

Potter County COVID-19 Grant Application

Section 5001 of the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act,”) which became law on March 27, 2020, establishes a Coronavirus Relief Fund. The CARES Act requires that governmental recipients of Coronavirus Relief Fund money use it for expenditures that (1) were necessary expenditures incurred due to the COVID-19 public health emergency; (2) were not accounted for in the governmental budget most recently approved as March 27, 2020; and (3) were incurred during the period that begins March 1, 2020 and ends on December 30, 2020.

Related guidance issued by the United States Department of the Treasury (“U.S. Treasury”) permits funds to be used to provide “grants to small businesses to reimburse the costs of business interruption caused by required closures.” Frequently asked questions issued by the U.S. Treasury indicate that such grants may be used to reimburse the costs of business interruption caused by required closures as well as “to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.” Such effects must relate to the period that began on March 1, 2020 and ends on December 30, 2020.

Pennsylvania Act 24 of 2020 provides that Coronavirus Relief Fund money distributed through the Commonwealth, which includes the funds received by the county used to fund this Business Interruption Grant program, may be used for small business grant programs to “support businesses with fewer than 100 employees with priority given to those businesses that did not receive a loan or grant through the federal Paycheck Protection Program or the Economic Injury Disaster Loan program established under the CARES Act.” In addition, such grants are available to businesses and other entities that are primarily engaged in the tourism industry with 100 or more employees.

Act 24 further provides that CARES Act Coronavirus Relief Fund money may be used for nonprofit assistance programs for entities that are an exempt organization under Section 501(c)(3) or 501(c)(19) of the Internal Revenue Code of 1986. ⁽¹⁾

Applicants must be appropriately licensed and operating in the county. Applicants must also operate from a physical location in the county.

⁽¹⁾ Current interpretation of federal CARES Act guidance suggests that business and nonprofit entities with more than 500 employees would not be eligible for CARES Act small business grants for business interruption at this time. In the event your entity is above the applicable thresholds, a review will be conducted to determine whether any exceptions apply.

Potter County COVID-19 Grant Guidelines

Grant Amount: Businesses may apply for a maximum amount not to exceed \$25,000.

Eligible Applicants: (1) For-profit businesses located in Potter County with fewer than 100 employees
(2) Non-profit organizations with 501(c)(3) or 501(c)(19) IRS Designation

Eligibility Requirements:

- Small businesses include sole proprietors – self-employed and individual/single-owner LLC; Corporations, Limited Liability Corporations, Partnerships
- Applicant was and/or is negatively impacted by COVID-19, including loss of revenue and declines in cash reserves
- Applicants must have less than 100 employees
- Applicants must be headquartered and operated in Potter County
 - o Applicants that have accepted or received funding from the Paycheck Protection Program, Economic Injury Disaster Loan, or Pa. State CWCA program are eligible, but the level of funding received will impact the applicant’s competitiveness.

Ineligible Applicants:

- Businesses not headquartered in Potter County, Pa.
- Businesses that did not experience revenue loss due to COVID-19 and/or businesses that have no additional costs associated with the coronavirus pandemic
- Passive businesses such as commercial or residential landlords
- Private clubs/businesses that limit membership for reasons other than capacity

Grant Program Timeline:

- Monday, August 3, 2020: Grant program announcement, information release, and application opens at 10 am.
- Monday, August 17, 2020: Applications for grant program due by 4:30 pm. Applications for the grant will not be accepted after this time.

Use of Funding: Per current statutory provisions and federal and Commonwealth guidance relating to Pennsylvania Act 24 of 2020 (“Act 24”) the Pennsylvania COVID-19 – County Relief Block Grant Program, and the federal Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) Coronavirus Relief Fund, funds can be used to cover working capital costs necessary to maintaining a business during the COVID-19 public health crisis. Funding may not be used to pay owner’s salary or pay the owner outright. Applicants are required to provide details as to how any awarded funds may be used. Grant funding can also be used for costs of items needed to operate safely during COVID-19 and meet public health requirements (masks, barriers, signage, gloves, etc.) to the extent not compensated by another funding program.

Examples of eligible uses include (but are not limited to):

- Payroll (preference will be given to those applicants that did not receive Paycheck Protection Program (PPP) or Economic Injury Disaster Loan (EIDL) funds.)

- Rent/mortgage
- PPE and other COVID-19 related supplies
- Operating expenses

Proof of Expenditures: Expenditures may date back to March 1, 2020. Recipients must provide with their application proof of expenses from that date through the date of the application. Proof of expenses incurred after the date of the application must be provided to the Potter County Commissioners by December 15, 2020.

Application Review: Applications will be reviewed and approved by the Potter County Commissioners. Approved applicants will be announced September 1, 2020, and will receive written notification of the award, with a check from the County of Potter.

Application Checklist: All applicants must refer to the attached application checklist and must provide the required documents listed under the appropriate business type. (For-profit/non-profit)

**NOTE: Any applicants without the requested documentation will be considered incomplete and are not eligible for review until all required documentation has been received. Supporting documentation will not be accepted after the application deadline ends. (August 17, 2020 at 4:30 pm.)*

Expiration: The county's grant contract expires December 30, 2020

Application Instructions: Please answer all questions completely and accurately. It is important that the application be completed in its entirety.

For any additional questions, please contact Ellen Russell at (814)274-8290 extension 209, or at erussell@pottercountypa.net

Potter County COVID-19 Grant Application Checklist

Forms included in this package:

- Program guidelines
- Application form
- Description of disruption due to Coronavirus
- Certification

Items to be supplied by Applicant (For-Profit Businesses)

- _____ Proof of business registration (Articles of Incorporation, or Fictitious Name Registration, or Business License)
- _____ March 1 – June 30 profit and loss for 2019 and 2020 (copy of ledger required)
- _____ Employee list as of March 1 and July 1, 2020
- _____ Documentation of expenses incurred from March 1, 2020 through the date of application (if applicable.)

Items to be supplied by Applicant (Non-profit Organizations)

- _____ IRS 501(c)(3) or 501(c)(19) Determination Letter
- _____ Proof of current status of non-profit designation
- _____ January – June profit and loss for 2019 and 2020 (copy of ledger required)
- _____ Employee list as of March 1 and July 1, 2020
- _____ Documentation of expenses incurred from March 1, 2020 through the date of application (if applicable.)