

City of Osseo & Osseo Economic Development Authority

COVID-19 Small Business Relief Grant ProgramProgram Details and Application

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The Need for Assistance

The City of Osseo has determined that the encouragement and the financial support of economic development and redevelopment in the City is vital to the orderly development and financing of the City and in the best interests of the health, safety, prosperity and general welfare of the citizens of the City. The City Council established the Economic Development Authority to address economic development and redevelopment issues facing the community.

In early 2020, the local area, State, and Country was hit by the COVID-19 (Coronavirus) pandemic that has taken its toll on the economy. In March 2020, the World Health Organization (WHO) declared the worldwide outbreak of COVID-19 to be a pandemic. The Governor of Minnesota has issued a series of executive orders to help limit the spread of the pandemic, and ordering the closure of bars, restaurants, and other places of public accommodation. The U.S. Center for Disease Control (CDC) has issued a series of directives to limit personal interaction to slow the spread of the pandemic. These actions have had significant adverse effects on local businesses, including closure, significant reduction in revenues, and loss of employees. The continuation of these events will have devastating short-term and long-term effects on the well-being of the community.

After evaluating alternative means of assistance to help local businesses adapt new business practices to protect the health of customers and employees and thereby establishing the means for successful operation, the City and EDA has determined that this assistance conforms with State law governing business subsidies and advances the general health, safety and welfare of the community as a whole.

Program Description

Qualifying City of Osseo businesses are eligible to receive a grant in the amount not to exceed \$3,000 to pay for changes in business practices for customer and employee safety due to COVID-19. The total amount of grant funds available is \$120,000. Funding will be available until the grant funds have been exhausted. Businesses are only eligible for one grant through this program.

Eligible Activities

The grant funds may only be used for costs directly related to activities needed to adapt the business to operations related to COVID-19. Eligible activities include:

- Building improvements, equipment, and furnishings
- Rent, mortgage or lease payments
- Utility payments
- Employee payroll expenses
- Business license fees
- Personal protective equipment
- Sanitizing supplies
- Signage
- Employee training
- Transition to online sales
- Printing
- Advertising
- Supplies needed to restart operations
- Other extraordinary costs directly related to COVID-19 (provide additional information)

Grant funds may be used to reimburse for expenditures made for the activities after March 25, 2020 (the date on which Governor Walz issued the Stay At Home Order) and prior to the receipt of the grant if used for approved costs and can be documented. The grant applications must include a description of the plan for operating under the restrictions of COVID-19, the proposed use of grant funds and the relationship to COVID-19.

Documentation of expenses requested for reimbursement must accompany the application if already incurred. In submitting the application, the business will commit to using the grant funds only for these approved uses.

The EDA Review Committee will make the final determinations of eligibility and the amount of the requested grant to approve.

Eligible Businesses

Businesses that meet the following criteria are eligible to submit grant applications:

- 1. The business must be in operation at the current location within the City at the time of application.
- 2. The business must be registered with the Minnesota Secretary of State unless it is a sole proprietorship or partnership that is not required to file with the Secretary of State's Office to do business in Minnesota.
- 3. The business cannot be delinquent on any fees or charges (such as City utilities) with the City of Osseo.
- 4. The business must have employed the equivalent of 25 or fewer full-time employees on March 1, 2020 (a full-time employee = 1 FTE, a part-time employee = 0.5 FTE).
- 5. The grant application must be signed by the business owner.
- The business must be in good standing with the City of Osseo and shall be a conforming or legally nonconforming use under the current zoning code, and not be in violation of the City's zoning code.
- 7. Must be current with all required permits and licenses if any are required.

Ineligible Businesses

Grants may not be issued to businesses that:

- 1. Do not have a physical business address with the City of Osseo.
- 2. Are home-based or internet-based businesses.
- 3. Derive income from passive investments without operational ties to operating businesses.
- 4. Primarily generate income from gambling activities.
- 5. Are not for profit organizations.

Application Window

Grant applications will be received beginning on July 20, 2020, until funds have been exhausted. Application will be reviewed as they are received, and determinations made as soon as possible. The City Council has dedicated up to \$120,000 from the City's portion of the CARES Act funds for this program.

Disbursement of Funds

Because the EDA only meets monthly, the Executive Director, along with an appointed EDA Grant Review Committee, will review and approve or deny applications as they are received. A report of any approved applications will then be sent to the full EDA at their next available meeting. Funds will be distributed via check within 7-10 business days after a fully executed grant agreement has been received.

Ability to Modify

The EDA had full right to modify, expand or terminate this program at any time and for any reason.

Termination

The EDA retains the right to terminate any agreement under this program if a grant recipient is found to be in violation of any conditions set forth in the grant guidelines or grant agreement.

Right to Deny

The EDA retains the right to deny any application for grant funding.

Grant Agreement

By submitting a Small Business Relief Grant application, applicants are acknowledging that all provided information is true and complete to the best of their knowledge and are bound to comply with the guidelines of the grant.

Grant Funds as Taxable Income

Funding received from the Small Business Relief Grant program may be taxable. Recipients are encouraged to consult with their tax professional.

Indemnification

All grant recipients will be required to indemnify the City of Osseo, the Economic Development Authority, and any officers acting on their behalf.

Public Data

Approved applications are subject to State and Federal open information laws.

Conflict of Interest

Any member of the EDA, City Council, or City of Osseo employee that may indirectly or directly gain financially from grant transactions shall immediately inform the EDA Board of any potential conflict of interest and shall abstain from any related votes. If a potential conflict of interest exists, all necessary steps will be taken to ensure that the application is processed in full accordance with EDA policies, as well as local and State regulations. No member of the EDA that may indirectly or directly gain financially from grant transactions shall serve on the EDA Grant Review Committee.



City of Osseo

Osseo Economic Development Authority

COVID-19 Small Business Relief Grant Program Application

Application Information Legal Business Name: ______ Business Operating Name (if different): Physical Street Address, City, State, ZIP: Mailing Address (if different): **Primary Business Contact Information:** Name: _____ Phone: _____ Email Address: _____ _____ Limited Liability Entity Legal Structure of Business (check one): Corporation Sole Proprietorship Partnership Federal EIN: _____ State Tax ID Number: _____ Number of Employees on March 1, 2020: Full-Time Equivalent Employees Part-Time Equivalent Employees Please provide a brief description of your business:

| Please describe how the COVID-19 pandemic has affected your business: | | |
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| Describe what changes you have had to make to your business practices or procedures to provide a safe environment for employees and/or customers: | | |
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| Amount of grant requested (\$3,000 maximum): | | |
| How will you use the grant funds? Please be specific: | | |
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Provide estimated costs and sources of eligible activities which are being reimbursed:

| Eligible Activities | Estimated Cost | Source (i.e., Menards, etc.) |
|---------------------------------------|----------------|------------------------------|
| Building improvements, equipment, | | |
| and furnishings | | |
| Personal protective equipment (PPE) | | |
| Sanitizing supplies | | |
| Signage | | |
| Employee training | | |
| Transition to online sales | | |
| Printing | | |
| Advertising | | |
| Supplies needed to restart operations | | |

| Rent, mortgage, or lease payments | | |
|--|--|--|
| Employee payroll costs | | |
| Utility payments | | |
| Other extraordinary costs due to COVII |) | |
| Have you received any other financial as | | /ID-19 (from any other source)? |
| If yes, please describe: | Yes No | |
| | | |
| Certification By signing below, I certify that: | | |
| I have read the Grant Program d conditions of the Program. | _ | |
| Grant funds will only be spent or The information provided in this accompanies this application is t | application and in any | supporting material that |
| 4. The City, EDA, and Staff have the application, including credit repo | orts on the individuals a | nd business, and may contact |
| It is understood by the applicant required in the future may become EDA from any and all claims or li- any time. | that all or part of this d ne public data and the | ata submitted herein or may be applicant releases the City and |
| Signature: | | |
| Printed Name: | Date of app | |

Note: Completed application must be submitted to Osseo EDA Executive Director Riley Grams via email (rgrams@ci.osseo.mn.us). Applications will be accepted, and review provided funding is still available for the program. Once funding has been exhausted, the program will be completed, and no additional applications will be received and/or reviewed.