

Mower County CARES COVID-19 Relief (CRF) Fund Grant Program Frequently Asked Questions

Eligibility

Eligibility Businesses must meet all of the following criteria as of March 1, 2020 to be eligible:

- Businesses, animal agriculture or nonprofit organizations with a physical establishment in Mower County, including locally-owned franchises, home-based businesses and mobile businesses.
- The owner must be a permanent resident of Mower County or a county adjacent to Mower County.
 - Business owners who live in adjacent counties in Iowa and own a business in Mower County are eligible. List counties that are physically adjoining MC.
- No more than 50 full-time equivalent employees. Employees for this grant program may be either W-2 employees or independent contractors.
- Have been operating before March 1, 2019.
- Be in good standing with the Minnesota Secretary of State and Minnesota Department of Revenue as of March 1, 2020.
- Must demonstrate financial hardship due to COVID-19 between March 1, 2020 and June 30, 2020.
- Businesses who received federal funds in the Payment Protection Plan (PPP) and Emergency Incident Deferment Loan (EIDL) are eligible, but Mower County Small Business Relief funds must be used to cover different expenses over and above what was covered by PPP and EIDL.

My business employs more than 50 employees but they all are employed part-time. Am I disqualified from this program?

Not necessarily. This program is limited to businesses with 50 or less full-time equivalent employees (FTE). Please consult with a tax or accounting professional on how to calculate the number of fulltime equivalent employees your business employs.

Are any businesses NOT eligible to apply?

Yes. The following businesses are NOT eligible for this grant program:

- Corporate chains, multi-state chains.
- Businesses that primarily derive income from gambling.
- Businesses that derive any income from adult entertainment.
- Businesses that primarily sell pawned merchandise, guns, tobacco or vaping products.
- Businesses that derive income from passive investments; business-to-business transactions; real estate transactions; property rentals or property management; billboards; or lobbying.
- Businesses who received the Minnesota Small Business Relief Grants approved by the Minnesota State Legislature and signed by Governor Tim Walz on June 16, 2020.
- Lending institutions, law firms, utility companies, residential rental properties, production agriculture, insurance agencies, financial advisors.

Besides myself, my business does not have any employees. Am I eligible for this program?

Yes.

My business has zero employees and/or hires independent contractors for some of its functions. Am I eligible for this program?

Yes.

I own or I am part-owner of multiple businesses that could be eligible for an award. Can each of those business apply to receive a grant?

No. If you own more than a 20% stake in more than one business only one of the businesses you own can apply and be eligible to receive an award.

I'm a home-based child care provider. Do I qualify in light of the physical, commercial location requirement?

Yes. Home-based child care providers qualify as long they fit all other eligibility requirements as listed on the application.

I received a Paycheck Protection Program loan or an Economic Injury Disaster Loan. Am I still eligible for a CRF grant?

Yes. However, the CRF requested funds must not be used for expenses already covered by other grant programs. They must be used for separate and unique purposes.

I received a Paycheck Protection Program loan or an Economic Injury Disaster Loan, I have not applied for the forgiveness on this loan. Should I include these funds in my net profit/net loss calculation?

No. However, the CRF requested funds must not be used for expenses already covered by other grant programs. They must be used for separate and unique purposes.

I received a Paycheck Protection Program loan or an Economic Injury Disaster Loan and I have applied for partial loan forgiveness. Should I include these funds in my net profit/net loss calculation?

Whether or not you have applied or received forgiveness, for the purposes of this grant process do not include these fund in your net profit/net loss calculation. MCCRF funds must not be used for expenses already covered by other grant programs. They must be used for separate and unique purposes. For tax planning purposed, consult your accountant to determine how to treat partially forgivable loans.

I applied for and received a CARES Act grant from another local unit of government (City, Township). Can I still apply to the CRF?

No. You may only receive funds through one local unit of government.

My business leases space within the permanent physical location of another business (for example, a chair in a barbershop or a store within a mall, etc.). Is this considered a permanent physical location?

Yes.

What is the definition of "permanent resident of Mower County or adjacent counties"?

For the purposes of this program, "permanent resident" means "resident" as defined by Minnesota Statutes (Minn. Stat. 290.041). The term "resident" means any individual who is domiciled in Mower County or an adjacent county and spends, in the aggregate, more than one-half of the tax year in at the residence, unless the individual or the spouse of the individual is in the armed forces of the United States. Adjacent counties are Freeborn, Steele, Dodge, Olmsted, Fillmore in Minnesota and Howard, Worth, and Mitchell in Iowa.

I have notified I will received a COVID-19 related emergency small business funding through the State (DEED), but have not received final approval. Should I apply to the Mower County CRF?

You can apply, but businesses may only receive Mower County CRF grants upon certification and verification that no other COVID-related emergency city or state funds have been received.

Use of Funds

What can the grant funds be used for?

Grant funds shall be used for expenses that have occurred since March 1, 2020. Refer to the first page of the business or nonprofit applications for examples of eligible expenses. If you have specific questions about the use of funds, please contact a DCA staff member.

Can the grant funds be used to pay back taxes including property taxes? No.

Is there a specific date range for eligible expenses?

Yes. All expenses must be incurred between March 1, 2020 and June 30, 2020.

Is there a deadline for using the funds?

Grant recipients must use all awarded funds by December 30, 2020 and must report on the status of awarded funds within 60 days of disbursement.

What will I need as proof of the use of funds?

Grant recipients will be required to submit a form showing itemized expenses. Receipts are required for expenses over \$250.

What if I do not have financial information showing a loss for the first half of 2020 due to the nature of my request (i.e. an event/activity that happens later in the year)?

If the stated months within the application do not show your loss or impact of loss, please provide additional information.

Under any circumstances will I have to pay the grant back?

This is a grant - not a loan - and you will not be required to pay it back. However, the DCA and Mower County reserve the right to audit the use of funds and may conduct an audit check on a random selection of grant recipients. Grant recipients who are found to have violated the terms of the application process or grant agreement may be required to refund the county.

Is the amount of the grant taxable to the recipient business?

Please consult your financial advisor to determine if the grant is considered a taxable event. Mower County and DCA are unable to provide tax advice.

Are any nonprofits NOT eligible to apply?

Yes. The following nonprofits are NOT eligible for this grant program:

- Religious organizations for religious purposes that do not have social assistance programs are ineligible. Social Assistance nonprofit organizations include: Individual and family services; community food services; housing services; emergency and relief services; vocational rehabilitation services.
- Lobbying groups and political organizations.
- Organizations that restrict activity based on ethnicity, gender, orientation or ability.

What if my nonprofit serves locations other than Mower County?

Nonprofits may have a larger service area, but the requested resources in this application must be focused on work/care/services in Mower County.

Application Process

When and how do I apply?

The application form can be accessed on the [DCA web site](#). Business and nonprofit applications can be submitted until 4:30 pm, Monday, August 31, 2020. Applications submitted online are strongly preferred. If you are unable to complete the application online, call 507-433-9495 for instructions.

How soon should I apply?

Eligible businesses and nonprofits are encouraged to apply as soon as you are able. A limited pool of resources is available and there is a short timeline for disbursing funds.

Does it matter when I submit my application?

No. As far as your odds for getting an award, it doesn't matter at all – as long as you submit it before the deadline (4:30 p.m., Monday, August 31). However, it is advisable not to wait until the last minute. The system is designed to handle a high number of applications at one time, but there is a limit on how many it can handle.

How will grant recipients be selected?

Applications will be evaluated based on answers to established criteria within each application. Per the authorizing resolution, applications will be considered and acted on by DCA and the Mower County Board of Commissioners.

When will I know if my application has been received and/or approved and grant awarded? You will receive an email from a DCA representative verifying receipt of your application. Grant applications recommended for approval by will be submitted to the Mower County Board of Commissioners for final approval. Applicants will be notified of the status of their request within a reasonable time following review/action by DCA.

Will information from my application be made public?

The status of the data supplied for CARES Act funding will be governed by [MN Statute 13.591](#).

What happens if I am awarded a grant?

Awarded grant funds will be disbursed in full within a reasonable time following approved action by the County Board of Commissioners.

I still have questions or need help filling out my application. Where can I get help? You can contact the Development Corporation of Austin at austindca@austindca.org.