



**BENTON COUNTY**  
**2021 BUSINESS RELIEF FUND GUIDELINES**  
(Administered by the Benton Economic Partnership, Inc.)

Adopted Benton County Board of Commissioners: January 5, 2021

## 2021 Business Relief Fund Guidelines

The Governor and the Legislature approved an economic relief package for Minnesota businesses that includes distributions for counties to provide grants to eligible local businesses.

Benton County has contracted with Benton Economic Partnership, Inc. to establish a temporary program to provide economic relief in the form of grants to local businesses and non-profits adversely affected by the COVID-19 pandemic.

Business owners who have questions or need assistance in completing applications should contact:

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The collective goal is to help businesses survive the economic crisis caused by the pandemic and to provide a means to re-open under public health guidance and protocols.

The 2021 Business Relief Fund grants will initially be issued to two tiers of applicants:

**Tier 1** businesses or veteran service organizations\*\* are those that were required to close as a result of Executive Order 20-99 and that will receive a direct business relief payment from the state (veteran service organizations may be exempt from this rule). BEP will prioritize and expedite these requests in order to provide temporary relief to Tier 1 businesses while they await state payments.

**Tier 2** businesses and non-profits are those that are not eligible to receive direct business relief payments from the state.

After BEP has processed all applications for Tier 1 and Tier 2 businesses, BEP may issue supplemental awards to those businesses if funds remain in the county's Business Relief Fund after the initial round of grants. This second phase of grant funding will be done at BEP's discretion based on information in existing applications in order to ensure that BEP is able to distribute any remaining funds in the BEP's program to local businesses prior to March 15, 2021.

Businesses owners receiving grant funds must sign an agreement form acknowledging that the business will use the grant funds only for eligible costs and expenses and agreeing to provide a report to BEP on the use of the grant funds. BEP may require business owners to provide proof that grant funds were used only for eligible costs and expenses.

# TIER 1

## IMMEDIATE RELIEF FOR BUSINESSES CLOSED BY EXECUTIVE ORDER 20-99

### Eligible Businesses

Businesses that meet all of the following criteria as of November 1, 2020 are eligible for Tier 1 grant awards:

1. The business or veteran service organization was required to temporarily close or eliminate in-person services under [Executive Order 20-99](#), section 7(c)(iii), including restaurants, bars, breweries, gyms and fitness centers;
2. The business or veteran service organization\*\* has been or anticipates that it will be notified that it is eligible to receive a Business Relief Payment from the Minnesota Department of Revenue under the State program (<https://www.revenue.state.mn.us/covid-19-business-relief-payments>);
3. The business or veteran service organization is able to demonstrate that it was directly and adversely affected by an Executive Order issued in response to the COVID-19 pandemic;\*
4. The business or veteran service organization has a physical commercial or industrial location (based on property tax classification) in Benton County.
5. The business or veteran service organization is registered with the Minnesota Secretary of State and is not debarred by the State of Minnesota;
6. The business or veteran service organization has at least two FTE (30+ hours per week) and no more than 50 FTE employees at the physical location in Benton County: and
7. The business or veteran service organization has no current tax liens on record with the Minnesota Secretary of State, and all required licenses and permits are in good standing.

### Ineligible Businesses

Businesses otherwise meeting the eligibility criteria above are NOT eligible for Tier 1 grant awards if any of the following apply (additional criteria may be applied by BEP to effectuate the purpose of the Business Relief Program):

- Businesses where delivery or takeout was the primary source of activity and/or primary source of revenue prior to March 1, 2020.
- Independent Contractors.
- Franchise owned corporate chains and/or multi-state chains.
- Businesses that do NOT receive business relief payments directly from the State of Minnesota under the State's 2021 business relief program.\*\*

*\* Businesses and veteran service organizations must demonstrate impact by submitting November/December 2019 and November/December 2020 profit and loss or sales data. Priority will be*

*given to businesses that have experienced a loss of revenue of 20% or greater during the comparison periods.*

*\*\*Veteran service organizations where food and beverage was the primary source of activity or source of revenue qualify, even though they may not receive business relief payments directly from the State of Minnesota.*

## **Amount of Grant and Use of Grant Funds**

Eligible Tier 1 businesses or veteran service organizations may receive a one-time grant of up to \$10,000 based on demonstrated need and for use on eligible expenses. Grant awards may not exceed the demonstrated impact on the business from COVID-19 (typically shown by loss in revenue and/or costs associated with responding to COVID-19).

Funds may be used for rent or mortgage payments, legal fees, payroll for current employees, working capital and operational costs such as inventory, utility and insurance payments and property taxes. Funds may not be used for Agriculture (crop or livestock production, etc.), purchasing machinery or vehicles, moving expenses, or land acquisition.

BEP will determine in its discretion the appropriate amount of a grant and the eligible costs and expenses for each eligible business.

## **Application Process**

- The application period will begin on January 5, 2021 and will close on January 29, 2021.
- Applicants must include the following information:
  - Basic details about the business.
  - Affirmation that the business or veteran service organization was required to temporarily close or eliminate in-person services under Executive Order 20-99, section 7(c) (iii).
  - Affirmation that the business is eligible to receive a Business Relief Payment from the Minnesota Department of Revenue under the State program.\*\*
  - Information on current operations including whether the business or veteran service organization is currently closed or is providing reduced services.
  - Narrative descriptions and estimated calculations of the negative impacts on the business due to COVID-19.
  - Information on the intended use of the grant funds.
  - Affirmation that drive-thru, take-out and/or delivery services account for less than 50% of revenues prior to March 1, 2020.

*\*\* Veteran service organizations where food and beverage was the primary source of activity or source of revenue qualify, even though they may not receive business relief payments directly from the State of Minnesota.*

- Applicants must submit the following:
  - Evidence of revenue loss related to COVID 19 demonstrating the impact the COVID-19 pandemic. Priority will be given to businesses that have experienced a loss of revenue of 20% or greater during the comparison periods. (November/December 2019 and November/December 2020 profit and loss or sales data)
  - Any additional documentation or information deemed necessary by BEP to determine eligibility, generate grant documents, disburse grant proceeds, or meet program reporting requirements.
  - Failure to submit the required documentation will result in forfeiture of grant eligibility.
- Applicants will be notified within approximately two weeks whether the application is approved. Grants will be issued on a rolling basis.

## **TIER 2**

### **Relief for Businesses and Nonprofits Not Receiving Awards from the State**

#### **Eligible Businesses and Nonprofits**

Businesses and nonprofits that meet all of the following criteria as of November 1, 2020 are eligible for Tier 2 grant awards:

1. The business does not meet all of the eligibility criteria for Tier 1 grant awards
2. The business or nonprofit is not eligible to receive a Business Relief Payment directly from the Minnesota Department of Revenue under the State program (<https://www.revenue.state.mn.us/covid-19-business-relief-payments>);
3. The business or nonprofit is able to demonstrate that it was directly and adversely affected by an Executive Order issued in response to the COVID-19 pandemic;\*
4. The business or nonprofit has a physical commercial or industrial location (based on property tax classification) in Benton County.
5. The business or nonprofit is registered with the Minnesota Secretary of State and is not debarred by the State of Minnesota:
6. The business or nonprofit has no more than 50 FTE employees at the physical location in Benton County: and
7. The business or nonprofit has no current tax liens on record with the Minnesota Secretary of State, and all required licenses and permits are in good standing.
8. Nonprofits, nonprofit arts organizations, nonprofit museums, and nonprofit fitness centers must demonstrate that they earn revenue similar to businesses, including but not limited to ticket sales and membership fees.

#### **Ineligible Businesses**

Businesses and nonprofits otherwise meeting the eligibility criteria above are NOT eligible for Tier 2 grant awards if any of the following apply (additional criteria may be applied by the County to effectuate the purpose of the Business Relief Program):

- Businesses where delivery or takeout was the primary source of activity and/or primary source of revenue prior to March 1, 2020.
- Independent Contractors.
- Franchise owned corporate chains and/or multi-state chains.
- Businesses and nonprofits that derive income from passive investments; real estate transactions; property rentals or property management; billboards; or lobbying.
- Businesses that receive business relief payments directly from the State of Minnesota under the State's 2021 business relief program.
- Youth sports programs.

*\* Businesses and nonprofits must demonstrate impact by submitting November/December 2019 and November/December 2020 profit and loss or sales data. Priority will be given to businesses or nonprofits that have experienced a loss of revenue of 20% or greater during the comparison periods.*

## **Amount of Grant and Use of Grant Funds**

Eligible Tier 2 businesses and nonprofits other than sole proprietorships may receive a one-time grant of up to \$10,000 based on demonstrated need and for use on eligible expenses. Grant awards may not exceed the demonstrated impact on the business or nonprofit from COVID-19 (typically shown by loss in revenue and/or costs associated with responding to COVID-19).

Eligible Tier 2 businesses and nonprofits that are sole proprietorships may receive a one-time grant of up to \$5,000 based on demonstrated need and for use on eligible expenses. Grant awards for sole proprietorships may not exceed 50% of the demonstrated impact on the business or nonprofit from COVID-19 (typically shown by loss in revenue and/or costs associated with responding to COVID-19).

Funds may be used for rent or mortgage payments, legal fees, payroll for current employees, working capital and operational costs such as inventory, utility and insurance payments and property taxes. Funds may not be used for Agriculture (crop or livestock production, etc.), purchasing machinery or vehicles, moving expenses, or land acquisition.

BEP will determine in its discretion the appropriate grant amount and the eligible costs and expenses for each eligible business or nonprofit.

## **Application Process**

- The application period will begin on January 5, 2021 and will close on January 29, 2021.
- Applicants must include the following information:
  - Basic details about the business or nonprofit.
  - Affirmation that the business is NOT eligible to receive a Business Relief Payment from the Minnesota Department of Revenue under the State program.

- Information demonstrating that the business or nonprofit was directly and adversely affected by an Executive Order issued in response to the COVID-19 pandemic.
  - Information on current operations including whether the business or nonprofit is currently closed or is providing reduced services.
  - The business or nonprofit must be currently operating in some capacity relating to its normal business activities.
  - Narrative descriptions and estimated calculations of the negative impacts on the business or nonprofit due to COVID-19.
  - Information on the intended use of the grant funds.
  - Affirmation that drive-thru, take-out and/or delivery services account for less than 50% of revenues prior to March 1, 2020.
- Applicants must submit the following:
    - Evidence of revenue loss related to COVID 19 demonstrating the impact the COVID-19 pandemic. Priority will be given to businesses that have experienced a loss of revenue of 20% or greater during the comparison periods. (November/December 2019 and November/December 2020 profit and loss or sales data)
    - Any additional documentation or information deemed necessary by BEP to determine eligibility, generate grant documents, disburse grant proceeds, or meet program reporting requirements.
    - Failure to submit the required documentation will result in forfeiture of grant eligibility.
  - Applicants will be notified within approximately two weeks whether the application is approved. Grants will be issued on a rolling basis.

# **ROUND 2 AWARDS**

## **SUPPLEMENTAL AWARDS FOR ELIGIBLE BUSINESSES**

BEP must award the state-issued grant funds to eligible businesses no later than March 15, 2021. After BEP has issued all awards to Tier 1 and Tier 2 applicants, BEP will determine if additional 2021 Business Relief Funds remain available for distribution to local businesses and nonprofits.

If sufficient funds remain, BEP may, in its discretion, issue supplemental awards to eligible Tier 1 and Tier 2 businesses and nonprofits that previously applied. BEP will determine the appropriate amount of any supplemental grant awards for each eligible business or nonprofit based on demonstrated need as shown in the original application.

BEP may also, in its discretion, extend or re-open the application period for awards to eligible Tier 2 businesses that did not previously apply or for eligible businesses that received a Tier 1 grant, but whose state grant did not meet the full extent of their demonstrated need.

BEP will issue supplemental awards based on previously filed applications. No additional application materials are necessary, unless requested by BEP for clarification of an applicant's need.

Supplemental awards, if any, will be issued prior to March 15, 2021.