

# Blooming Prairie CARES Business Grant Program

138 Hwy Avenue South  
PO Box 68  
507-583-7573  
cbp@smig.net

## PURPOSE

The City of Blooming Prairie (City) and Steele County (County) recognize the hardships and impact COVID-19 has had on business within the community. In an effort to support local businesses and help them sustain operations during this difficult time, the Blooming Prairie CARES Business Grant Program will provide grants up to \$5,000.00 to assist eligible businesses adversely affected by the pandemic.

The City and County have each set aside funds for the Blooming Prairie CARES Business Grant Program, a total of \$75,000.00 is anticipated to be available. Grant funds will be awarded to businesses in most need of assistance after the application deadline. The program is subject to funding availability from the City and County. The City retains the authority and discretion to approve or deny an application, and reserves the right to subsequently add further priorities, change eligibility criteria, or discontinue the program in response to changing circumstances.

## ELIGIBLE BUSINESSES

Businesses must meet all of the following criteria as of March 1, 2020 in order to be eligible for the Blooming Prairie CARES Business Grant Program:

1. Private, for profit business with a physical establishment in the City.
2. Be in good standing with the Minnesota Department of Revenue and Secretary of State, the County, and the City. If the applicant is found not be in good standing, they will be given one (1) week to rectify the situation.
3. Ability to demonstrate the business was adversely affected by an Executive Order related to COVID-19 or experienced a significant financial hardship as a direct result of COVID-19.
4. The business must have been in operation since November 1, 2019 and must remain open for six (6) months under the current ownership from the date of fund issuance.

*\*\*NOTE: If a business is sold or closes within six (6) months of the date of fund issuance, repayment of the full grant amount must be made to the City of Blooming Prairie.*

5. Employs 30 or less full-time equivalent (FTE) employees.

*\*\*NOTE: Businesses that received any federal relief funds such as the Small Business Administration (SBA), Economic Injury Disaster Loan (EIDL), or Paycheck Protection Program (PPP) are still eligible for the Blooming Prairie CARES Business Grant Program, BUT if awarded grant funds, must use City funds for other eligible expenses.*

## **INELIGIBLE BUSINESSES**

Certain businesses are ineligible for the Blooming Prairie CARES Business Grant Program, including:

1. Business that derives from income of passive investments without operational ties to operating a business; real estate transactions; property rentals or property management.
2. Businesses that primarily focus on speculative activities based on fluctuations in price rather than the normal course of trade.
3. Businesses that derive more than 51% of their income from gambling.
4. Businesses that derive any income from adult oriented entertainment.
5. Home-based businesses; those without a physical establishment.
6. Non-profit organizations.
7. Prohibited businesses by federal, state, or local law.
8. Those that have received State CARES small business funding.
9. Businesses in default prior to February 29, 2020.

If a business has questions pertaining to their eligibility, they are encouraged to contact City Administration at 507-583-7573.

## **PROGRAM GUIDELINES**

### **Amount:**

A business may apply for a one-time grant award not to exceed \$5,000.00. The City will review each applicant's request for grant funds to determine the level of assistance that will be provided.

In the event that program eligible funding requests exceed \$75,000.00, the City will be providing grants based on a pro rata approach. This means that each eligible business will receive grant funding. In the event that the total program eligible funding requests are lower than \$75,000.00, but an individual business can demonstrate expenses due to COVID-19 that are greater than \$5,000.00 the City will use a pro rata approach to expend a maximum of \$75,000.00. For this reason, businesses are encouraged to provide complete financial information.

**Timeline:**

Applications will be open to businesses starting September 10, 2020. Applicants will have until 5:00 pm on October 12, 2020 to submit the required application and associated materials. Application will be reviewed when submitted and a determination will be made if they are eligible and amount of funding that is eligible. If incomplete, applicants will have one (1) week after being contacted to submit additional information and/or materials.

The City will award grant funds and notify businesses during the week of October 26, 2020. Once a business is notified, the City will distribute the funds by check the week of November 2<sup>nd</sup>.

Grant funding are to be used solely for the reimbursement of expenses previously incurred; the applicant must provide proof of eligible expenses from March 1, 2020 to October 9, 2020 that they are seeking fund for in conjunction with their Grant Application to the City prior to funds being released.

**Uses:**

Funds cannot be used to replace lost revenues or pay for taxes under the Federal Guidelines. Funds may be used to cover operating expenses, including payroll, rent/lease payments, mortgage payments, utilities, payments to suppliers, or other critical business expenses including business consulting to modify business operations as a result of the public health emergency and as approved and authorized by the program.

Uses of funds subject to verification to ensure compliance as required under the Federal CARES Act program requirements.

**Right to Deny or Termination:**

The City retains the right to deny funds or terminate any agreement under the Blooming Prairie CARES Business Grant Program if a grant applicant is found to be in violation of any conditions set forth in the grant guidelines or grant agreement.

**Reporting:**

Applicants must provide proof of eligible expenses from March 1, 2020 to October 9, 2020 that they are seeking fund for in conjunction with their Grant Application to the City prior to funds being released.

**Indemnification:**

All grant recipients shall be required to indemnify the City of Blooming Prairie and any officers acting on their behalf.

## APPLICATION PROCESS

Prior to applying, please review the Program Guidelines to determine if your business is eligible.

1. Application forms will be accepted from Thursday, September 10<sup>th</sup> to 5:00 pm on Friday, October 12, 2020.
2. Application forms may be completed and submitted in-person at City Hall located at 138 Hwy Avenue South in Blooming Prairie, through mail at PO Box 68 (must be received by October 12), or via e-mail at [cbp@smig.net](mailto:cbp@smig.net).
3. Application requirements include:
  - Basic details about the business.
  - Gross receipts or sales information.
  - Information on current operations including whether the business is currently closed or is providing reduced services.
  - Narrative descriptions and estimated calculations of the negative impacts of the business due to COVID-19.
  - Information about other grants received.
  - Proposed use and amounts of funding requested.
  - Supporting documentation and application attachments.
4. The application will be reviewed for eligibility upon receipt. If additional information or documentation is necessary City staff will contact the applicant. You will be notified if your application is complete or not. All applicants will be given one (1) week after being contacted to submit any additional information.