

CITY OF LOCK HAVEN
2020 COMMUNITY DEVELOPMENT BLOCK GRANT- CARES ACT (CDBG-CV)
BUSINESS ASSISTANCE APPLICATION

A. OVERVIEW

On Friday, March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the CARES Act, funding is available through the Community Development Block Grant Program and made available in three allocations to states and units of local government. Under the first allocation, the City of Lock Haven is receiving \$186,556 in funding.

The City of Lock Haven will need to identify activities to respond to local needs to prevent, prepare for, and respond to the coronavirus. One of the local needs identified is assistance to local businesses affected by the economic shutdown due to the coronavirus. This application will be used to document the businesses that are in need of funding and further support the City's application to the Department of Community and Economic Development (DCED).

B. ELIGIBLE BUSINESSES

1. Business must demonstrate it experienced disruption due to the Coronavirus crisis.
2. Business must provide evidence of viability before crisis. (i.e. Annual Financial Statements)
3. Document at least one (1) Full Time Equivalent (FTE) job created or retained with grant assistance. (Full time jobs based on a 40-hour work week. Equivalents would be two (2) part time (20-hour/week) employees, four (4) part time (10-hour/week) employees, etc.).
4. Business must earn \$1 million or less in revenue.
5. Business must have at least one-year business operations and at least one-year tax returns.
6. Must provide evidence the business is up to date on taxes or has payment plan.
7. Business has 100 or fewer employees worldwide.

C. INELIGIBLE BUSINESSES

1. Nonprofits
2. Real Estate Developers
3. Businesses providing assistance in the form of lobbying or other political activities
4. "Sin" businesses, as defined by HUD

D. CAP ON GRANT ASSISTANCE

The cap on grant assistance will be determined by Lock Haven City Council based on available funding and submitted applications/projects.

E. ELIGIBLE EXPENSES

1. Rent/Mortgage
2. Utilities (i.e. oil, gas, electric, water/sewer, internet, phone)
3. Supplies (Needed for day-to-day operations up to 90 days)
4. Equipment purchases needed to “prevent, prepare for, and respond to the coronavirus.”
5. Insurance
6. Accounting
7. Legal
8. Advertising

F. INELIGIBLE EXPENSES

1. The requirements of the Roberts T. Stafford Disaster Relief and Emergency Assistance Act apply to the CDBG-CV funds. The requirements prevent a duplication of benefits when carrying out eligible activities. A duplication occurs when a person, household, business, or other entity receives assistance from multiple sources for the same recovery purpose, and the total assistance received for that purpose is more than the total need.

To calculate duplication of benefits (DOB), grantees are required to identify “total assistance” on FORM B.

G. REQUIRED DOCUMENTATION

1. A project narrative including:
 - a. Amount of loan request (FORM A)
 - b. A brief description of how the business experienced disruption due to the Coronavirus crisis
 - c. A brief description indicating that, without this assistance, jobs will be lost
 - d. A brief description for how the funds will be used to finance the business operations
2. Article of Organization/Incorporation or related business incorporation documents
3. Business’s most recent filed tax return with Tax Identification Number (TIN), including IRS form 4506-T and a signed W-9 form for any individual or entity serving as a Borrower or Co-borrower
4. The most recent year end prepared financial statements which may include, but are not limited to:
 - a. Debt Schedule outlining all existing debts of the operating entity. This form is not required if accountant prepared financials are provided and include a detailed debt schedule.

- b. Cash Flow Analysis Statement demonstrating the debt service coverage ratio for the loan request
- 5. List of employees and most recent pay stubs (indicate if/how many employees have been furloughed due to COVID-19).
- 6. Documentation to demonstrate the business is not debarred from participating on federally funded contracts or state funded contracts.

H. IMPORTANT NOTES

CDBG-CV funds **CANNOT** be used to duplicate any expenses that are already being covered by other funding opportunities. Think of this as “gap” funding. Please complete FORM B in its entirety to ensure duplication of benefits is avoided.

Submission of this application does not guarantee you will receive funds, or the full amount requested. Funding will be distributed based on number of applicants and availability of funds.

This application will be used by the City of Lock Haven Planning Office to organize and document business needs. Applications will be submitted as supporting documentation in the City’s CDBG-CV application to the Department of Community and Economic Development (DCED) if the activity is approved by City Council.

If assistance is provided, an agreement between the City of Lock Haven and the business is required.

Applications should be submitted through email to Abigail Roberts at aroberts@lockhavenpa.gov and will be accepted until Friday, June 5, 2020 at 4:00 PM.

Any questions regarding this application can be directed to Abigail Roberts, Planner & Development Coordinator at 570-893-5903 or aroberts@lockhavenpa.gov.

I. APPLICATION SUBMISSION

Application for assistance submitted by:

Printed Name

Name of Business

Signature

Date

APPENDIX A: APPLICATION CHECKLIST

- Project Narrative
 - Amount of loan request (FORM A)
 - A brief description of how the business experienced disruption due to the Coronavirus crisis
 - A brief description indicating that, without this assistance, jobs will be lost
 - A brief description for how the funds will be used to finance the business operations

- Documentation of Total Assistance (FORM B)

- Supporting documentation of request (FORM C)

- Articles of Organization/Incorporation

- Most recent filed tax return with Tax Identification Number (TIN)
 - Include IRS form 4506-T and sign W-9

- Most recent year-end financial statements (examples under Section G, 4a & b)

- List of employees and most recent pay stubs
 - Please indicate how many employees have been furloughed due to COVID-19, if applicable

- Documentation to demonstrate the business is not debarred from participating on federally funded contract or state funded contracts.

FORM A: AMOUNT OF LOAN REQUEST

This form will be used to document the amount of loan requested by your business. Please document the requested amount for each eligible use and enter the total amount of funds requested at the bottom of the page.

Applicants must provide supporting documentation for the amount requested. For example, if an applicant requests \$5,000 to pay rent for 5 months, the applicant must provide documentation supporting that the cost of rent for their business is \$1,000 per month. This documentation should be attached to FORM C where these expenditures will be outlined.

Eligible Expenses	Amount
1. Rent/Mortgage	\$
2. Utilities (total)	\$
a. Oil	\$
b. Gas	\$
c. Electric	\$
d. Water/Sewer	\$
e. Internet	\$
f. Phone	\$
g. Other	\$
h. Other	\$
3. Supplies	\$
4. COVID-19 Equipment	\$
5. Insurance	\$
6. Accounting	\$
7. Legal	\$
8. Advertising	\$
Total Amount of Assistance Requested	\$

Any questions can be directed to Abigail Roberts at 570-893-5903 or aroberts@lockhavenpa.gov

FORM B: CALCULATING TOTAL ASSISTANCE

Total assistance INCLUDES all reasonable identifiable financial assistance available to the applicant including: cash awards, insurance proceeds, grants, and loans received by or available to each applicant, including awards under local, state, or federal programs, and from private or nonprofit charity organizations.

Total assistance DOES NOT INCLUDE personal assets such as money in a checking or savings (except insurance proceeds or disaster assistance deposited into the applicant's account); retirement accounts; credit cards and lines of credit; in-kind donations; and private loans.

	Name of Assistance	Type of Assistance (grant, loan, award, etc.)	Amount Received	Expenses Covered (payroll, rent/mortgage, utilities, supplies, etc.)	Expiration / Pay off Date
1.			\$		/ /
2.			\$		/ /
3.			\$		/ /
4.			\$		/ /
5.			\$		/ /
6.			\$		/ /
7.			\$		/ /
8.			\$		/ /
9.			\$		/ /
10.			\$		/ /
11.			\$		/ /
12.			\$		/ /
13.			\$		/ /
14.			\$		/ /
15.			\$		/ /

Total Amount of Assistance Received	\$
Total Need (From FORM A)	\$
Need Gap (TOTAL NEED - TOTAL AMOUNT OF ASSISTANCE RECEIVED)	\$

Any questions can be directed to Abigail Roberts at 570-893-5903 or aroberts@lockhavenpa.gov

FORM C: DOCUMENTATION OF EXPENSES

This form will further support your request for funding business assistance. Please attach formal documentation that coincides with the information on this form. Examples include: lease agreement that includes the cost of monthly rent; utility bills; or quotes for COVID-19 related equipment. Documentation supporting utility expenses should be from before the COVID-19 shutdown to ensure funding will properly assist the business when it is able to operate beyond the restrictions of the shutdown. Documentation from a year prior (May 2019) is preferred

INSTRUCTIONS: Enter the cost of eligible business expenses in **Column A**. This information should be supported with documentation attached to the application. Enter the extent the business is requesting assistance in **Column B**. For example, if the business is requesting 3 months of rent assistance, enter the number "3" in Column B. If the expense is a flat rate, leave Column B blank. Multiply Column A and Column B to yield the amount requested for each expense. Enter that amount into **Column C**.

	Column A		Column B		Column C
Eligible Expenses	Cost (prior to shutdown, if applicable)	X	Coverage Requested (months, days, etc.)	=	Amount Requested
1. Rent/Mortgage	\$	X		=	\$
2. Utilities (total)	\$	X		=	\$
a. Oil	\$	X		=	\$
b. Gas	\$	X		=	\$
c. Electric	\$	X		=	\$
d. Water/Sewer	\$	X		=	\$
e. Internet	\$	X		=	\$
f. Phone	\$	X		=	\$
g. Other	\$	X		=	\$
h. Other	\$	X		=	\$
3. Supplies	\$	X		=	\$
4. COVID-19 Equipment	\$	X		=	\$
5. Insurance	\$	X		=	\$
6. Accounting	\$	X		=	\$
7. Legal	\$	X		=	\$
8. Advertising	\$	X		=	\$
Total Amount of Assistance Requested	\$	X		=	\$