



City of Arts & Innovation

# News Release

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**City of Riverside Approves New Program Providing Grants to Small Businesses**

*Small Business Emergency Microgrant Stabilization Program unanimously approved by City Council*

RIVERSIDE, Calif. – The City of Riverside is starting a new program to provide grants of as much as \$7,500 to small businesses to provide working capital during the COVID-19 pandemic.

The Small Business Emergency Microgrant Stabilization Program was unanimously approved in concept by the City Council on May 5. It will utilize \$1.87 million in new federal Community Development Block Grant funds to provide the grants to nearly 250 businesses that have five or fewer employees and are owned and operated by low-moderate income individuals.

“We know that many small businesses have struggled to remain open during the state-issued ‘stay at home’ order,” Mayor Rusty Bailey said. “For many businesses, these funds will be a lifeline.”

The program does not affect the existing CDBG program that funds programs around the city.

The City Council approved a framework for rolling the program out in a strategic partnership with the United Way of the Inland Valleys. Discussions are underway now in terms of how United Way can administer the program to properly disburse the money and track that it is utilized properly. More details, including how to apply, will be released when the program is fully developed.

City Council members said the program is especially important because about half of all Americans work for a small business, studies show. The federal government’s initial \$350 billion Paycheck Protection Program was depleted in two weeks, and only six percent of small businesses received funding. Lawsuits have been filed alleging the program unfairly benefitted large businesses.

“Our small business owners employ people, invest, and live in our community,” said Mayor Pro Tem Erin Edwards who co-authored the proposal. “I am pleased that we are taking steps to provide this crucial assistance.”

For the latest information and resources regarding COVID-19 -- [www.RiversideCA.gov/COVID-19](http://www.RiversideCA.gov/COVID-19)