

STEARNS COUNTY BUSINESS AND NONPROFIT RELIEF GRANT PROGRAM

Businesses and Nonprofits in Stearns County are continuing to see the impacts of the COVID-19 pandemic and the State and County want to help. Stearns County will be receiving approximately \$3 million to grant to businesses and nonprofits based on the eligibility criteria below. Funds awarded shall be used for operating expenses that were incurred during the shutdown such as expenses for rent, mortgage, utilities, payments to suppliers, and other similar costs that occur in the regular course of business. The County may require business owners to provide proof that grant funds were used only for eligible expenses. Applications will open mid-January and will remain open until funds are all distributed.

Grant Award Prioritization and Amounts:

The information above is intended to be general guidance. Final grant decisions will be made by a Committee composed of HRA or EDA Directors, County Auditor-Treasurer and County Administrator. Applications will open January 11, 2021 and will be reviewed as received.

Priority will be given to those businesses/non-profits impacted by Executive Order 2020-99 (November 2020) OR experienced a 20% or more reduction in revenue in 2020 in comparison to 2019 AND did not receive direct payments from the State of Minnesota through the recent MN Business Relief Program.

Amounts of the grants will be based upon the need demonstrated on the Profit & Loss statement and narrative within the application but expected to be limited to \$15,000 per applicant.

A second round of funding will open to those with state or federal funding received that was insufficient to cover the pandemic impact on their entity. Amounts of round 2 grants will be announced toward the end of January 2021. All grant amounts must be distributed by March 15, 2021.

Eligibility Criteria:

- Business/Organization must be locally owned and operated and have a physical establishment in Stearns County. Locally owned is defined as the ownership group being located within Stearns or bordering county. Locally owned and operated franchise businesses are eligible. One application per business tax ID number will be accepted.
- Applicant must be able to demonstrate and document a financial hardship as a result of the COVID-19 pandemic.
- Applicant must be in good standing with the Minnesota Secretary of State with no outstanding tax liens filed against the organization.
- Businesses/Organizations must be in compliance with all State of Minnesota Executive Orders at the time of application and after they receive assistance. If found in violation of any Executive Orders, they will be responsible for paying back any funding received under this program.
- As required, Applicant must be licensed and in good standing with all local city or county ordinances.
- Business/Organization must have 100 or fewer full-time equivalent employees.

- Home-based businesses/nonprofits are eligible as long as they have at least 1 or more W-2 employees in addition to the principal or filed a Schedule C (Profit or Loss from Business) with their 2019 individual tax return. Home-based businesses are defined as businesses where the primary office is registered and located at the owner's residence/property.
- Businesses/Organizations that opened during the pandemic are eligible. However, the applicant must provide clear documentation of how the pandemic impacted the operating expenses of the organization. No start-up costs will be considered.
- Eligible non-profits include 501(c)3 and 501(c)9 veteran's organizations, as well as Chamber of Commerce organizations under 501(c)6.
- Non-profit organizations must demonstrate that they earn revenue in a manner similar to businesses, such as through membership dues or entry fees.
- Freelance or organized musicians and performing artists who work or reside in Stearns County are eligible to apply without having one or more W-2 employees.

Ineligible Businesses/Organizations:

- Primarily derive income from gambling or adult entertainment
- Corporate chains, multi-state chains however locally owned and operated franchise businesses are eligible
- Businesses that derive income from passive investments; real estate transactions; commercial property rentals or commercial property management; billboards; or lobbying
- 501(c)6 nonprofits (except Chamber of Commerce entities)

Applicant Information to Provide:

- Must disclose all federal, state, or local grants received in 2020 and grants for which they have applied but remain pending at time of this application.
- Must provide a Profit & Loss statement for most recent fiscal year and previous fiscal year, as applicable.
- Must provide a signed IRS Form W-9 if no previous county funding has been received.
- Must certify in good faith that all documentation submitted is accurate and that any misrepresentations or fraudulent information will require recoupment of funds.

NOTE: Stearns County reserves the right to revise these guidelines as needed to best address the impact to businesses of the current pandemic.