

COVID-19 Mitigation Business Grant Policy

1. Application Requirements, Period, and Funding Acknowledgement

- 1.1. **Minimum application requirements.** Applicants must be an incorporated business that has been in existence prior to July 1, 2020 and have a physical location (including a home office) within the Carrboro Town limits. All grant award recipients will be required to enter into a Grant Agreement.
- 1.2. **ARPA funding requirements.** These funds are provided to the Town of Carrboro as a part of the American Rescue Plan Act. The American Rescue Plan Act requires that businesses receiving these funds must adequately demonstrate and document how these funds will be used by their business to mitigate the negative economic impacts from COVID-19. Additionally, they must be used in compliance with the U.S. Treasury's Interim Final Rules and Guidance on Coronavirus State and Local Fiscal Recovery Funds. Applicants that do not demonstrate a negative economic impact from the pandemic and how funds received will mitigate the negative economic impact, will not be considered for funding.
- 1.3. **Application Period.** Applications for this grant program will be accepted from September __, 2021 to October __, 2021. If all funds are not awarded after all grant applications are reviewed, a second round of grant applications may be accepted.
- 1.4. **Falsification.** Any information submitted in and a part of the grant application shall be true and accurate to the best of the business leadership's knowledge. Any falsification may result in the application being denied and the applicant barred from applying for this grant program in the future. If falsification is discovered after an award has been made, the applicant shall be required to return or repay the grant award.

2. Application Review and Prioritization

- 2.1. **Application.** The application for this program shall be attached and made a part of this policy as Appendix A.
- 2.2. **Review Committee.** The Carrboro COVID-19 Loan Review Committee will be assembled to review and prioritize all submitted applications meeting the minimum application requirements. The review committee will use the priorities identified in section 2.3 to award priority. Additionally, the Review Committee will utilize criteria in section 2.4 to evaluate how the use of these funds will mitigate the negative impact COVID-19 has had on the business. The committee shall submit applicants that they determine to be awarded to the Town Council for final approval.
- 2.3. **Priorities.** Grant applications will be evaluated and prioritized based on the following criteria.
 - Tourism Sector Business – 10 points

- Year-over-year revenue loss of 30 percent or greater for any 6-month period from April 2020 to April 2021 – 10 points
- BIPOC Business or Woman Business – 10 points
- A Certified Living Wage Employer – 6 points
- Locally owned business – 6 points
- Located in Carrboro for 5+ years – 4 points
- Businesses with 2 or fewer locations – 4 points
- Businesses within 500 feet of the proposed 203 Project – 4 points

2.4. **COVID-19 Impact Narrative.** Grant applications shall receive additional prioritization based on the extent to which grant funds in the particular situation will mitigate the negative economic impact on the business.

3. Eligible Uses of Grant Funds

3.1. **Grant Activities.** The grant awards may be utilized for costs related to the following activities.

- Marketing and advertising including but not limited to social media, print, radio, or television advertising, providing rewards for loyalty programs, or purchasing promotional marketing materials.
- Back rent and utilities including but not limited to overdue gas, water, electric, or internet utilities, overdue building or facility rents, or overdue property taxes.
- COVID-19 loan repayment including but not limited to private loans issued after April 1, 2020, business credit card debt acquired after April 1, 2020, loans issued by the Town, County, or State after April 1, 2020 (Federally issued PPP and EIDL loan repayment is not permitted).
- Training new under- or un-skilled employees including but not limited to the salary for an employee trainer to train new under- or un-skilled employees, or courses for training seminars for new under- or un-skilled employees related to the business type.
- Capital expenditures to adapt business to a post-COVID-19 environment including but not limited to equipment, building improvements, or outdoor dining enhancements.

3.2. **Maximum Grant Award.** The maximum grant award is \$20,000. No more than one grant may be awarded to any one-business entity.

3.3. **Change in Activities.** Applicant may not alter or change the approved activities without prior approval by the Town. Any unauthorized activities may result in the entire grant award being withdrawn and the applicant required to repay all funds to the Town.

3.3.1. **Procedure for Requesting Changes.** Recipients requesting a change in activities shall resubmit the application in Appendix A with the new grant activities being requested for approval. In addition to resubmitting the application, a statement explaining why the prior grant activities are no longer suitable uses for the grant and why the new activities are a more appropriate use of these funds shall also be submitted. The submitted information shall be

[reviewed by the Carrboro COVID-19 Loan Review Committee and approved by the Town Council.](#)

4. Reporting and Accountability

- 4.1. **Final Report.** A Final Report shall be submitted to the Town and all award funds expended no later than 1 year after the award being made. The Final Report must include copies of receipts, copies of checks, photos of items purchased or capital improvements made, a narrative of how the grant activities have mitigated the negative impacts that COVID-19 has had on the business.
- 4.1.1. **Six Month Report.** If a Final Report has not be submitted within 6-months after the award is made, award recipients are required to provide a Six Month Report which shall include what activities funds have been expended and a short narrative explaining the status or delay in expending the full award funds.
- 4.2. **Failure.** Failure to provide a final report, spend the award funds within 1 year from the award date, or spending the award funds on unapproved activities not listed in the application will result in the unspent funding or the entire grant award being withdrawn and be required to be repaid to the Town.

5. Federal Funds Provisions

- 5.1. The following Federal provisions pursuant to 2 C.F.R. 200.326 and 200 C.F.R. Part 200, Appendix 2, apply or may apply: Equal Employment Opportunity (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland 'Anti-Kickback' Act (40 U.S.C. 3145); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708); Clean Air Act (42 U.S.C. 7401-7671q); Federal Water Pollution Control Act (33 U.S. C. 1251-1387); Debarment and Suspension (Executive Orders 12549 and 12689); Byrd Anti-Lobbying Amendment (31 U.S. C. 1352); Procurement of Recovered materials (2 C.F.R. 200.322); and Record retention Requirements (2 C.F.R. 200.324).

6. Definitions

- 6.1. **BIPOC Business.** A business in which persons-of-color holds an ownership stake of no less than 51 percent.
- 6.2. **Business.** Any establishment engaged in the selling of goods or services for the purpose of generating a profit.
- 6.3. **Living Wage Business.** A business that possesses an active living wage certification from Orange County Living Wage or Durham Living Wage Project.
- 6.4. **Locally-owned Business.** A business in which persons holding a total of no less than 75 percent of ownership stake in the business have a primary residence located in Alamance, Caswell, Chatham, Durham, Orange, or Person County in North Carolina.
- 6.5. **Tourism Sector.** A restaurant, bar, brewery, hotel/motel, or entertainment venue.

6.6. Woman Businesses. A business in which women hold an ownership stake of no less than 51 percent.

Appendix A - COVID-19 Mitigation Business Grant Application

Business Name:

Address:

City:

State:

Zip Code:

Business Owner/CEO/CAO:

Contact Name (if different from above):

Phone Number:

Email:

APPLICATION REQUIREMENTS

Before continuing, please review the following application requirements and confirm below.

Minimum application requirements. Applicants must be an incorporated business or a non-profit organization or program that has been in existence prior to July 1, 2020 and have a physical location (including a home office) within the Carrboro Town limits. All grant award recipients will be required to enter into a Grant Agreement.

ARPA funding requirements. These funds are provided to the Town of Carrboro as a part of the American Rescue Plan Act. The American Rescue Plan Act requires that businesses receiving these funds must adequately demonstrate and document how these funds will be used by their business to mitigate the negative economic impacts from COVID-19. Additionally, they must be used in compliance with the U.S. Treasury's Interim Final Rules and Guidance on Coronavirus State and Local Fiscal Recovery Funds. Applicants that do not demonstrate a negative economic impact from the pandemic and how funds received will mitigate the negative economic impact, will not be considered for funding.

☐ **By checking this box, I confirm this business meets the requirements of this grant program.**

Grant Uses

Grant awards may be used for multiple grant activity categories, but the total maximum grant award can not exceed \$20,000. No more than one grant may be awarded to any one business entity. Please use the attached budget form to identify the grant use category, what projects will be completed, a short description, and the amount of the request.

- Marketing and advertising – examples include social media, print, radio, or television advertising, providing rewards for loyalty programs, or purchasing promotional marketing materials.

- Back rent and utilities – examples include overdue gas, water, electric, or internet utilities, overdue building or facility rents, or overdue property taxes.
- COVID-19 loan repayment – examples include private loans issued after April 1, 2020, business credit card debt acquired after April 1, 2020, loans issued by the Town, County, or State after April 1, 2020 (Federally issued PPP and EIDL loan repayment is not permitted).
- Capital improvements to adapt business to a post-COVID-19 environment – examples include equipment, enhance cleaning efforts, barriers or partitions, changes to enable social distancing, building improvements, or outdoor dining enhancements.
- Training new under- or un-skilled employees (*not to exceed 10 percent of the total grant request or \$1,500, whichever is greater*) – examples include the salary for an employee trainer to train new under- or un-skilled employees, or courses for training seminars for new under- or un-skilled employees related to the business type.

Negative Economic Impact Narrative

Please explain the negative economic impact COVID-19 has had on your business and how the grant funds will mitigate or resolve these impacts. Provide ample relevant documents in support of your case (such as bank statements, tax returns, financial statements, quarterly employment filings, etc).

Additional Information

Please check the box and provide additional supporting documentation where applicable. Evidence may be requested if not provided with the application.

- ☐ Tourism Sector Business (restaurant, bar, brewery, hotel/motel, or entertainment venue)
- ☐ Average year-over-year revenue loss of 30 percent or greater for any 6-month period from April 2020 to April 2021 (please submit financial statement for the appropriate period)
- ☐ BIPOC Business or a Woman Business
- ☐ A Certified Living Wage Employer (Orange County Living Wage or Durham Living Wage Project, please submit a copy of your certification)
- ☐ Locally owned business (owner resides in Alamance, Caswell, Chatham, Durham, Orange, or Person County, NC, please submit copy of driver's license with DOB and license number marked out)
- ☐ Located in Carrboro for 5+ years *Year moved/started in Carrboro:*
- ☐ Businesses with 2 or fewer locations
- ☐ Businesses within 500 feet of the proposed 203 Project

Application Submission Statement

Be submitting this application and signing below, I agree that I am authorized to submit this application on behalf of the business listed in this application, that all of the information submitted in and with this application is truthful and accurate to the best of my knowledge, that **there is no intention at this time to close the business for a period of at least 2 years after the award has been granted**, and that the grant requests made in this application meet the minimum application requirements to the best of my knowledge.

Additionally, I understand that a Final Report shall be submitted and all award funds expended no later than 1 year after the award being made and that failure to alter or change the approved activities the funds are spend on without prior approval may result in the entire grant award being withdrawn and be required to be repaid to the Town.

I also agree to abide by the COVID-19 Mitigation Business Grant Policy, which regulates the administration of this grant.

Business Owner/CEO/COO/CAO

Date

Budget Form

Please provide the grant category (marketing and advertising, back rent and utilities, COVID-19 loan repayment, etc), activity, short description, total cost of the activity, and the amount of grant requested for the activity using the budget form below. You may submit as many of these forms as necessary to complete your grant application. Submit any supporting documentation for your activities such as quotes or estimates.

GRANT CATEGORY	ACTIVITY	DESCRIPTION	TOTAL COST	GRANT REQUEST
Example: Back Rent & Utilities	Overdue back rent	Back rent for the building at 100 N. Main St. for April, May, and June 2021.	\$6,500.00	\$6,500.00
TOTAL GRANT REQUEST				

