

Jefferson County COVID-19 Small Business/Non-Profit Emergency Relief Grant Program

PROGRAM GUIDELINES

The Jefferson County COVID-19 Small Business/Non-Profit Emergency Relief Grant Program (the "Program") is a grant fund that has been established to grant funds the County received through Section 5001 of the Federal Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The Program has been created by Jefferson County with community partners in order to assist small businesses and non-profit organizations throughout Jefferson County with the financial hardship imposed by the COVID-19 pandemic, and to help with the costs of business interruption required by closures or those costs where businesses and/or non-profit organizations face uncertainty as to their ability to pay due to the pandemic. The below guidelines establish the businesses and non-profit organizations eligible for funding, the type of business and non-profit organization expenses that can be paid with grant funds, and the application and award process.

I. General Description of the Program

Eligible businesses and non-profit organizations will be able to receive grant funds from the Program in order to assist those businesses and non-profit organizations with operating expenses incurred or paid after March 15, 2020, when the State of Ohio began the process of closing certain businesses and non-profit organizations within the State, and at which point several businesses and non-profit organizations were being affected by both mandatory and voluntary closures, cancelations, postponements of operations, activities, and events, and substantial losses in revenue and costs as a result of business interruption and broad economic impact of the pandemic.

Generally, the amount of the grant per business or non-profit organization will be a maximum of \$10,000. However, in order to qualify for the maximum grant award the business or non-profit must show revenue losses and/or direct COVID-19 related expenses equaling at least that amount in order to receive the maximum grant amount. Eligibility for the grants will be tied to key criteria linked to supporting small businesses and non-profit organizations that were viable prior to the pandemic, have been impacted by COVID-19, are located within Jefferson County, and have the potential to continue to operate following the pandemic.

Applicants must submit an application in the form attached to these guidelines to the Jefferson County Auditor's Office. A Grant Underwriting Team will review applications for completeness and compliance with these guidelines. The Grant Underwriting Team will determine which submitted applications are eligible for grant funding and will also determine the amount of funding to be awarded.

Applications will be accepted beginning on Monday, November 9, 2020 and run until Sunday November 29, 2020. After the grant application submission deadline the Grant Underwriting Team will review all applications for completeness and eligibility. The Grant Underwriting Team will recommend the awarding of grants to small businesses and non-profit organizations based on its review of submitted applications and the following criteria: the location of the business or non-profit organization, the impact of the COVID-19 pandemic on the operation and success of the business or non-profit organization, the likelihood of the future success on the business or non-profit organization, and the diversity of the business or non-profit organization.

Final approval of grant awards will be made by the Jefferson County Board of County Commissioners. Jefferson County will announce the award of grant funds no later than Friday, December 11, 2020. The County Auditor will begin distributing grant funds upon receipt of the signed grant award notification/agreement.

All grants made under the Program are being made with the intention to provide immediate funding to small businesses and non-profit organizations to reimburse costs of business interruption caused by required and voluntary closures, to assist with the payment of costs where the small business or non-profit organization faces uncertainty as to its ability to pay due to the pandemic, to keep as many small businesses and non-profit organizations as possible operating in Jefferson County, and to retain as many jobs for Jefferson County residents as possible in light of the severe economic hardships brought on by the COVID-19 pandemic. All contributions of funds to the Program are made for the purpose of furthering economic development, preserving employment opportunities for Jefferson County residents, and preserving the operations of Jefferson County's small businesses and non-profit organizations. The primary objective of the Program is to minimize long-term economic hardship to Jefferson County residents, small businesses and non-profit organizations that may result from COVID-19.

II. Eligibility Criteria

A. To be eligible for grant funds under the Program, Jefferson County small businesses and non-profit organizations must meet the following requirements as of March 15, 2020:

Small Business

- The business must operate for profit. (Businesses that are for-profit generally file an IRS Form 1040 with a schedule C, 1040-SR with a Schedule C, 1065, 1120, or 1120-S).
- 2019 Revenue not to exceed \$2,000,000
- The business may be a sole proprietorship, partnership, corporation (both S and C), professional association, limited liability company, or limited partnership. If a corporation, professional association, limited liability company, or limited partnership the business must be registered with the Ohio Secretary of State to do business in the State of Ohio. If a sole proprietorship, the business shall provide documentation of its existence as a business, including, but not limited to income tax returns for the business, trade name registrations, business banking or credit accounts, or similar documents. If a partnership, the business shall either be registered with the Ohio Secretary of State to do business in the State of Ohio, or, if not registered, shall provide documentation similar to that required for a sole proprietorship.
- The business or headquarters for the business must be located within Jefferson County. The business must have a physical location in Jefferson County.
- The business must have been in operation 12 months prior to launch of the grant program (for this purpose that is considered to be October 1, 2019), which at a minimum, may be evidenced by a filing on or before that time, of documents with the Ohio Secretary of State incorporating or organizing the business or evidencing operation of the business prior to that time.
- The business must not be permanently closed and must intend to continue its business operations following the COVID-19 pandemic.

- To be eligible for a grant in an amount up to \$10,000, the business must employ no more than 25 full time employees (FTE). FTE's for the purpose of this grant will be counted as one FTE per full time employee and one-half FTE per part time employee. For purposes of this criteria, "employee" shall mean an individual who (i) is employed as an employee who regularly works at least 20 hours per week and who is provided an IRS Form W-2 at the end of each calendar year, (ii) is independently contracted with the business, regularly works at least 20 hours per week and who receives an IRS Form 1099 at the end of each calendar year, or (iii) the principal owner(s) of the business, the sole proprietor, or partners, whichever is applicable, provided, however, that the principal owner(s) of the business, the sole proprietor, or partners need not be included in the number of employees if it would cause the business to exceed the maximum number of individuals employed.
- The business must not be in receivership or bankruptcy.
- The business must be current on all Jefferson County property tax obligations. All businesses will be required to provide the businesses' federal employer identification number, or, if the business does not have a federal employer identification number, the social security number under which the business operates.
- The business must be the primary source of income for business owners with less than 2 FTE's

B. The business shall not be one of the following, regardless of its general eligibility under subsection (A) above:

- Any business operating as an entertainment device or skill game arcade.
- Any business operating as a sexually oriented business as that term is defined in Section 2907.40 of the Ohio Revised Code.
- Any business that primarily sells tobacco products, cigarettes, electronic smoking devices, or vapor products as those terms are defined in Section 2927.02 of the Ohio Revised Code.
- Any financial institution that makes loans or issues credit to the public, including, but not limited to, banks, credit unions, payday lenders, or other similar business.
- Any pass through entities or real estate holding companies.

Non-Profit Organization:

- The business must operate for as a non-profit organization.
- 2019 Revenue/Donations not to exceed \$2,000,000
- The business may be organized as a 501(c)(3), 501(c)(4), 501(c)(8), or a 501(c)(10) as defined in the Internal Revenue Code. The non-profit organization shall provide documentation to show how the organization was organized.
- The non-profit organization must be located within Jefferson County.
- The non-profit organization must have been in operation 12 months prior to launch of the grant program (for this purpose that is considered to be October 1, 2019). Evidence must be provided to

document when the non-profit organization organized or evidencing operation of the non-profit organization prior to that time.

- The non-profit organization must not be permanently closed and must intend to continue its business operations following the COVID-19 pandemic.
- The non-profit organization must not be in receivership or bankruptcy.
- If applicable, the non-profit organization must be current on all Jefferson County property tax obligations.

III. Eligible Expenses

A. Unless excepted below, all expenses of the business that related to the costs of business or operational (non-profit organization) interruption caused by required closures or that the business faces uncertainty as to its ability to pay due to the pandemic and that are deductible as ordinary and necessary business or operational expenses under the U.S. Internal Revenue Code may be paid for with grant funds from the Program. The comparative period for the eligible expenses listed below will be for the period March 15, 2019 through September 30, 2019 compared to March 15, 2020 through September 30, 2020. Examples of eligible expenses include, but are not limited to:

- Lost revenues or donations due to mandatory business and non-profit organization closures mandated by the Governor of the State of Ohio.
- Lost revenues or donations due to mandatory operational changes (cancellation of in-facility dining, cancellation of events with large gatherings, extended closures of certain business types, etc.) mandated by the Governor of the State of Ohio.
- Unplanned additional unemployment expenses incurred due to business or non-profit organization operational interruption caused by the closures and operational changes noted above as well as residual effects caused by the pandemic.
- Expenses directly related to the pandemic such as expenses incurred for facility cleaning and sanitization, the purchase of extra cleaning supplies, the purchase of PPE equipment and supplies, installation of plexiglass dividers, and any other expenses incurred by the business or non-profit organization directly resulting from the pandemic.
- Such other costs related to interruption of the business or the operation of the non-profit organization caused by required closures, including the closure of the business's or non-profit organization's suppliers and/or customers.

B. Each applicant for funds will required to include in its application filed with the Jefferson County Auditor's Office evidence or proof of eligible expenses as noted above incurred as a result of the pandemic. Any loss of revenue or donations as noted above to be considered for grant award eligibility must be evidenced by some type of financial documentation to reflect the loss for the comparative period. This can be a financial statement prepared and signed by your accountant showing the revenue or donations for the period March 15, 2019 through September 30, 2019 compared to March 15, 2020 through September 30, 2020 to document and evidence the revenue or donation loss. This can also be by the submission of bank statements for the period March 15, 2019 through September 30, 2019 compared to March 15, 2020 through September 30, 2020 to document and evidence the revenue or donation loss. Any other expenses incurred and submitted to be considered for grant award eligibility must be evidenced by an itemization of the expenses incurred and paid directly relating to the pandemic.

IV. Application and Award Process

A. Businesses and non-profit organizations that wish to apply for a grant from the program shall submit to the Jefferson County Auditor's Office, as part of their grant application, the following documents:

- A complete application on the prescribed form available on the Jefferson County and Jefferson County Chamber of Commerce websites. That application will include basic information about the business or non-profit organization, as well as additional information noted below.
- Summary level information on 2019 revenues or donations (March 15, 2019 through September 30, 2019) and 2020 revenues or donations (March 15, 2020 through September 30, 2020).
- Documentation of any unplanned unemployment compensation paid directly resulting from business or operational interruption directly caused by the pandemic.
- Expenses incurred directly related to the pandemic such as expenses incurred for facility cleaning and sanitization, the purchase of extra cleaning supplies, the purchase of PPE equipment and supplies, installation of plexiglass dividers, and any other expenses incurred by the business or non-profit organization directly resulting from the pandemic
- Any other such costs related to interruption of the business or the operation of the non-profit organization caused by required closures, including the closure of the business's or non-profit organization's suppliers and/or customers.
- A narrative explaining the negative impact that the pandemic had on the business or non-profit organization including, but not limited to, the financial impact caused by mandatory closures mandated by the Governor of the State of Ohio, the financial impact caused by mandatory operational changes (cancellation of in-facility dining, cancellation of events with large gatherings, extended closures of certain business types, etc.) mandated by the Governor of the State of Ohio, the financial impact caused by the residual effects of these closures (immediate and longer term), and the additional unplanned expenses incurred as a direct result of the pandemic. The narrative should also outline how the grant award will assist the business or non-profit organization in its ability to stay open, keep existing employees, bring back furloughed employees, etc.

B. Applications will be accepted beginning at 9:00 a.m. on Monday, November 9, 2020 and run until 11:59 p.m. on Sunday November 29, 2020. All applications must be fully submitted and completed during this time to be considered for grant funding. Applications will be accepted in the following methods:

- A. Electronically in .pdf format emailed to grants@jeffersoncountyoh.com
- B. Faxed to the Jefferson County Auditor's Office at (740) 283-8520
- C. Via U.S. Mail sent to Jefferson County Auditor, 301 Market Street, P.O. Box 159, Steubenville, Ohio 43952
- D. Dropped off at the Jefferson County Auditor's Office, 3010 Market Street, Steubenville, Ohio 43952
- E. Electronically filed through the link located on the Jefferson County Chamber of Commerce website (**please be advised that Jefferson County accepts no responsibility for receipt of applications filed in this manner**).

Submissions via fax will be time stamped for receipt. Applications via U.S. Mail will be time stamped upon receipt for 5:00 p.m. on the date of the postmark of the application. To facilitate review, no applications will be accepted by U.S. Mail if received after 5:00 p.m. after the final date of the application process. **A completed Form W-9 must be included with your application to be considered for grant eligibility.**

- C. Upon receipt of each application, the Jefferson County Auditor's Office will examine the same for completeness and ensure that all items required by Section IV (A) above are included. Complete submission of accurate information is the responsibility of the applicant. Given the volume of applications expected, the Jefferson County Auditor's Office will be unable to contact prospective individual recipients relating to incomplete information. Information submitted by the applicant will be deemed as **certified** to be accurate and truthful by the applicant and will be relied upon for determining eligibility. False information provided by the applicant **could** result in the requirement to repay grant funds as a result of submitting false or misleading information.
- D. All applications that are complete and contain all information required by Section IV (A) above, and a completed Form W-9, will receive a sequential grant application number indicating the order that the complete application was received. This number will factor into the review as a way of prioritizing distribution of funds in the event that the total grant funds applied for exceeds the amount of funds set aside by the Jefferson County Board of County Commissioners for the Program.
- E. All complete applications that receive a grant application number will be considered for funding by the Grant Underwriting Team. Grant awards will be made based on the number of grant applications, the amount of funds applied for by the grant applicants, and the amount of funds available for award as determined in advance by the Jefferson County Board of County Commissioners.

The Grant Underwriting Team, the membership of which is attached hereto as Exhibit A, will be responsible for oversight of the grant review process, grant applicant evaluation, and grant award recommendations to the Jefferson County Board of County Commissioners. The final approval of grant awards rests with the Jefferson County Board of County Commissioners.

- F. Upon final grant award approval by the Jefferson County Board of County Commissioners, grant awards will be announced by Jefferson County no later than Friday, December 11, 2020. Following the award of each grant, the Jefferson County Auditor's Office will email to each business a grant award notification/agreement. The business or non-profit organization must complete and sign the grant award notification/agreement and return the same to the Jefferson County Auditor's Office to receive grant funds. Grant funds will be disbursed within 5 business days by the Jefferson County Auditor's Office following the receipt of a signed grant award notification/agreement.
- G. In general, the Jefferson County Auditor's Office will manage the application distribution and receipt portion of the Program, the Grant Underwriting Team will review complete applications and recommend grant awards to the Jefferson County Board of County Commissioners, the Jefferson County Board of County Commissioners will give final approval of grant awards, and the Jefferson County Auditor's Office will distribute grant funds.
- H. Nothing contained herein is intended to obligate or bind, nor shall it be construed to obligate or bind, the Grant Underwriting Team, the Jefferson County Board of County Commissioners, or the Jefferson County Auditor's Office to make, award, or fund any grant to any entity whatsoever, and no entity shall have any claim, action, or cause of action against the Grant Underwriting Team, the Jefferson County Board of County Commissioners, or the Jefferson County Auditor's Office for failure to make, award, or fund any grant. All determinations will be made with the best efforts of the Grant Underwriting Team and in the spirit of meeting the objectives of this Program. The recommendations of the Grant Underwriting team and the decisions of the Jefferson County Board of County Commissioners are final, not subject to appeal, and fully within their discretion subject to whatever process modifications they find necessary in the dispatch of their work to meet the guidelines of the Program. A statement to this effect will be included in the application.

V. Fund Contributions

The Jefferson County Board of County Commissioners shall set aside \$1,000,000.00 dollars of CARES Act funding to establish the Jefferson County COVID-19 Small Business/Non-Profit Emergency Relief Grant Program (the "Program"), of which the entire amount balance of \$1,000,000.00 may be used to fund grants under this Program, dependent on the number of eligible approved applications received. In the event that the number of eligible approved applications exceeds the amount set aside for the Program, grants will be awarded on the basis of receipt (i.e. grants will be awarded based on the order that eligible approved applications were received). **Please remember that you must submit a completed Form W-9 with your application to be considered for grant award eligibility.**

EXHIBIT A

GRANT UNDERWRITING TEAM MEMBERS

The following members shall comprise the Program's Grant Underwriting Team:

1. Two (2) representatives of the Jefferson County Auditor's Office.
2. One (1) representative of the Jefferson County Chamber of Commerce.
3. Three (3) representatives appointed by the Jefferson County Board of County Commissioners.

EXHIBIT B

UNDERWRITING CRITERIA

The below criteria shall be used by the Grant Underwriting Team in determining whether to recommend to the Jefferson County Board of County Commissioners to fund any grant. In evaluating businesses and non-profit organizations in view of the below criteria, the Grant Underwriting team shall place a priority on the goals of (i) assistance to businesses and non-profit organizations that are threatened and/or economically harmed by the COVID-19 pandemic, but were otherwise healthy and functional businesses or non-profit organizations prior to the pandemic, and are therefore likely to be successful following the pandemic, (ii) preserving jobs at small businesses and the continued operating success of non-profit organizations within Jefferson County, and (iii) the value of the economic impact that the business or non-profit organization has on Jefferson County and/or the corresponding loss if the business or non-profit organization discontinues.

1. The direct financial impact of COVID-19 on the business or non-profit organization due to business interruption.
2. The impact of COVID-19 on the business or non-profit organizations ability to be successful.
3. The length of time the business or non-profit organization has been in operation.
4. The number of FTE's employed by the business or non-profit organization.
5. The additional unplanned expenses incurred by the business or non-profit organization as a direct result of the COVID-19 pandemic.
6. The location of the business or non-profit organization, specifically if the business or non-profit organization is located or headquartered in Jefferson County.
7. Whether the business is a minority-owned, woman-owned, veteran-owned, or other disadvantaged business, including whether the business has an EDGE certification or other certification that it is a disadvantaged business.
8. The amount of the business's sales or the non-profit organization's donations in 2019.
9. In light of the business's current operating revenues and expenses, the likelihood that the grant funds will provide adequate assistance to allow the business or non-profit organization to either continue operating or resume operating operations following the COVID-19 pandemic.

Upon a majority vote of the members of the Grant Underwriting Team, the above criteria may be modified, provided that any modified criteria conforms to the goals set forth in the first paragraph of this Exhibit B.