

**To:** Small Businesses in Reno County

**From:** Randy Partington, County Administrator

**Date:** July 24, 2020

**Re:** Community Development Block Grant – Corona Virus (CDBG-CV)

On June 2, 2020 Reno County was approved for \$132,000 in grant funds to assist small businesses who employ persons from low to medium income households. Reno County is accepting applications from businesses that meet the following requirements:

- Must be physically located in Reno County, but not within the City of Hutchinson incorporated boundaries;
- Must have one to five employees for the micro-grant program, and six to fifty employees for the economic development program; including the owner;
- Must have at least 51% full-time equivalent jobs for persons from low to medium income households;
- Must provide proof of financial hardship due to COVID-19;
- Must submit the application and all required supporting documentation; and
- Must disclose if they have received capital through alternative sources (e.g. Economic Injury Disaster Loan (EIDL) or Payroll Protection Program (PPP) Loan) at the time of application submittal.

#### **AVAILABLE FUNDING**

The program is based on the availability of CDBG-CV funds, program guidelines, and submission of all required information. Based on the criteria stated above, applicants may receive a grant of up to:

- Ten thousand dollars (**\$10,000**) for businesses of 1 to 5 employees, and;
- Twenty thousand dollars (**\$20,000**) for businesses of 6 to 50 employees.

Grant funds are to be used for working capital such as employee wages, rent, mortgage payments, utilities, and to purchase up to 60 days of inventory needed to reopen the business. The County anticipates being able to assist approximately 10 small businesses within Reno County with the funds awarded to the County.

## APPLICATION GUIDELINES

**CDBG-CV Application:** Provide an eligible CDBG-CV program that serves low to moderate-income residents or businesses. All applicants will need to:

- Upon reading the letter from the County Administrator, complete and submit the Signature of the Executive Authority located at the end of the document.
- Complete and submit the CDBG-CV Business Application.
- Submit Employee Certification forms completed by the business owner and each employee.
- Provide their business's 2019 tax return.
- Apply for a DUNS number if they do not already have one.

## DEADLINES

1. **SUBMISSION DEADLINES: Friday, August 7, 2020 by 5:00 p.m.**

**TO: Randy Partington, County Administrator**

**[randy.partington@renogov.org](mailto:randy.partington@renogov.org)**

**LATE APPLICATIONS WILL BE CONSIDERED ONLY IF FUNDING IS AVAILABLE AFTER THE FIRST ROUND OF AWARDS**

## REVIEW PROCESS AND SCORING

### REVIEW PROCESS

All complete applications submitted by the deadline above will be reviewed by The CDBG-CV Grant Committee for eligibility. If the amount of requested funding exceeds the available funding, the committee will score all applications based on the scoring categories. Staff will prepare a list of the recommended applications, including any scoring, for County Commission review and approval.

A program timeline for the CDBG-CV Process is below but subject to change pending Kansas Department of Commerce's timeline:

<b>July 23, 2020</b>	Applications are available
<b>August 7, 2020</b>	<b>Applications DUE by 5:00 p.m.</b>
<b>August 11, 2020</b>	CDBG-CV application reviewed & scores all applications, if needed
<b>August 18, 2020</b>	Commission reviews and approves grant awards
<b>Approx. Aug. 25, 2020</b>	Funds are distributed to grant awardees

## SCORING CATEGORIES AND POINT DISTRIBUTION

Applications will be rated and ranked on the basis of their responses to the application elements.

Business has not received Federal Support for COVID-19 (PPP loan, EIDL, etc.)	5 points for no federal support received Will not qualify if business has received Federal Supports
Percentage of FTE employees who make 51% or more of LMI	2 points for 51% 3 points for 55% to 60% 5 point for 61% and above
Overall Application Quality	Up to 10 points

## POST AWARD AND SUB-RECIPIENT CRITERIA

All awards are subject to the County receipt of its CDBG-CV appropriation from the Kansas Department of Commerce.

Reno County is committed to monitoring the performance of grant recipients to ensure that Federal funds are used appropriately and, in a manner, to maximize low and moderate income public benefit. Monitoring each grant recipient ensures that the goals and objectives of the CDBG program are met.

Recipients that do not comply with the Post-Award and Sub-Recipient Criteria listed below will forfeit their award of CDBG-CV funds. The forfeited funds will be then returned to the CDBG-CV program for reallocation.

- CDBG-CV funds shall not be used for any costs incurred prior to March 1, 2020.
- CDBG-CV funds may only be used for working capital and not for construction or debt payoff.
- CDBG-CV recipients must complete their program by July 31, 2021.
- CDBG-CV recipients shall ensure recognition of the role of the Kansas Department of Commerce and Reno County Community Development Block Grant program in providing services.
- CDBG-CV recipients will be required to maintain accurate records documenting that the funds received were used for the prevention of, preparation for, response to the Coronavirus AND records documenting targeted populations and/or areas being served by this program.
- Recipients may be asked to provide a final summary reporting all accomplishments and outcomes to be provided to the County and the Kansas Department of Commerce. This includes a description of the impact or outcomes of this program.

**SIGNATURE OF THE EXECUTIVE AUTHORITY**

My signature below confirms that I have read and understand the guidelines set forth on this application. If my application is approved, I will adhere to the terms described in the application and use the funds according to these guidelines and the guidelines set for by the Federal Housing and Urban Development. I will be able to provide the appropriate documentation to the County on the funds used for the stated purpose. I further acknowledge that I have not received other COVID-19 disaster assistance funds for the same recovery purpose as set forth in this application. Failure to meet these guidelines will require me to forfeit the funds to Reno County upon County request.

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**