

SMALL BUSINESS GRANT PROGRAM INELIGIBLE BUSINESSES

The following business are not eligible to participate in the City's Small Business Grant Program:

- Any national chain that is not locally franchised
- Massage parlors, bail bond services, home-based businesses, businesses with no bona fide ground-floor commercial storefront.
- Corporate-owned fast-food restaurants (franchisees are eligible, as stated in prior Eligible Business Section)
- Check cashing, bars, liquor stores, smoke/cannabis shops, firearms retailers, pawnshops
- Non-profit organizations
- Real estate salespersons
- Financial businesses primarily engaged in the business of lending, such as banks, finance companies, and factors (pawn shops, although engaged in lending, may qualify in some circumstances)
- Passive businesses owned by developers and landlords that do not actively use or occupy the assets acquired or improved with the loan proceeds (except Eligible Passive Companies under § 120.111)
- Life insurance companies
- Businesses located in a foreign country (businesses in the U.S. owned by aliens may qualify)
- Pyramid sale distribution plans
- 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 the number of memberships for reasons other than capacity
- Government-owned entities (except for businesses owned or controlled by a Native American tribe)
- Businesses principally engaged in teaching, instructing, counseling or indoctrinating 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 participating city or LACDA, or any of its Associates owns an equity interest
- Multi-national or publicly traded businesses are not eligible for this program.
- The business owner that is the subject of unresolved findings of noncompliance related to previous CDBG assistance.
- Adult businesses which:
 - (1) Present live performances of a prurient sexual nature; or
 - (2) Derive directly or indirectly more than *de minimis* gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.