

## WATONWAN COUNTY SMALL BUSINESS RELIEF GRANT PROGRAM

### **Guidelines**

To provide emergency assistance to small local businesses in Watonwan County adversely impacted by the COVID-19 pandemic, the Watonwan County Revolving Loan Fund - COVID-19 Grant Program will provide grants of up to \$ 5,000.00 to small businesses most in need of support. Home Licensed Day Care facilities are eligible for grants up to \$ 2,500.00.

Funds will help businesses pay for critical expenses such as rent payments, mortgage payments, utilities, payments to suppliers, and costs associated with reopening. Providing this support will increase the capacity of small businesses with a physical location in Watonwan County to survive the current crisis and will help prevent potential future blight scenarios.

We understand there is a cost to reopening your business safely. These grant funds can be used to ensure your business can afford to operate while maintaining the social distancing guidelines for the safety of your employees and customers. Funds can be used for such items as signage, floor markings, masks for employees, etc.

The Grant Fund will be administered by the Watonwan County Revolving Loan Fund Committee, which currently provides access to capital for businesses throughout Watonwan County. Priority outreach will be conducted in partnership with the City of St. James EDA working in low-wealth communities, communities of color, and areas with barriers to access other small business resources.

### **Terms**

- Up to \$ 5,000.00 grant based on economic injury from COVID-19 and eligible expenses  
Funds can be used for operating expenses, including rent payments, mortgage payments, utilities, payments to suppliers, or other critical non-payroll business expenses (including expenses related to reopening).
- Funds can be used to reimburse expenditures made from March 1, 2020 until November 1, 2020.
- Funds must be expended by November 1, 2020 and final report must be submitted by November 15, 2020.

### **Eligible Businesses**

Businesses must meet all of the following criteria as of March 1, 2020 to be eligible. A businessowner's immigration status does not impact eligibility.

- Must be a locally owned and operated for-profit business with a physical establishment in Watonwan County
- Must have in addition to the owner as of March 1, 2020, not more than 20 full time employees, and under \$1 million in annual revenue
- Must have been operating for at least 12 months prior to March 1, 2020.
- All eligible applicants must be registered with the Minnesota Secretary of State and have been in operation since March 1, 2019.
- Must be licensed, in good standing. Must not be delinquent on taxes to local, state and federal taxing authorities.
- Must not be currently in violation of any laws.
- Must demonstrate a significant loss in revenue since March 15 (no credit score or collateral requirements apply)

**Certain businesses are ineligible, including:**

- Home-based businesses; those without a physical establishment, (except in-home childcare providers will be eligible)
- Non-profit organizations. A non-profit that files a 990-T will be eligible for that portion of their business.
- Corporate chains, multi-state chains
- Individuals who have or are currently receiving assistance through the Pandemic Unemployment Assistance (PUA) program.
- Businesses in default conditions prior to February 29, 2020.
- Businesses that primarily derive income from gambling.
- Businesses that derive income from passive investments; business-to-business transactions; real estate transactions; property rentals or property management; billboards; or lobbying.

In addition to the Watonwan County Revolving Loan Fund - COVID-19 Grant Program, businesses are strongly encouraged to apply for all available COVID-related funding, such as the Small Business Administration (SBA), Economic Injury Disaster Loan (EIDL) and Paycheck Protection Program (PPP), State of Minnesota Small Business Emergency Loan (SBEL), and other local programs. However, due to the limited amount of funding and in order to serve as many businesses as possible, businesses will be ineligible to receive duplicative funds from the Watonwan County Revolving Loan Fund - COVID-19 Grant Program AND city or state SBEL funds. Businesses receiving federal relief funds are still eligible for the Watonwan County Revolving Loan Fund - COVID-19 Grant Program, but must use County funds for other eligible expenses than those covered by federal funds.

**Application Process**

- Application Forms will be accepted beginning August 1, 2020 through August 12, 2020 at noon
- Completed Application Forms can be emailed to [joe.mccabe@ci.stjames.mn.us](mailto:joe.mccabe@ci.stjames.mn.us).
- If applications exceed the funding available, the fund administrator Watonwan County Revolving Loan Fund Committee will select grant recipients using a random selection process. The fund administrator, St. James EDA, will notify approved applicants by email on or before August 20, 2020.
- Upon notice of an approved application, applicants will be required to submit the following within 10 business days:
  - Evidence of revenue loss related to the COVID 19 emergency. Applicants should submit documentation that best demonstrates the impact and is deemed acceptable to Program Administrator. Some examples of acceptable documentation include Sales Tax Reporting, Period Statements from 3rd-party Sales Platforms, Merchant Services Statements, and Point of Sale or Register reports.
  - Any additional documentation or information deemed necessary by the fund administrator to determine eligibility, generate loan documents, disburse grant proceeds, or meet program reporting requirements.
  - Failure to submit required documentation will result in forfeiture of grant award.

Note: The Watonwan County Revolving Loan Fund Committee reserves the right to revise these guidelines as needed to best address the impact of the current pandemic.