

Small Business Recovery Grant

Program Guidelines

Franklin County Area Development Corporation
1900 Wayne Road
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Phone: (717) 263-8282

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Small Business Recovery Grant - Program Guidelines

I. **Statement of Purpose:** Act 24 of 2020 was signed by Governor Wolf on May 29, 2020. This legislation provides \$625 million in CARES Act funding by means of block grants for counties in the Commonwealth through the Department of Community & Economic Development (DCED). This funding is strictly for support of COVID-19 related activities to offset the cost of direct county COVID-19 response; assist businesses and municipalities; provide behavioral health and substance use disorder treatment services; fund non-profit assistance programs; and deploy broadband to unserved or underserved areas.

II. **Background:** The Small Business Recovery Grant (SBRG) program has been created to provide funding to eligible Franklin County small businesses impacted by the COVID-19 Pandemic.

The program application process is administered by the Franklin County Area Development Corporation (FCADC) on behalf of Franklin County. The development of these program guidelines and application process included input and expertise from local community and business leaders from across Franklin County.

III. **Area Eligibility:** The business operations must be physically located in Franklin County, PA.

IV. **Eligible Businesses:** To qualify for funding through the SBRG grant program, a business must:

- Operate as for-profit;
- In operation prior to May 1, 2019;
- Have fewer than 100 employees (including related or affiliated businesses worldwide);
- Demonstrate that it was profitable prior to the pandemic by providing its most recently filed tax return; and
- Companies that received other COVID-19 funding assistance are eligible to apply; however those companies that **did not** receive any COVID-19 funding assistance will be given first priority.

V. **Eligible Costs:** Funding will be used to replace revenue lost post-March 1, 2020 due to normal business interruption caused by the pandemic. **Grant funds cannot be used to pay back loans to shareholders, partners, the sole proprietor, or family members.**

VI. **Ineligible Activities/Costs:**

Non-business Activities: The use of grant proceeds for non-business and/or personal activities is strictly prohibited.

Business Start-up: Program proceeds cannot be used to support the start-up of a new business.

Property Expansion: Grant funds cannot be used for the expansion of an existing building.

Refinancing: The refinancing of business and/or personal debt is strictly prohibited.

Investor-Developer: Program funding cannot be used for real estate speculation.

Passive Business: Commercial and residential landlords are ineligible to apply for grant funds.

VII. Grant Size: The grant award shall not exceed 50% of the total revenue lost during the applicant's **hardest hit consecutive 3-month period in 2020 as compared to the same three-month period in 2019. The maximum grant amount shall not exceed \$50,000. Eligible months include March 1, 2020 through July 31, 2020.**

VIII. Conditions of the Grant:

- Grant applicants must satisfactorily illustrate revenues via a Profit & Loss Statement and Balance Sheet based on QuickBooks or some comparable accounting program. Failure to provide ALL required application materials could result in rejection of the application.
- Execution of a formal grant agreement between the recipient and the County of Franklin will be required to be executed by the grantee. The agreement may include completion of a formal grant close out report and/or audit.
- The applicant and its principals (20% or more ownership) **must be current in payment of all applicable federal, state, and local taxes** unless they have entered into a workout agreement satisfactory to the respective taxing authority and are in compliance with the terms of the agreement.
- Any **material misrepresentation** in the application or misuse of grant funds for ineligible activities may be cause for criminal investigation and could result in the repayment of some or all of the funds.

IX. Application Evaluation Criteria:

- The application will be evaluated objectively by a review committee of community leaders facilitated by the Franklin County Area Development Corporation.
- All financial and proprietary information used to evaluate the application will be confidential to the extent permissible under applicable federal and state law. All applicants are advised that expenditures of government funds are subject to the Pennsylvania Right to Know Law and the federal Freedom of Information Act. The applicant acknowledges that the application, as well as information and documents provided in support of an application, may be subject to disclosure under either law.
- The review committee will provide the Franklin County Board of Commissioners with a listing of businesses recommended for a grant award.
- Approval of grants will rest solely with the Franklin County Board of Commissioners.

X. Grant Disbursement: Grant disbursements will be made by the Franklin County Controller.

XI. Public Disclosure of Applicants: The Franklin County Board of Commissioners will receive a listing of all businesses that applied for funding. All funding recommendations will be approved by the Franklin County Board of Commissioners based upon score driven recommendations from the review committee. All financial and proprietary information used to evaluate the application will be confidential to the extent permissible under applicable federal and state law. All applicants are advised that expenditures of government funds are subject to the Pennsylvania Right to Know Law and the federal Freedom of Information Act. The applicant acknowledges that the application, as well as information and documents provided in support of an application, may be subject to disclosure under either law

XII. Other Requirements:

Nondiscrimination: The applicant certifies that it will not discriminate against any customer, employee, or any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any

applicable local, state, or federal laws. **All contracts for work to be paid with program assistance must contain this official Nondiscrimination Clause.**

Program Records: The applicant and any related parties must maintain full and accurate records with respect to the grant. Franklin County or the Franklin County Area Development Corporation (FCADC), as the County's designee, may require access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of Franklin County or FCADC, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the grant and use of grant funds.

Required Application Information

The Small Business Recovery Grant application will be available for download on the FCADC website: www.fcadc.com. In addition to the application, the following documents are to be included with the application:

1. The applicant must satisfactorily illustrate operational revenues based on Quickbooks or some comparable accounting program, by providing:
 - a. A Profit & Loss Statement and Balance Sheet for its hardest hit consecutive 3-month period in 2020 (on or after March 1, 2020); and
 - b. A Profit & Loss Statement and Balance Sheet for the same consecutive 3-month period in 2019.
2. Signed W-9 Form for any individual or entity serving as applicant.
3. Most recent filed federal tax return.
4. Signed and dated Personal Financial Statement not more than 6 months old for all individuals with 20% or more ownership in the eligible business enterprise.
5. Most recent filed federal tax return for any entity, other than an individual, with 20% of more ownership in the business enterprise.

Failure to provide the fully completed application and ALL required documents listed above could result in rejection of the application.

Frequently Asked Questions

What is the process for applying? The window for applications will open soon. All required documents including the application will be available for download at www.fcadc.com. Completed applications and supporting information can be emailed to SBrecoverygrant@fcadc.com. Paper applications and a listing of required documents will also be available during normal business hours at the following locations:

Franklin County Area Development Corporation (FCADC)
1900 Wayne Road
Chambersburg, PA 17202
HOURS: 9 AM to 4 PM

OR

Greater Chambersburg Chamber of Commerce – 717-264-7101
Greencastle-Antrim Chamber of Commerce – 717-597-4610
Shippensburg Area Chamber of Commerce – 717-532-5509
Tuscarora Area Chamber of Commerce – 717-328-5827
Greater Waynesboro Chamber of Commerce – 717-762-7123
Mainstreet Waynesboro, Inc. – 717-762-0397

We encourage you to call the organization directly for their location and business hours.

What is the process for returning completed applications including required documentation? Completed applications and supporting information can be emailed to SBrecoverygrant@fcadc.com or hard copies of the application and required documents must be in a sealed envelope and can be returned to one of the above locations. Applications received after that timeframe, will be not be considered.

What if I cannot meet the application deadline? Available funds are limited and high demand is anticipated. After the first round of awards, should there be funding available, the program will reopen. Grant awards will be based on score driven recommendations by the review committee.

Who do I contact if I have questions about eligibility or required documents for the application? If you have questions about eligibility, need assistance with the application/required documentation, or questions on how to locate information on a tax form, call the FCADC at 717-263-8282 between 9:00 AM – 4:00 PM Monday-Friday or leave a message and someone will return your call.

May I apply these grant funds against costs that were used to claim forgiveness under another grant or loan program (PPP, EIDL, CWCA, MainStreet Revitalization, etc.)? No. The funds received under this grant program may not be applied against any costs that were also used to satisfy the requirements of another grant or loan program associated with COVID-19.

Are awarded funds taxable income? Grant proceeds may be subject to payment of income tax. You should consult with your accountant and/or tax preparer.