- **Evaluation Criteria:** Applications are evaluated based on demonstrated need, eligible use of funds, project readiness, and benefit to LMI persons.
- **Award and Approval:** Funding is subject to eligibility, compliance review, and the availability of funds. Approval is contingent upon completion of all required reviews, including environmental clearance where required.
- **Final Condition:** Approved applicants are required to execute a **Forgivable Loan Agreement** as a condition of funding.

Additional Provisions

- **Funding Guarantee:** Submission of an application does not guarantee funding.



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- **City Rights:** The City reserves the right to approve, deny, or condition funding based on program requirements. The City reserves the right to request additional documentation at any time to verify eligibility and compliance.

FEDERAL FUNDING DISCLOSURE & CIVIL RIGHTS COMPLIANCE

- **Funding Disclosure**

This program is supported, in whole or in part, by federal funds awarded to the City of Lauderhill by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) Program (CFDA 14.218).

- **Non-Discrimination Statement**

The City of Lauderhill does not discriminate on the basis of race, color, religion, sex, national origin, disability, age, familial status, or any other protected class under applicable federal, state, or local law in the administration of its programs or activities.

In accordance with Section 109 of the Housing and Community Development Act of 1974, as amended, no person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds.

- **Accessibility & Language Access**

The City of Lauderhill is committed to ensuring accessibility for all applicants. Reasonable accommodations for persons with disabilities and language assistance for individuals with limited English proficiency (LEP) are available upon request.

CONTACT INFORMATION

For questions or technical assistance, applicants may contact the City at:

- **Email:** smallbiz@laudershill-fl.gov