

PATH FORWARD

Reopen • Reimagine • Recover

A webinar series by the Rochester Area Chamber

**New Grants Available for Small Business:
Learn How to Apply for a Piece of the Pie**

Monday, August 10 | 10am

Agenda

- Olmsted County
Small Business Relief Grant Program
- Rochester Public Utilities
CRF Small Business Utility Assistance Program
- City of Rochester
Rochester Economic Recovery License Grant Program

Olmsted County Small Business Relief Grant Program



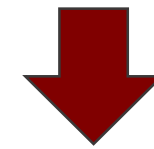
Local Deployment of CARES Act Funding



\$19.1M



\$5.0M



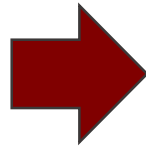
\$4.0M



\$1.0M



Olmsted County Small Business Relief Grants Program: **How it Works?**



Olmsted County Small Business
Relief Grant Program

Up to \$25K Grants



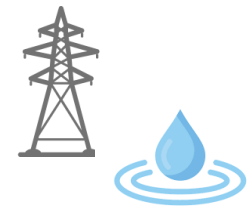
Payroll
Expenses



Rent



Mortgage
Payments



Utilities



General
Expenses



Basic Eligibility Requirements

• Private business that has a physical presence in Olmsted County, including home-based businesses.

• Majority-owned by a permanent resident of the State of Minnesota.

• Be in good standing with the Minnesota Secretary of State as of March 1, 2020.

• Be current on your property taxes (if applicable) as of May 15, 2020.

• Employ the equivalent of fewer than 50 full-time equivalent (FTE) employees.



Priority Given To Businesses:

Directly Impacted by Governor Walz's Executive Orders to Close

That Employ Six or Fewer People

That are majority owned by military veterans, women, and/or ethnic or racial minorities

That have not received funding from other government sources



Other Conditions :

- An eligible business may receive at most one grant under this program, regardless of other related business locations and their locations in Minnesota.
- A business owner may receive at most one grant, regardless of the number of businesses owned with an ownership share of 20% or more.



Ineligible Businesses

•A business deriving income from passive investments without operational ties to operating businesses.

•A business primarily focusing on speculative activities based on fluctuations in price rather than the normal course of trade.

•A business earning more than half of its annual net revenue from lending.

•A business engaging in pyramid sales, where a participant's primary incentive is based on the sales of an ever-increasing number of participants.

•A business engaging in activities prohibited by federal law or applicable law in the local jurisdiction of the business.



How To Apply :

- Rochester Area Economic Development, Inc. (RAEDI) will oversee the Olmsted County Small Business Relief Grant Program. Grant awards will be disbursed and administered by RAEDI.
- Applications for the Small Business Relief Grant Program open on Wednesday, August 12th at noon, and will be accepted until 11:59 p.m. on Sunday, August 30th, 2020.
- Full details about the application process are available on the RAEDI website now at www.raedi.com



When will the grant funds be awarded:

- After the application period has closed on August 30th, applications will be reviewed for eligibility and will be scored, ranked and awarded based on the eligibility criteria.
- The goal is to start disbursing funds within two weeks of the application closing date.

What are the business obligations if it receives the award?



- If an award through this program is accepted, the name of the business and award information will be public information.
- Upon approval, the business will be provided a contract to sign describing the mutual expectations of the grantor and grantee.
- The business may be required to complete a follow-up report indicating how the grant was used.
- Additionally, the business may later be selected randomly for a review of its grant expenditures. It is important, therefore, to save receipts or evidence that show how the grant was spent. State law requires companies to maintain these records for six years.

Olmsted County Non-Profits Relief Grants Program



Rochester Area
Foundation

Details about the \$1 million grant program for non-profits administered by the Rochester Area Foundation have not yet be finalized and will be shared in a subsequent webinar.



CRF Small Business Utility Assistance Program

Krista Boston, Director of Customer Relations
Contact Center and Marketing/Conservation

VISION: We will set the standard for service.

CORE VALUES: Safety • Integrity • Service • Stewardship • Accountability • Skill

Federal Funding

- CARES enacted by Congress on March 27, 2020
- On June 25, 2020 the Governor announced a plan to distribute \$841 million to support local government efforts and it was sent on a per capita formula.
- The city of Rochester web page has information on how the CARES funding is being allocated at this link.
<https://www.rochestermn.gov/departments/administration/cares-funding>.

PROGRAM BASICS

- RPU developed a program to help Small Businesses and \$500,000 has been allocated to this effort.
- \$400,000 of the funding will be used for Small Business and \$100,000 is certified Targeted Group/Economically Disadvantaged Small Business which are 51% owned by women, minority, persons with a substantial physical disability, veteran or disabled veteran.

PROGRAM BASICS

- Must be expended for the period that begins on March 1, 2020, and ends on December 30, 2020. Cities and towns must incur costs by November 15, 2020 and counties must incur costs by December 1, 2020. Expenditures necessary only for the public health emergency.
- RPU developed a program to help Small Businesses with their utility bills and \$500,000 has been allocated by the City Council for this effort.

FUNDING

- \$400,000 of the funding will be used for Small Business and
- \$100,000 is certified Targeted Group/Economically Disadvantaged Small Business which are 51% owned by women, minority, persons with a substantial physical disability, veteran or disabled veteran.

CARES Act Funding Available for Women, Minority, Veteran Owned Businesses

The City of Rochester recently approved the investment of \$5.1M of the City's overall appropriation for the second phase of Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Currently, two programs have dollars available for locally owned businesses and designated funding for women, minority or veteran-owned businesses (WMVBE).



APPLY TODAY



Guidance

- The funding is first come, first served, so please get applications in quickly.
- Work on documentation. The majority of applications we have received had no documentation as required or the application is incomplete.
- Disallowance of federal funding is something no one wants to risk, so lets work together to make it easy for a federal auditor to feel confident we managed it well. Documentation is key.

Disbursements

- There are two phases.
- Eligible customers will receive up to ½ half of the average annual bill up to the capped amount of \$5000.
- In the first phase – those deemed eligible will get an account credit of one-half (1/2) of the total amount that they are eligible to receive.
- As of October 16, 2020, if there are any funds left – RPU will divide the remaining available funds equally among all qualified applicants.
- In the second phase, the remaining funds may be less than ½ the eligible amount.

Example One

- Customer Y's average annual bill is \$2808.
- $\frac{1}{2}$ of the average annual bill is \$1404 which is the total benefit available.
- The customer will receive a credit to their account of half of the eligible amount which in this case is \$702 in Phase One.
- If dollars are available after October 16, 2020, the customer may receive additional dollars up to \$702 for a total of \$1404 depending on if funds are still available.

Example Two

- Customer Z's average annual bill is \$8700.
- $\frac{1}{2}$ of the average annual bill is \$4350 which is the maximum that can be received.
- The customer will receive a credit to their account of \$2175 on their account in Phase One.
- If dollars are available after October 16, 2020 they may receive additional dollars up to \$2175 for a total of \$4350 depending on if funds are still available.

Example Three

- Customer W's average annual bill is \$14,000.
- $\frac{1}{2}$ of the average annual bill is \$7,000 however, the benefit is limited to a maximum of \$5,000 that can be received.
- The customer will receive a credit to their account of \$2500 on their account in Phase One.
- If dollars are available after October 16, 2020 they may receive additional dollars up to \$2500 for a total of \$5000 depending on if funds are still available.

Questions

- The funds will be credited to the account as soon as the application is deemed eligible.
- We are asking for businesses to allow 4 weeks for processing but we are making quick headway on the applications that already came in. Full documentation will help.
- Profit and Loss statements are acceptable and must be shown by month. Reminder – all of this is private data per the MN Govt Data Practices Act.

Questions

- Commercial tenants may apply.
- The landlord should co-sign the application because the landlord is the customer.
- The landlord will need to show the allocation of costs including common areas.
- The amount will be credited to the landlord and then will need to be credited to the tenant through some mechanism that is negotiated.

Questions

- Nonprofits that are 501(c) 3 or 501(c) 19 veterans organizations are eligible.
- Fill out a separate application for each service address.

CONTACT

The application is at www.rpu.org

rpumarketing@rpu.org

507.280.1500

Rochester Economic Recovery License Grant Program

AN OVERVIEW



Overview

- ▶ FUNDING PROPOSALS
- ▶ There are around 300 businesses of varying types that are licensed by the City Clerk's Office.
- ▶ These include Massage Therapy Businesses, Taxi Cab Franchises, Trade and Contractor Businesses (such as Sidewalk Contractors) and Liquor Businesses (Restaurants, Bars, Hotels etc.).
- ▶ We are outlining the breakdown of grant spending based on the \$500,000 amount approved and allocated by the Rochester City Council:
- ▶ The fee breakdown you see below occurs if the absolute maximum individual business allotment is reached by 106 liquor licensees and 80 other business types.
- ▶ This means that the total businesses served number found below is the minimum amount that each grant allows



Grant Breakdown

General Information	500,000
Licensee Breakdown	420,000 for Liquor 80,000 for Other Licensees
Maximum Entity Allotment- Liquor	\$4000
Maximum Entity Allotment- Other Businesses	\$1000
Liquor Businesses Benefited	106
Other Licensee Businesses Benefitted	80
Total Licensees Benefited	186



Eligibility

- ▶ **Who is Included?**
- ▶ **Liquor Business** = Hotels, Restaurants, Brew Pubs and Taprooms, Exclusive Street Bars, Clubs, Baseball Teams, Theaters (For-Profit and Non-Profit) and Consumption and Display Institutions.
- ▶ **Other Businesses** = All other licensees served by the City Clerk's Office. These include: Massage Businesses, HVAC Contractors, Pawnbrokers, Taxicab Companies, Sewer and Sidewalk Contractors, Mobile Food Unit Operators, Vending Cart Operators, Sign Contractors and Tree Contractors.



Who is ineligible?

- ▶ Off-Sale Liquor Stores
- ▶ Businesses not licensed by the City Clerk's Office
- ▶ Businesses not operating in the Municipal limits of the City of Rochester
- ▶ Individuals
- ▶ Entities that have been suspended or disbarred (within the last 3 years) by the Federal Government



All Fees Paid

- On Sale Hotels, Bowling Alleys, Theaters and Exclusive Street Bars

Highest Amount	Begins With
\$4,000	\$2750

- On Sale Restaurants and Brewpubs

Highest Amount	Begins With
\$3,500	\$2,250

- Wine/Beer Only Restaurants

Highest Amount	Begins With
\$2,500	\$1,250

- All other eligible liquor types have a flat amount of **\$750**

Half Payment

CATEGORY 2: HALF PAYMENTS

On Sale Hotels, Bowling Alleys, Theaters and Exclusive Street Bars

Highest Amount	Begins With
\$3,500	\$2,250

On Sale Restaurants and Brewpubs

Highest Amount	Begins With
\$3,000	\$1,750

Wine/Beer Only Restaurants

Highest Amount	Begins With
\$2,000	\$750

All other eligible liquor types have a flat amount of \$600

Starting Amounts- Other Business Types

Message Businesses:

-

Highest Amount	Begins With
\$1000	\$600

Trades and Contractors:

-

Highest Amount	Begins With
\$750	\$350

Transportation /Pawnbrokers

-

Highest Amount	Begins With
\$500	\$100

Mobile Food Units and Vending Carts

-

Highest Amount	Begins With
\$500	\$100

Points System- Terms and Definitions

Definitions

- ▶ **Minority Group:** (A minority is one of the 7 specific groups recognized on the 2010 U.S. Census: Latinos -including Puerto Ricans-, African Americans, Asian Americans, Arab and other Middle Eastern Americans, Native Americans, Native Hawai'ians and other Pacific Islanders, and Alaska Natives.)
- ▶ **Small Business:** Any enterprise with under 200 Full Time and Part-Time employees.
- ▶ **Certified Woman & Minority Business Enterprise (WMBE)** is a designation for businesses which is at least 51% owned, operated and controlled on a daily basis by one or more (in combination) of a recognized Minority group or a woman/women.
- ▶ **Veteran Proof Documents:** You may upload any of the following documents as proof of veteran status:
 - ▶ Veterans Health Identification Card;
 - ▶ Veterans ID Card
 - ▶ DD-214
 - ▶ A Drivers License with veteran designation or
 - ▶ a VA Proof of Service Letter.



Points System- Liquor Businesses

- ▶ Totality of Closure - \$250
- ▶ WMBE (women and minority owned business enterprises)- \$250
- ▶ Under 200 FT & PT Employees- \$250
- ▶ Local Ownership (Olmsted and adjacent counties)- \$250
- ▶ Veteran Ownership- \$ 250



Points System- Other Businesses

- ▶ WMBE (Women and Minority owned Business Enterprises)- \$100
- ▶ Under 200 FT & PT Employees- \$100
- ▶ Local Ownership (Olmsted and adjacent counties)- \$100
- ▶ Veteran Ownership- \$ 100



Scenarios- Liquor

- ▶ **Sample Scenario 1: All points achieved. *Exclusive Street Bar***
- ▶ *Allison's Bar and Grill is located in Rochester, MN and is an on-sale exclusive Allison's Bar and Grill did not have Curbside pick-up*
- ▶ *Allison's Bar and Grill is owned by exclusively by Allison Del Luna – a woman*
- ▶ *Allison Del Luna lives in Rochester*
- ▶ *Allison Del Luna is a Certified MN Veteran*
- ▶ *Allison's Bar and Grill has 63 employees*
- ▶ *Allison's Bar and Grill applies for grant money using application*
- ▶ *Allison's Bar and Grill is not a franchise*



[illegible]

- ▶ **Sample Scenario 4: Some Points Achieved * Exclusive Street Bar***
- ▶ *Coalition is an on-sale bar and dance club located in Rochester, MN*
- ▶ *It is owned by Andrew Taylor (neither a woman nor a minority)*
- ▶ *Andrew Taylor lives in St. Paul, MN.*
- ▶ *Andrew Taylor is not a certified MN Veteran*
- ▶ *Coalition has 74 employees*
- ▶ *Coalition is not a franchise.*



COALITION GRANT AMOUNT TABLE

Payments Made	Beginning Amount	Closure?	Minority/ Woman owned	Under 200 Employees	Local Ownership	Certified MN Veteran	Total Grant Awarded
If Full Payment	\$2,750	Y=250	N=0	Y=250	N=0	N=0	\$3,250
If Half Payment	\$2,250	Y=250	N=0	Y=250	N=0	N=0	\$2,750
If Quarterly Payment	\$1,750	Y=250	N=0	Y=250	N=0	N=0	\$2,250
If Full Deferral	\$1,250	Y=250	N=0	Y=250	N=0	N=0	\$1,750

Scenarios- Other Businesses

- ▶ **Sample Scenario 1: Massage Business Full Grant Amount**
- ▶ *Calliope's Body Massage is a licensed massage business located in Rochester*
- ▶ *Calliope's Body and Massage is owned by Calliope Alexopoulos and Emily Zhu.*
- ▶ *Both owners are women*
- ▶ *Calliope Alexopoulos lives in Rochester*
- ▶ *Calliope's Body and Massage has 11 employees*



Calliope's Body and Massage Grant Award Table

<i>Beginning Amount</i>	<i>Minority/ Woman owned</i>	<i>Under200 Employees</i>	<i>Local Ownership</i>	<i>Certified MN Veteran</i>	<i>Total Grant Awarded</i>
<i>\$600</i>	<i>&=100</i>	<i>Y=100</i>	<i>Y=100</i>	<i>Y=100</i>	<i>\$1,000</i>

▶ **Sample Scenario 2 – Massage Therapist Some Points Awarded**

- ▶ *Vigor is a licensed Massage Business in the City of Rochester*
- ▶ *Vigor is owned by Tobias Williamson and Michael Fender*
- ▶ *Neither owner is a minority or a woman*
- ▶ *Neither owner is a certified MN Veteran*
- ▶ *Vigor has 27 employees*
- ▶ *Tobias Williamson lives in La Crosse, Wisconsin but Michael Fendor lives in Dover, MN*



VIGOR GRANT AWARD TABLE

<i>Beginning Amount</i>	<i>Minority/ Woman owned</i>	<i>Under200 Employees</i>	<i>Local Ownership</i>	<i>Certified MN Veteran</i>	<i>Total Grant Awarded</i>
<i>\$600</i>	<i>N=0</i>	<i>Y=100</i>	<i>Y=100</i>	<i>N=0</i>	<i>\$800</i>

Timeline



The deadline to submit an application is August 28, 2020.

Days are business days. The timeline is approximate and anticipated dates listed above may vary.

Questions? Contact License Examiner, Christiaan Cartwright at 507-328-2912 or ccartwright@rochestermn.gov

SMALL BUSINESS RELIEF FUNDS FUNDS TO GO QUICKLY, **APPLY NOW**

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Small Business
Aid - **APPLY NOW**



Public Affairs &
Programs

Small Business Assistance - Apply NOW

Both the City of Rochester and Olmsted County have allocated CARES Act dollars to funding economic recovery initiatives targeting small business in the region. With limited funding available, it is expected these aid dollars will go quickly. If you qualify, **APPLY NOW** - many of these programs are on a first come, first serve basis.

License Grant Program



CARES Act
Economic Recovery

License Grant
Program

[Click HERE](#) for Eligibility, Timeline, &
Format

[Click HERE](#) for Program Flowchart

[Click HERE](#) to Apply

RPU Utility Assistance



[Click HERE](#) for Eligibility, & Program
Information

[Click HERE](#) to Apply

County Small Business Grants



[Click HERE](#) for Eligibility, & Program
Information

**APPLICATIONS OPEN ON
WEDNESDAY, AUGUST 12 AT
NOON**

www.RochesterMNChamber.com