

Franklin County Business Recovery Grant

IMPORTANT INFORMATION **PLEASE READ BEFORE FILLING OUT APPLICATION**

Small Business Recovery Grant Overview

Franklin County has established a \$500,000 grant fund to support small business recovery following the COVID-19 outbreak. One-time grants of up to \$10,000 are being provided to offset business impacts during the pandemic. The grant program will be administered by the Industrial Development Authority with assistance from Franklin County.

Applications will be accepted beginning July 20, 2020.

Funding Source

The U.S. Treasury guidance allows states to use Coronavirus Relief Fund (CRF) dollars for expenditures related to a locality's COVID emergency including those "related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closure." The Commonwealth of Virginia has elected to disperse a portion of its allocation to local governments where Franklin County will utilize a portion of such funding to help preserve small business in Franklin County by providing grants to eligible businesses.

Eligible Grant Use

Grant funds must be expended in compliance with state and federal law. Funds may be used to reimburse the cost of business interruption due to full or partial (limited space, limited service, limited hours, limited staff, etc.) closure during the COVID-19 public health emergency. Such closure may have been mandated by executive order, or voluntary (for example, to promote social distancing, or in response to decreased customer demand), but must have been in response to the COVID-19 health emergency. Eligible uses of the grant funds include, but are not limited to the following:

- Operations (i.e., payroll, rent, supplies, utilities, working capital, insurance, etc.)
- Pivot to respond to new market conditions (i.e., develop or expand online sales/e-commerce, delivery or take out; develop new product line, etc.)
- Equipment and inventory purchases
- Rent or mortgage expenses
- Deep cleaning services, PPE, protective barriers, etc.
- Other critical operating expenses

How to Apply:

Electronic applications are being accepted beginning July 20, 2020 and will be available on the Franklin County Website.

Eligibility Criteria

Franklin County businesses meeting all of the following eligibility criteria are encouraged to apply:

- A business must demonstrate that they were operational pre-COVID-19 (March 1, 2020) and are realizing a direct negative impact from COVID.
- Must be an existing for-profit business located in Franklin County or one of the incorporated Towns within the County.
- Must be current on all fees, permits and taxes as of March 1, 2020.

- Must have been in business for a minimum of one (1) year prior to March 1, 2020.
- Must have at least one (1) employee (excluding owner).
- Must demonstrate impacts due to COVID-19 (revenue loss, reduced sales, closure or suspended operation, employment decline, business interruption).

Grant Guidelines

1. Completion of grant application outlining the use of funds.
2. Maximum amount of grant ranges from \$2,500 - \$10,000.
3. One (1) grant per Federal Employer Identification Number (FEIN).
4. Funds are available on a first-come, first-serve basis

Grant award levels are based upon employment, the availability of funds and number of applications received. Grant awards are based on pre-COVID full time equivalent (FTE) employment level as follows:

Number of Employees	Maximum Grant Award
1 - 5 employees	\$2,500
6 – 10 employees	\$5,000
11 – 25 employees	\$7,500
26+ employees	\$10,000

A business can receive a grant amount up to the maximum amount shown above or the amount of their demonstrated loss due to COVID-19, whichever is less.

Full time equivalent (FTE) is computed by taking the average number of hours paid each week for each employee, dividing that by 40 and rounding to the nearest 10th. The maximum number of hours per employee to be used in this calculation is 40 per week or 1.0 FTE. Calendar year 2019 may be used as the measurement period.

The following businesses are not eligible:

- Businesses not currently in operation
- Seasonal businesses, which only operate part of the year
- Nonprofit businesses
- Franchise businesses, except those franchises which are locally owned and operated
- Businesses that are permanently closed or engaged in illegal activities

Use of funds restrictions: Funds cannot be used to pay taxes, fees or any other payments due to the County. Successful grantees will be required to execute a performance contract stipulating that funds will be used for an eligible purpose prior to December 15, 2020 or return the grant funds. An IRS Form W-9, Request for Taxpayer Identification Number, will need to be submitted with the executed performance contract.