

## **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 and bail bond services
- 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 operate an active business or occupy the assets acquired, improved, or operated with the grant 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 (i.e. Amway, Herbalife, Mary Kay)
- 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.
- 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.
- Business or owner that is listed on the Federal Excluded Parties List (EPLS). (The EPLS is maintained on [www.sam.gov](http://www.sam.gov))
- Business that does not have an active business license showing the business address is located in the participating city.
- Business that has any active City, municipal or health code violations (open, unresolved code cases, etc.).
- Business owner that is the subject of unresolved findings of noncompliance related to previous Community Development Block Grant (CDBG) assistance.