



**ECONOMIC DEVELOPMENT
GROWTH ENGINE**
FOR MEMPHIS & SHELBY COUNTY

EDGE NEED GRANT AGREEMENT

Grant from EDGE to Salon-derful (“Grantee”) in the amount of \$5,000 (“Grant”) from August 7, 2020 (“Effective Date”) through August 31, 2023 (the “Effective Period”).

This Grant Agreement (“Agreement”) is entered into as of the Effective Date by and between the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (“EDGE”) and Grantee, with respect to the following:

PRELIMINARY STATEMENTS

A. EDGE has made available funding for economic development initiatives in response to the COVID-19 pandemic that impose significant financial hardships on the city of Memphis and especially in the areas containing property that qualify as Federal New Markets Tax Credit Eligible Tracts.

B. Grantee is a small business (defined as having less than \$1,000,000.00 in annual gross revenue) that has suffered at least a 25% reduction in gross revenue due to the COVID-19 pandemic.

C. EDGE has determined that the Grant to Grantee, for the purposes and on the terms and conditions stated below in this Agreement, will further EDGE’s economic development purposes by funding the activities described in the Grantee’s grant application and evaluation memo presented to the Economic Development Finance Committee attached and incorporated as Attachment A.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual obligations created hereby, EDGE and Grantee agree as follows:

1. **Grant Amount, Disbursement and Time Period.** Upon Grantee’s execution and delivery of this Agreement to EDGE, EDGE shall disburse the Grant to Grantee in the form of a check or wire transfer. The effective period for this grant is for the Effective Period.

2. **Purpose and Specific Uses of Grant.** EDGE is making this grant in furtherance of the economic development initiative set forth in Attachment A. Any changes in the purposes or use for which grant funds are spent must be approved in writing by EDGE before implementation.

3. **Reporting by Grantee.** Starting December 31, 2020 from the Effective Date, and continuing on each June 30 and December 31 until thirty-six (36) months after the grant funds are expended in full or the grant is otherwise terminated, Grantee shall submit a full and complete report to EDGE within five (5) days after the close of such period. The report shall be in the form attached hereto as Attachment B.

Such report shall describe the progress that Grantee has made toward achieving the purposes for which this grant was made both for the period and over the term of the grant, including: all expenditures made from the granted funds and the associated matching funds; grant-related activities; metrics achieved as outlined in the grant application (e.g., retained jobs, salaries, and capital investments); and shall report on the Grantee's compliance with the terms of this grant during that fiscal year. Each such report shall be signed and certified by an authorized officer or director.

4. **Recordkeeping and Accounting.** Grantee shall keep records and receipts to substantiate such expenditures as well as expenditures made with maturing funds. Grantee shall make such books and records available to EDGE at reasonable times, as requested by EDGE. Grantee shall keep copies of all books and records and all reports to EDGE for at least four years after completion of the use of the grant funds. EDGE is hereby authorized to conduct an audit of Grantee's books and records, and Grantee shall cooperate fully with any such audit authorized or conducted by EDGE.

5. **Prohibited Uses.** Grantee shall not use any portion of the funds granted herein, or any income therefrom:

a. To undertake any of the following activities:

- Liquor and tobacco stores
- Adult entertainment and product stores
- Pawnshop, Payday loans, Title loan establishments
- Car dealerships
- Ministorage
- Gas Stations
- Financial businesses primarily engaged in lending
- Real estate development or rental businesses
- Insurance companies
- Private clubs
- Non-profit agencies
- Home-based businesses
- Others at the discretion of the Economic Development Finance Committee

b. To violate any state, federal or local law or regulation.

6. **Notice of Changes.** Grantee shall notify EDGE immediately of any change in Grantee's status, personnel, or funding that may impair the ability of the Grantee to fulfill its obligations under this Agreement.

7. **Indemnification.** Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless EDGE, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from or in connection with any act or

omission of Grantee, its directors, officers, employees, or agents, in applying for or accepting the grant, in expending or applying the funds furnished pursuant to the grant or in carrying out the program or project to be funded or financed by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of EDGE, its officers, directors, employees or agents.

8. **Remedies.** In the event that Grantee violates or fails to carry out any provision of this Agreement, EDGE may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee, and EDGE may demand the return of all or part of the unexpended grant funds, which the Grantee shall immediately repay to EDGE.

9. **Governing Law.** This Agreement shall be construed in accordance with, and governed by, the laws of Tennessee. Any action brought to enforce the terms of this Agreement shall be brought in the appropriate state court located in Shelby County, Tennessee. EDGE shall be awarded its attorneys fees and expenses for this Agreement.

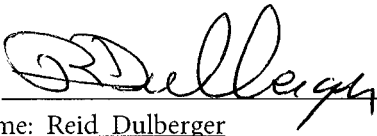
10. **Entire Agreement; Amendments and Waivers.** This Agreement shall supersede any prior oral or written understandings or communications between the parties hereto and constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may not be amended or modified, except in a writing signed by both parties hereto.

11. **Counterparts.** This Agreement may be signed in counterparts, meaning that the Agreement is valid if signed by both parties, even if the signatures of the parties appear on separate copies of the same Agreement rather than on a single document.

IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be executed on the dates set forth below.

Economic Development Growth Engine
Industrial Development Board of the City of
Memphis and County of Shelby, Tennessee

Date: 8/7/2020

By: 
Name: Reid Dulberger
Title: President & CEO

Date: _____

By: _____
Name: Sylvia Tucker
Title: Owner

Attachment A
Grant Application

EDGE NEED Grant Evaluation Memo to Economic Development Finance Committee

	EDGE Policy Requirement	Applicant	
Business:		Salon-derful	
Location:		6491 Winchester Rd. Suite 101	
Owner:		Sylvia Tucker	
MWBE		Yes Not Certified	
Staff Recommendation:		\$5,000	
Business Type:	Retail and commercial uses are eligible with exceptions.	Hair Salon	
Closed or Operational:	Businesses that remain open may qualify for up to \$10,000. Businesses that are temporarily closed may qualify for \$5,000.	Operational	
Revenue Loss:	25% or more reduction in revenue.	February 2020	\$9,072
		July 2020	\$0
		Reduction	100%
Open and Close Dates:	Locally owned and in operation prior to March 1, 2019 and through March 1, 2020.	Opened	2017
		Closed	March 25, 2020
		Reopen	July 30, 2020
NMTC Eligible:	Located in Memphis NMTC Qualified Census Tract.	Yes	
Annual Revenue:	Annual revenue less than \$1,000,000.	Yes	\$54,217
Tax Payments:	Current on Memphis and Shelby County property taxes.	Memphis	Yes
		Shelby County	Yes
ICED Loan Recipient:	EDGE will give preference to and waive the requirement that businesses be operational for at least one year for ICED Loan recipients.	No	
Business Planning Assistance:	Registered for TSBDC advising, received an initial assessment, and scheduled follow-up counselling session.	Registered	Yes
		Counseling	Yes
		Follow-Up	Yes
COVID-19 Business Impact:	Applicant must describe the impact of COVID-19 on business.	-Forced to close due to being a non-essential business. -Owner is covering business expenses from personal savings. - Cost of PPE has increased and owner is concerned about being able to stock up.	
Stabilization and Recovery Plan:	Applications will be evaluated on stabilization and recovery plan, the probability that they can survive, and estimated community impact.	-Has since reopened. However, due to shop size, can only see 1 client at a time. -Landlord and creditors allowing flexibility with payments. -Practicing social distancing and mandated PPE requirement. - Received a \$2,630 infusion from PPP. -Grant funds will be used for rent, insurance, supplies and PPE.	
Attachments:	EDGE Need Grant Application 90-Day Budget Last Filed Federal Tax Return	Attached Attached Reviewed Separately/No Concerns	



ECONOMIC DEVELOPMENT GROWTH ENGINE FOR MEMPHIS & SHELBY COUNTY

EDGE Neighborhood Emergency Economic Development (NEED) Grant Policy & Application

Summary/Purpose/Objectives:

The Board of Directors of The Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (EDGE) has created an EDGE Neighborhood Emergency Economic Development (NEED) Grant to secure neighborhood-serving businesses and prevent the loss of job generating activities in distressed and vulnerable areas. Grants of up to \$10,000 will be made to businesses located in, or adjacent or contiguous to New Markets Tax Credit Eligible Census Tracts throughout the City of Memphis that have experienced at least a 25% loss in revenue as a result of COVID-19. Funds may be used for essential working capital costs such as rent or mortgage payments, payroll, supplier and vendor payments, insurance and utilities.

Program Provisions

Eligible Applicants:

- Businesses must be locally owned and have been in operation with proper licenses and permits prior to March 1, 2019 and in continuous operation through March 1, 2020.
- Business must demonstrate a 25% or greater loss of revenue due to COVID-19 by comparing the month of February 2020 revenue to the revenue in the last full month of operation prior to application as attested to by the Applicant.
- Business must be located in, or adjacent or contiguous to a New Markets Tax Credit Qualified Census Tract within the City of Memphis based on www.cohnreznick.com/NMTC-Mapping-Tool.
- Annual revenue of Business must be more than \$25,000 and less than \$1,000,000.
- Business must be current on all City of Memphis and Shelby County Property Taxes or have an approved payment plan in place, for which it is current.
- All retail and commercial uses are eligible except:
 - Liquor and tobacco stores
 - Adult entertainment and product stores
 - Pawnshop, Payday loans, Title loan establishments
 - Car dealerships
 - Ministorage
 - Gas Stations
 - Financial businesses primarily engaged in lending
 - Real estate development or rental businesses
 - Insurance companies
 - Private clubs
 - Non-profit agencies

- Home-based businesses
 - Others at the discretion of the Economic Development Finance Committee
- In addition, churches and religious institutions, and government entities, are ineligible.
- Businesses that receive other forms of emergency local, state or federal financial assistance may still apply.
- Past participants in EDGE Inner City Economic Development (ICED) Loan program are eligible and EDGE will waive the requirement that businesses be operational for at least one year for ICED Loan recipients.

Eligible Uses:

Grant funds may be used for essential working capital such as rent or mortgage payments, payroll, supplier and vendor payments, insurance and utilities based on the budget presented with application based on the following provisions.

Amount Available:

Grants will be awarded on a first-come first-served basis as follows:

- Businesses that remain open with a 25% or more reduction in revenue and have a plan for 90 days of continuous future operation may qualify for between \$5,000 and \$10,000.
- Businesses that are temporarily closed due to COVID-19 but have a plan for reopening within 90 days and staying open for at least 90 days thereafter may qualify for up to \$5,000.

Evaluation:

EDGE staff will evaluate applications from operating businesses and make recommendations to the Economic Development Finance Committee based the business’s stabilization and recovery plan, the probability of business survival and the estimated impact to the business’s neighborhood.

Application & Approval Process:

Eligible businesses can initiate the process by emailing an application to NEED@Growth-Engine.org. Those wishing to discuss the program and review requirements prior to submitting an application should email a request to NEED@Growth-Engine.org or call 901-341-2100 and EDGE staff will follow-up to arrange a phone call.

To provide more comprehensive assistance to eligible businesses, EDGE is partnering with the Tennessee Small Business Development Center at Southwest Tennessee Community College (TSBDC) which will provide assistance in completing the NEED Grant application and work with the business to identify resources and business survival and recovery strategies. As part of the NEED Grant application, businesses must: (1) have registered for advising at www.tsbdc.org/advising/; (2) received an initial assessment from the TSBDC; and (3) scheduled a follow-up counselling session for no more than 45 days after initial assessment. EDGE may accept verification of comparable business assessment and counseling from The City of Memphis Office of Diversity & Compliance, Communities Unlimited, Epicenter or another recognized small business assistance agency.

Completed applications will be evaluated by the EDGE Economic Development Finance Committee, which will meet electronically on a weekly basis. The Committee will evaluate all applicants based on their stabilization and recovery plan and the probability that they can survive COVID-19 and continue

serving their community, estimated community impact, and compliance with program policies. Preference will be given to past EDGE ICED loan recipients, and to businesses that have not received emergency financial support from other local entities. The Committee will determine which applications are approved or denied.

Once approved, Grant Agreements will be scanned and emailed to the applicant immediately following the meeting. Grant Agreements will also be sent USPS. Applicants will have 21 days from approval to return a fully executed Grant Agreement to EDGE Grant Manager or the approval becomes null and void.

Fees:

There are no fees associated with the NEED Grant program.

Application:

The application is attached.

Reporting and Default Recourse:

All NEED Grant recipients shall be required to report semi-annually to EDGE with reports due on June 30th and December 31st for a period of three (3) years on their business status, sales, employment, and other data as identified by EDGE. See attached report form.

Should EDGE discover that the Applicant has misrepresented any statements in or associated with the Application process or has intentionally disregarded the Stabilization and Recovery Plan presented, EDGE reserves the right to declare the Applicant in default and collect grant funds disbursed plus attorney's fees and costs of collection.

Business Information

Please fill out your information on the lines below.

Business Name Salon~derful

Business Address 6491 Winchester Road, Suite 101

Business Telephone 901-624-COMB

Type of Business Hair Salon

Description Full Service Hair Salon

Business Structure (Sole Proprietor, LLC, C-Corp, Partnership, S-Corp) Sole Proprietor

Year Incorporated 2005

Date opened at current location 04/16/2017

Federal Employer Identification Number (EIN) or Social Security Number if Sole Proprietor



Minority or Woman-Owned Firm. Yes No If yes, certified? Yes No
By which certifying entity? _____

Number of full and part-time employees as of 2/1/2020 and their weekly total wages (include the owner(s) if paid by the business). 1

Describe employee benefits, if any (e.g., medical insurance, dental or vision insurance, retirement plan, etc.)

I am the only one who is employed at Salon~derful. I was paying for Life Insurance (\$29.63 per month) and Retirement (\$429.63 per month) Business Insurance (\$22.50 per month)

Have you registered for advising with TSBDC? Yes No

Have you received an initial TSBDC assessment? Yes No

Have you scheduled a follow-up counseling session with TSBDC? Yes No

Owner Information (for all owners of more than 20% of business)

Owner's Name(s) Sylvia Tucker

Home Address 552 Fossil Place

Home Telephone 901-857-2761

Email Salonderful@gmail.com

Owner's Name(s) _____

Home Address _____

Home Telephone _____

Email _____

Owner's Name(s) _____

Home Address _____

Home Telephone _____

Email _____

Owner's Name(s) _____

Home Address _____

Home Telephone _____

Email _____

Does the business, or any individuals owning more than 20 percent of the business, owe back taxes to the City of Memphis or Shelby County? Yes No

If so, attach an explanation of how that is being satisfied along with a copy of the payment plan.

Are any individuals owning more than 20 percent of the business or the business itself involved in any lawsuits? Yes No If so, please attach an explanation with a copy of the complaint.

Economic Injury to Business

	February 2020	Last Full Month of Operation Prior to Application
Business Revenue	\$9071.93	\$0.00
Part Time Employees	0	0
Full Time Employees	1	1
Total Payroll	1814.00	0.00

In one page or less describe the impact of COVID-19 on your business including but not limited to:

- Employee or payroll reductions (Number of employees on March 1 vs. at time of application)
- Sales and revenue decreases
- Supplier interruptions
- Customer interruptions
- Ability to satisfy debts and obligations

Covid-19 has interrupted my salon business because I was deemed Non-Essential as of February 2020 and then when I was told that i could resume business, clientele has not returned due to either fear of contracting the virus because of close contact or they are working from home and are not as interested as getting services as often or at all and some clients themselves has job loss or lay-off because of lack of work at their jobs, so this has hindered my business in some way or another. Salon rent is still due and all insurances as well. I also still have home rent, utilities, insurances and food, and personal needs expences. I am concerned that when this does let up, i will need the PPE items for that added layer of protection and peace of mind for me and my clients.

So I really need to maintain my salon for the time being with help you may offer until we move past the pandemic and come to a new normal in some way.

Thank you so much,

Sylvia Tucker

Stabilization and Recovery Plan

In one page or less describe steps to be taken to survive and recover from COVID-19 slow-down or interruption including but not limited to:

- Addressing customer interruptions and rebuilding sales, including marketing plans
- Addressing supplier interruptions
- Satisfying any outstanding financial claims, including vendors, bank/other debt, taxes, utility charges, etc.
- Any changes to the way the business operates
- Number and type of employees needed during application period
- Key budget items
- How the EDGE NEED Grant funds will be used
- Other funds to be used for the survival and recovery of the business

Im surviving by pushing back loan payments and prioritizing whats currently owed that will keep me afloat.

As of now, I have communicated to clients that an Air Purifier was donated for my salon suite and ordered gloves, mask, hand sanitizer, a thermometer, Lysol, disposable capes, disposable aprons for added safety, some of this will also be an added expense for business. Covid-19 has also changed the way I have to schedule my, I can only service one client at a time to lessen the chance to infect or be infected, this changes my income drastically. I definitely will clean and sanitize before and after each client.. The items mentioned above somehow has to be budgeted in.

I will use the funding to stay current on salon rent, insurances, hair product, more PPE items and as we move to a new normal, I will need hair supplies and product.

Please consider me and my salon in these unprecedented times. I have been opened since 2008 and i would love to stay afloat now ans in the future.

Note: The PPP award of \$2,630 has been helpful with rent in payroll, April/May and utilities.

Sincerely,

Sylvia

By signing below, I hereby grant on behalf of my staff, my employees and my company to EDGE, its directors, officers, employees, agents, and designees (collectively "EDGE Parties") non-revocable permission to capture my image and likeness in photographs, videotapes, motion pictures, recordings, or any other media (collectively "Images"). I acknowledge that EDGE will own such Images and further grant EDGE permission to copyright, display, publish, distribute, use, modify, print and reprint such Images in any manner whatsoever related to EDGE business, including without limitation, publications, advertisements, brochures, web site images, or other electronic displays and transmission thereof. I further waive any right to inspect or approve the use of the Image by EDGE prior to its use. I forever release and hold EDGE and the EDGE Parties harmless from any and all liability arising out of the use of the Images in any manner or media whatsoever, and waive any and all claims and causes of action relating to use of the Images, including without limitation, claims for invasion of privacy rights or publicity.

The undersigned hereby certifies that all information contained above and all information contained in attachments which make up this grant application are true to her/his best knowledge and belief, and are submitted for the purpose of obtaining financial assistance from the Economic Development Growth Engine for Memphis and Shelby County.

Applicant Signature: Sylvia Tucker
Type Name Above

Date: 7/19/20

Please attach:

- Federal Tax Return for Last Year Filed
- Monthly Budget for Next Three Months
- Verification of registration with TNSBDC
- Copy of one form of Photo Identification for the applicant from the following list
 - U.S. Passport
 - U.S. Military or other Federal Agency Photo Identification
 - State of Tennessee Driver's License
 - State Issued Photo Identification
- Copy of one other document from the following list identifying the applicant
 - Social Security Card
 - Birth Certificate
 - Voter Registration
 - MLGW Bill (in your name)
 - Bill from Telephone/Internet Provider (in your name)
 - Vehicle Insurance Card
 - Home, Renters, Property, Health or Life Insurance Policy
 - Motor Vehicle Registration
 - Other similar personal documents as approved by EDGE staff
- Verification of business address (one required)
 - Business License
 - Health Department Permit
 - Certificate of Occupancy
 - Fire Marshall Permit
 - MLGW Bill (in business's name)
 - Lease
 - Business Contract (with the business's address)
 - Bill from Telephone/Internet Provider (in the business's name)
 - Occupational License
 - Other similar business documents as approved by EDGE staff
- Photographs:
 - Business Exterior
 - Business Interior
 - Applicant/Business Owner-Operator

To save your application, click PRINT, then SAVE to PDF. Email the PDF to NEED@growth-engine.org.

90-Day Budget

INCOME	July	August	September	TOTAL REVENUE
BUS REVENUES	\$0.00	5000	5000	\$10,000.00
<hr/>				
EXPENSES	July	August	September	TOTAL EXPENSES
SALON RENT	\$996.00	\$996.00	\$996.00	\$2988.00
CABLE/INTERNET	\$150.00	\$150.00	\$150.00	\$450.00
TAXES/LICENSE	\$150.00	\$150.00	\$150.00	\$450.00
CELLPHONE	\$140.00	\$140.00	\$140.00	\$420.00
LIFE/RETIREMENT	\$452.00	\$452.00	\$452.00	\$1356.00
BUS INSURANCE	\$23.00	\$23.00	\$23.00	\$67.50
SALON SUPPLIES	\$0.00	\$200.00	\$350.00	\$700.00
SALON PPE	\$50.00	\$100.00	\$175.00	\$500.00
TOWEL SERVICE	\$0.00	\$100.00	\$100.00	\$225.00
OFFICE SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00
SALARY/WAGES	\$3148.00	\$2000.00	\$2000.00	\$7148.00
TOTAL EXPENSES	\$5109.00	\$4211.00	\$3636.00	\$12956.00
NET INCOME	-\$5109.00	\$789.00	\$1364.00	-\$2956.00

Attachment B

Report Form



100 Peabody Place
Suite 1100
Memphis, TN 38103-3652
P 901-341-2100
F 901-527-9224
info@growth-engine.org
www.growth-engine.org

Business Owner
Address

RE: REQUIRED NEED GRANT PERFORMANCE REPORT

Dear NEED Grant Recipient:

As a grantee of Neighborhood Emergency Economic Development (NEED) funds, you are required to submit **semi-annual** reports for the next 3 years. Please take a moment to answer the questions below, sign and return this form to:

EDGE, Economic Development Growth Engine for Memphis & Shelby County
100 Peabody Place, Suite 1100
Memphis, Tennessee 38103

Thank you for helping us track program successes and for working so hard to improve our community.

Sincerely,

Tracy Buckley
Manager, Economic Development Programs

NEIGHBORHOOD EMERGENCY ECONOMIC DEVELOPMENT GRANT PERFORMANCE REPORT

Grantee: _____

Project: Name, Address

The NEED grant was approved to secure neighborhood serving businesses and prevent the loss of job generating activities.

Are you still open for business? _____

If yes, in the last 6 months, have sales been up, down, or stable? _____

How many people are currently employed at this location? Part time _____ Full time _____

Total payroll over the last 6 months to be either January 1st – June 30th or July 1st to December 31st

Are you following the recovery plan included in your NEED Grant application? If yes, what parts have worked-out best for you? If no, please explain why?

Are you working with Tennessee Small Business Development Center (TSBDC) or other acceptable agency?

Signature: _____

To the best of my knowledge and belief, I certify the following:

That the information and attachments provided are true and accurate, and except as noted on the previous page(s) or other attachments to this document, _____ has complied with all major criteria/components related to the EDGE NEED Grant.

Signature

Name

Title

Date: _____

Phone

Email

Please submit completed and signed materials electronically to:

PILOTCompliance@Growth-Engine.org

For assistance call: 901.341.2103

SAMPLE FOR DEMONSTRATION PURPOSES ONLY