



# Westmoreland CARES

## Small Business Support Grant Program



### ROUND 2 GRANT PROGRAM

The Westmoreland County Board of Commissioners has authorized Round 2 of the Westmoreland County Small Business Support Grant Program. **The program will provide up to \$25,000, or 25%, of calculated revenue loss due to COVID-19, whichever is less, OR up to \$25,000 of eligible and supported expenses related to COVID-19 to small businesses within Westmoreland County that have been negatively impacted by the COVID-19 public health crisis. Businesses are encouraged to complete both revenue loss and expenses to ensure the best opportunity for a successful result.**

Round 2 of the CARES Small Business Support Grant Program will be operated on a first-come, first-serve basis:

- Businesses who received funding from Round 1 of the Westmoreland CARES Small Business Support Grant Program are eligible to apply for Round 2 only if they have not received the maximum award of \$25,000. *If your business received an award of \$25,000 through Round 1 of the Westmoreland CARES Small Business Support Grant Program, you are not eligible.*
- Only fully completed applications will be considered.
- Not all applications will be funded.
- There is no application fee.
- You may apply under Option A: revenue loss and/or Option B: COVID-19 related expenses.
- *If your business experienced a revenue gain or is a new business, you must apply using Option B.*

### IMPORTANT INFORMATION

#### Grant Program Timeline

- Round 2 Program Announcement: November 13th
- Round 2 Submission Period: Beginning November 13th
- Round 2 Award Notification: The Commissioners in conjunction with the Economic Growth Connection will work as quickly as possible to process and review applications. Award announcements will be made at a Board of Commissioners' public meeting with disbursement of grant funds to occur within 15 days of receipt of an executed grant agreement with the County. The Board may schedule special public meetings if needed.

## Eligibility Requirements

- Small businesses include sole proprietors; self-employed; individual/single-owner LLC; corporations; limited liability companies and partnerships.
- Applicants who are and/or were negatively impacted by COVID-19, including through declines in revenue or cash reserves or increases in expenses related to COVID-19 specific mitigation efforts.
- Applicants must have less than 100 employees to be considered, per Commonwealth Act 24.
- Applicants must have physical operations within Westmoreland County. For businesses headquartered outside of Westmoreland County, information provided in the application process must be specific to **Westmoreland County operations only**.
- Franchises must have less than 15 employees.
- Applicants that have accepted or received other public COVID-19 related grant funding from such programs as the Paycheck Protection Program, Economic Injury Disaster Loan Grant or COVID-19 Statewide Business Assistance Program (CDFI) are eligible, but the level of funding received through the Westmoreland CARES Small Business Support Grant Program may be impacted.

## How can the funds be used?

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 maintain 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 will be required to detail how the awards were used in reporting requirements. Grant funding can also be used for the costs of items needed to operate safely during COVID-19 and meet public health requirements (i.e., masks, barriers, signage, gloves, etc.) to the extent not compensated by another funding program.

A few examples of uses include:

- Payroll (excludes payroll covered through the Paycheck Protection Program or the Economic Injury Disaster Loan program);
- Operating costs (i.e., workers compensation insurance premium and unemployment insurance premium increases related to COVID-19);
- Utilities, cable, internet, phone (excluding personal residence);
- Rent/mortgage interest (excluding personal residence, including equipment leases);
- Sanitizing/disinfecting product and/or services;
- Personal protective equipment and other COVID-19 related supplies;
- Purchase of equipment to facilitate social distancing (i.e., signage, plastic barriers, outdoor dining equipment);
- Temperature screening equipment;
- Equipment and/or software to improve telework capabilities;
- Employee paid leave due to COVID-19 illness or quarantine (e.g., EFMLA);

- Facility cleaning; and
- Perishable product loss as a result of business closure or partial shutdown.

### **Required Documentation**

In order for your application to be considered complete and eligible for consideration, you must submit the following IN THIS SPECIFIED ORDER:

- Completed application checklist
- Completed and signed application form (Please use the business name and address as shown on your W-9)
- Completed Form W-9
- 2018 AND 2019 Federal Tax Returns. If you file via:
  - Form 1040: submit only pages 1 and 2, along with Schedule C
  - Form 1065: submit only page 1
  - Form 1120: submit only page 1
- Income statement (profit and loss statement) for the period January 1 to October 31, 2019
- Income statement (profit and loss statement) for the period January 1 to October 31, 2020
- Additional documentation to support a loss due to COVID-19 (i.e., include contracts canceled as a result of COVID-19)
- Invoices and/or receipts to support expenses related to COVID-19 from March 1, 2020 through the date of submission of the application, if you choose to apply under Option B.

### **Ineligible Applicants**

- Businesses that did not experience revenue loss due to COVID-19 and/or businesses that have no additional costs associated with the COVID-19 public health crisis.
- Passive businesses such as commercial or residential landlords.
- Government or government-owned entities.
- Non-profit organizations and for-profit businesses with a direct tie to a non-profit.
- Private clubs/businesses that limit membership for reasons other than capacity.
- Businesses primarily engaged in lobbying or political activities.
- Businesses NOT compliant with all federal, state and local laws, including taxation.
- Businesses that are delinquent in the payment of real estate taxes.
- Businesses that have already received a maximum award of \$25,000 under Round 1 of Westmoreland CARES Small Business Support Grant Program may not apply.

## QUESTIONS?

Please review the Frequently Asked Questions first, then contact Economic Growth Connection if you have additional questions regarding Round 2 of the Westmoreland CARES Small Business Support Grant Program.

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# Westmoreland CARES

## Small Business Support Grant Program



### FREQUENTLY ASKED QUESTIONS

1. What is the purpose of Round 2 of the Westmoreland CARES Small Business Support Grant Program?

The COVID-19 public health crisis caused the Westmoreland County business community to confront immense challenges. The Program seeks to assist small businesses in the County that have been negatively impacted by COVID-19.

2. Who is administering this program?

The County of Westmoreland, in conjunction with Economic Growth Connection of Westmoreland, will be administering Round 2 of the Westmoreland CARES Small Business Support Grant Program.

3. What is the source of the grant funds?

Funds were made available to Westmoreland County under the COVID-19 County Relief Block Grant through the Pennsylvania Department of Community and Economic Development.

4. Is there a cap on the amount of the grant?

Grants will be capped at \$25,000, or 25% of calculated loss due to COVID-19, whichever is less and/or up to \$25,000 of eligible COVID-19 specific expenses incurred. Businesses which received funding under Round 1 of the Westmoreland CARES Small Business Support Grant Program are only eligible to receive a maximum of \$25,000 awarded across both Rounds of funding.

5. I received funding under Round 1 of the Westmoreland CARES Small Business Support Grant Program. Am I eligible to receive funding under Round 2?

A business which applied for and which was granted funds under Round 1 may be eligible for additional funding under Round 2 provided the business did not receive a maximum award of \$25,000 under Round 1 and provided the business has supportable revenue decreases for the period July 1, 2020 to October 31, 2020, or has supportable eligible COVID-19 related business expenses for the period March 1, 2020 through the date of the application submission that have not been covered by another publically-funded grant program or under Round 1.

6. What is difference between the options available?

Option A allows applicants to apply for grant funds by calculating 25% of lost revenue when comparing the period January 1 to October 31, 2020 to the period January 1 to October 31, 2019.

Option B allows for applicants to apply for grant funds based upon specific expenses incurred from March 1, 2020 through the date of the application submission related to the COVID-19 public health crisis.

Businesses must specify at time of application whether the application is under Option A or Option B. Businesses can use both Options, but the maximum award over all Options and Rounds is \$25,000.

Businesses that experienced an increase in revenue during the specified period and start-up businesses must apply using Option B.

Businesses that were acquired since December 31, 2018 must use Option B, unless financial information, including tax returns, of the former business are available.

7. When will the Round 2 grant application period open?

Friday, November 13, 2020.

8. How should I apply for Round 2?

Completed applications, including all required documents, should be HAND DELIVERED to the offices of Economic Growth Connection at 40 N. Pennsylvania Avenue, 5<sup>th</sup> Floor, Greensburg, PA 15601. Office hours for delivery are 9 am to 4 pm. Your application will be time-stamped upon receipt.

Applicants may choose to mail their applications to Economic Growth Connection, 40. N. Pennsylvania Avenue, Suite 510, Greensburg, PA 15601; however, this program is first-come, first-served. Postmarks do not signify timestamp or acceptance.

9. How long will this process take to receive grant funds?

The County, working in conjunction with Economic Growth Connection, will work as quickly as possible to review applications and make award determinations. The Board of Commissioners will approve successful applicants at a public meeting with funding to be received within 15 days of receipt of an executed agreement with the County.

10. Will all applicants be awarded grant funds?

No. Funds are limited and applications will be processed on a first-come, first-serve basis.

11. What is considered a small business?

Eligible applicants are small businesses (corporations, partnerships, LLCs, and sole proprietors) with physical operations in Westmoreland County whose employee headcount was fewer than 100 employees on March 1, 2020. Franchise businesses are eligible if their employee headcount is less than 15 employees.

12. Are self-employed individuals eligible to apply?

Yes. Grant funds are available to self-employed individuals, independent contractors, and sole proprietorships.

13. I just started my business. Am I eligible?

In order for your business to be eligible, your business must have incurred COVID-19 specific expenses during the period March 1, 2020 through the date of the application submission, and you must apply using Option B.

14. I bought or took over ownership of an existing business after December 31, 2018? Can I apply?

Yes. If you have the books and records of the business purchased, including tax returns, you may apply using either Option A and/or Option B; otherwise, you must use Option B.

15. I own more than one business in Westmoreland County. Can I apply for more than one grant?

Yes, you may qualify for a grant for each legal business entity. You must keep separate books, file taxes separately and have different tax ID numbers for each business. Each business must meet the eligibility requirements (outlined below) on its own.

16. My small business has multiple locations in Westmoreland County. May I apply for more than one grant?

No. You may only submit one grant application per business *entity*.

17. Are small businesses located outside of Westmoreland County eligible to apply?

No. Small businesses with no physical operations in Westmoreland County may not apply. Your business headquarters may be located outside of Westmoreland County, but you must have physical operations in Westmoreland County and your application submission must reflect only activity for business operations within Westmoreland County. All grant funds awarded must be used for costs incurred at Westmoreland County facilities.

18. May a franchisee apply?

Yes. The franchise must have a physical location within Westmoreland County and must have employed 15 or fewer employees at that location as of March 1, 2020. All grant funds awarded must be used for costs incurred at Westmoreland County facilities. Franchisees should count the total number of employees on March 1, 2020 under an individual EIN or SSN for the total.

19. Are passive businesses eligible to apply?

No. Passive businesses, including commercial or residential landlords, are not eligible to apply. There are other, non-county-run programs available for this group.

20. What are the eligibility requirements?

- Small businesses include sole proprietors; self-employed; individual/single-owner LLC; corporations; limited liability companies and partnerships.
- Applicants who are and/or were negatively impacted by COVID-19, including through declines in revenue or cash reserves or increases in expenses due to COVID-19 specific mitigation efforts.
- Applicants must have less than 100 employees to be considered, per Act 24.
- Applicants must have physical operations within Westmoreland County. For businesses headquartered outside of Westmoreland County, information provided in the application process must be specific to Westmoreland County operations *only*.
- Franchises must have less than 15 employees.
- Applicants that have accepted or received other public COVID-19 related grant funding from such programs as the Paycheck Protection Program, Economic Injury Disaster Loan Grant or COVID-19 Statewide Business Assistance Program (CDFI) are eligible, but the level of funding received through the Westmoreland County Small Business Support Grant Program may be impacted. The Commonwealth plans to compare all lists of recipients to be sure no “double-dipping” occurred.

21. How can funds be used?

Funds received from Westmoreland County in response to this application for grant funding must only be used to cover costs that:

- a. Are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19)
- b. Were incurred during the period beginning on March 1, 2020 and ending on December 30, 2020



- c. Are in accordance with all applicable federal, state and local laws.

Non-exclusive examples of eligible expenditures include:

- Payroll (excludes payroll covered through the Paycheck Protection Program or the Economic Injury Disaster Loan program);
- Operating costs (i.e., workers compensation insurance premium and unemployment insurance premium increases related to COVID-19);
- Utilities, cable, internet, phone (excluding personal residence);
- Rent/mortgage interest (excluding personal residence); (including equipment leases);
- Sanitizing/disinfecting product and/or services;
- Personal protective equipment and other COVID-19 related supplies;
- Purchase of equipment to facilitate social distancing (i.e., signage, plastic barriers, outdoor dining equipment);
- Temperature screening equipment;
- Equipment and/or software to improve telework capabilities;
- Employee paid leave due to COVID-19 illness or quarantine;
- Facility cleaning; and
- Perishable product loss as a result of business closure or partial shutdown

22. What are some examples of ineligible expenses?

- Repayment of loans to shareholders, partners, sole proprietors, or family members
- Payment of owner's salary
- Expenses for the state share of Medicaid
- Damages covered by insurance
- Workforce bonuses other than hazard pay or overtime
- Severance pay
- Legal settlements
- Reimbursement to donors for donated services or items
- Expenses already covered under other grant or loan programs

23. Can the grant funds be used to cover the same items covered under another grant or loan program (i.e., Paycheck Protection Program or the Economic Injury Disaster Loan)?

No. The County encourages small businesses to apply for the array of federal and state financial assistance programs for which they are eligible. Your application for, or receipt of, federal or state funds does not disqualify you from receiving Round 2 Westmoreland County grant funds, although funds received may not be used for costs that have been covered under another grant or loan program or Round 1.

24. Will I need to pay the money back?

This is a grant, not a loan, so you will not need to pay the funds back as long as you comply with all the terms and conditions of the grant agreement. Funds that are not utilized during the period ending December 30, 2020 or funds not used on appropriate expenses will need to be returned to Westmoreland County.

25. Does an applicant need to be in compliance with all applicable federal, state and local laws, statutes and regulations?

Yes. All applicants must certify that they are in compliance with federal, state and local laws. Questions concerning certification should be directed to the applicant's attorney.

All applicants must certify that they have been, and remain, in compliance with all relevant laws, orders and regulations during the period of the COVID-19 disaster emergency under the Pennsylvania Governor's proclamation dated March 6, 2020, and any and all subsequent renewals. The foregoing includes, but is not limited to, orders by the Governor, Secretary of Health, or other Commonwealth officials empowered to act during the emergency. Any non-compliant businesses will be ineligible for funding under this program and may be required to return all, or a portion, of funds awarded.

26. Is an applicant eligible to apply if it has delinquent real estate taxes?

No.

27. Are awards taxable?

Please consult with your accountant or tax professional.

28. Will documentation be required at the end of the grant?

Applicants who receive funds may be audited in the future, and are required to document how the funds are used, including all data, reports, contracts, documents, and other information relevant to the use of the funds.

29. What are the record retention requirements of the grant?

All required records shall be maintained by successful applicants for a period of five (5) years from the final audit or close out of the contract, except in cases where unresolved audit questions or litigation may require maintaining some or all records for a longer period.

30. If I am approved for a grant, what will be required to receive the funds?

A completed Form W-9 with an executed grant agreement between the successful applicant and the County of Westmoreland. An example agreement is available.

31. Will my information be kept confidential?

Financial information will be kept confidential. Small businesses that receive grants, and the dollar amount of the grant received, are public information.

32. My application is not completed, can I still submit it?

No. Incomplete applications will not be considered.

33. Who should I contact with questions concerning my application, eligibility, or required documentation?

If you have questions after reviewing these FAQ's, please contact Economic Growth Connection.

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34. What do I need to submit with my application?

In order for your application to be considered complete and eligible for consideration, you must submit the following IN THIS SPECIFIED ORDER:

- Completed application checklist
- Completed and signed application form (Please use the business name and address as shown on your W-9)
- Completed Form W-9
- 2018 AND 2019 Federal Tax Returns. If you file via:
  - Form 1040: submit only pages 1 and 2, along with Schedule C
  - Form 1065: submit only page 1
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- Income statement (profit and loss statement) for the period January 1 to October 31, 2019
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- Additional documentation to support a loss due to COVID-19 (i.e., include contracts canceled as a result of COVID-19)
- Invoices and/or receipts to support expenses related to COVID-19 from March 1, 2020 through the date of the application submission, if you choose to apply under Option B.