

REDWOOD COUNTY PANDEMIC BUSINESS GRANT PROGRAM GUIDELINES

established January 2021



On December 16, 2020 Minnesota Governor Walz signed into law a \$216 million package of direct support for businesses and extension of unemployment benefits. Included in the package is a distribution of funds to Minnesota counties to provide small business grants. In response to the legislation, Redwood County EDA will administer the Pandemic Business Grant program to Redwood County businesses adversely impacted by the COVID-19 pandemic. The purpose of the program is to provide economic relief grants to for-profit and non-profit businesses directly or indirectly affected by a COVID related executive orders, with priority to those listed in [Executive Order 20-99](#) (EO 20-99); adhering to the State of Minnesota regulations associated with the County Relief Funding Program. The primary goal of the program is to facilitate business survival and enhance to the greatest extent possible retention of jobs throughout Redwood County.

GRANT AMOUNT

- Applicant is eligible to receive *up to* \$10,000. Actual grant award will be based on:
 - Business's year over year loss, not to exceed \$10,000.
 - Businesses which do not have complete 2019 gross revenues, will compare 2020 quarter 1, 2 or 3 gross revenues to quarter 4 gross revenue. The difference will serve as the grant award, plus \$5,000, not to exceed \$10,000.
- Priority will be given to those businesses directly or indirectly impacted by [EO 20-99](#) and did not receive the [Minnesota Department of Revenue](#) (DOR) or [Department of Employment and Economic Development](#) (DEED) direct distribution.
- Priority will also be given to those businesses which did not receive CARES Act grant relief funds.
- In the event funds remain, all other applicants will be reviewed for eligibility based on demonstrated economic impact from COVID and availability of funds.
- Any funds received pursuant to the Grant herein shall not require repayment.

ELIGIBILITY

- The business must be physically located in Redwood County. If a parent organization or second location is outside of Redwood County, only the entity located in Redwood County may apply.
- The business must have been in operation on or before July 1, 2020.
- Gross earnings for the business in 2020 must be less than \$250,000.
- For-profit or non-profit operating as a business, must fall within one of the three tiers:
 - **Tier I:** Business was directly affected monetarily by [EO 20-99](#) which forced closure or reduction of occupancy and did not receive the [DOR direct payment](#). This includes restaurants, bars, gyms, and bowling centers.
 - **Tier II:** Business directly affected monetarily by [EO 20-99](#) and received the [DOR direct payment](#) to include, restaurants, bars, for-profit gyms or business indirectly affected monetarily by [EO 20-99](#) which income primarily derives from sale of goods and services to businesses listed in [EO 20-99](#).
 - **Tier III:** Business which can provide evidence of gross revenue decline as a result of a COVID related executive order. This includes home-based businesses which serve as Applicant's primary source of income.
- The business must be able to document year-to-date gross earnings for the 2019 and 2020 year. For businesses which do not have complete 2019 year-to-date gross earnings, must be able to document gross earnings from 2020 quarters 1, 2, or 3 compared to 2020 quarter 4 gross earnings.
- As of the date of the application, the Business must have no current tax liens on record with the Secretary of State.
- Applicants who received a grant from the State of Minnesota via the Department of Revenue Small Business Assistance Package or DEED Small Business Relief Grant or Redwood County COVID Small Business Relief Grant program, *may still* apply for the Redwood County Pandemic Business Grant program. Priority will be given to those businesses which did not receive COVID related funds from CARES Act or State of Minnesota Small Business Relief grant funds.

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INELIGIBLE APPLICANTS

- Accounting firms, auto sales, franchise owned corporate chains and/or multi-state chains, construction companies, chiropractors, dental, medical and eye care facilities, insurance agencies, law firms, lending institutions, passive investments, production agriculture, realtors, residential rental properties, faith-based organizations, trucking/logistics companies, units of government and utility companies.
- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted.

USE OF GRANT AWARD

- Eligible uses include: rent or mortgage payments, utility bills (i.e. electric, gas, phone, garbage, water/sewer, internet), property taxes, insurance costs, legal fees, payroll for current employees, repairs to existing building and/or equipment, costs associated with reopening or restructuring operations of the business.
- Ineligible uses include: business start-up expenses, workforce bonuses, or other expenses which have been reimbursed by or paid by Federal, State or Local COVID related funding.
Applicants will not be required to provide proof of eligible expenses at the time of application, but will be required to identify on the application how they will utilize the requested funds should they be awarded a grant.

APPLICATION PROCESS AND TIMELINE

- Applications will open Monday, February 1, 2021 and close at 4 pm on Friday, February 19, 2021.
- Guidelines and application are available at <https://apply.redwoodcounty-mn.us/>.
- Application and corresponding documents will be accepted online at <https://apply.redwoodcounty-mn.us/>. If technical assistance or computer access is needed, contact Briana Mumme at (507) 637-1122 or redwoodcountyyeda@co.redwood.mn.us.
- All communication will be conducted via email. Applicants are asked to manage emails timely.
- At the time of application submission, applicant will upload the following:
 - Completed online application
 - Page one of the most recent Federal Tax Return
 - Subsequent federal tax document listing the primary NAICS Industry Code or Business Activity Code
 - Any additional documentation deemed necessary and requested by Redwood County Pandemic Business Grant Committee to determine eligibility.
- At the close of the application deadline, applications will be reviewed and [scored](#) by the Redwood County Pandemic Business Grant Committee pursuant to the factors outlined in the scorecard for eligibility, demonstrated need, financial hardship and identification of other subsidy programs.
- Applicants will receive an email notification if awarded or not, around the first of March, 2021.
- If selected, grantee will be required to complete a W9 and execute a grant agreement before funds are disbursed.
- Grant funds will be distributed by March 15, 2021.
- Grant award may be subject to federal or state taxes.
- If awarded, applicant is responsible for maintaining adequate records of how funds were used. In the event of an audit, awardee may be liable for paying back the funds if it is found they have misrepresented themselves or not used funds for eligible expenses.
- This is a one-time grant cycle; however if all funds are not disbursed, the Redwood County Commissioners reserve the right to reallocate funds.
- Applicants may view the contents of the application [here](#).

CONTACT INFORMATION

- Briana Mumme, Redwood County Economic Development Coordinator Monday - Friday between 8 a.m. and 4:30 p.m. at redwoodcountyyeda@co.redwood.mn.us or (507) 637-1122.