



Summit County COVID-19 Small Business Emergency Relief Grant Program

PROGRAM GUIDELINES **AS MODIFIED MAY 11, 2020**

The Summit County COVID-19 Small Business Emergency Relief Grant Program (the “Program”) is a grant fund that previously distributed \$1,546,000.00 and has been extended and refunded with an additional amount not to exceed \$5 million, that has been created by Summit County, with several community partners in order to assist small businesses throughout Summit County with the financial hardship imposed by the COVID-19 pandemic. The below guidelines establish the businesses eligible for funding, the type of business expenses that can be paid with grant funds, the application and award process, and the process for entities to make contributions to the Program.

I. General Description of the Program

Eligible businesses will be able to receive grant funds from the program in order to assist those businesses with operating expenses incurred or paid after March 15, 2020, when the State of Ohio began the process of closing certain businesses within the State, and at which point several businesses were being affected by both mandatory and voluntary closures, cancellations, and postponements of operations, activities, and events, both in and outside of Ohio, and substantial losses in revenue as a result of business interruption and broad economic impact of the pandemic. Generally, the amount of the grant per business will be a maximum of \$5,000 for businesses with two to thirty employees, and a maximum of \$2,000 for businesses with less than two employees, provided, however, that any funders to the Program may request that the funds it contributes be used to fund grants in excess of the \$5,000 cap. Eligibility for the grants will be tied to key criteria linked to supporting businesses that were viable prior to the pandemic, have been impacted by COVID-19, employ Summit County residents and have the potential to continue to operate following the pandemic.

Applicants must submit an application in the form attached to these guidelines to the Greater Akron Chamber, which will review the same for completeness and compliance with these guidelines. The first round of funding for which applications will be taken will commence at 12pm on Thursday May 14, 2020 and run until 9am Friday, May 22, 2020. All complete applications submitted during that time, that are in compliance with the eligibility criteria set forth below, will be scored based on criteria reviewed by the Grant Underwriting Team. The Grant Underwriting Team will recommend the awarding of grants to businesses with completed applications generally based on the criteria set forth in Exhibit B, with the intention of awarding grants based on the following: the impact of the COVID-19 pandemic on the operation and success of the business, the likelihood of the business’s future success, the number of job opportunities preserved for Summit County businesses, the location of the business and the business’s proximity to Summit County Job Hubs, the contribution of the business to equity and the diversity of small businesses and small business owners in Summit County, and the community’s need to support entrepreneurial and start-up businesses with strong leadership. The Greater Akron Chamber will announce the award of grant funds on Tuesday, June 2, 2020, and will begin distributing grant funds that week, unless funding from a funder for that particular grant is received by the Greater Akron Chamber later than that week (the Greater Akron Chamber will advise accordingly).



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All grants made under the Program are being made with the intention to provide immediate funding to small businesses to meet their business needs, to keep as many small businesses in Summit County as operating, ongoing concerns as possible, and to retain as many jobs for Summit County residents as possible in light of the severe economic hardships brought by the COVID-19 pandemic. All contributions of funds to the Program are made for the purpose of furthering economic development, preserving employment opportunities for Summit County residents, and preserving the operations of Summit County's small businesses during a time of need and emergency. The primary objective of the Program is to minimize long-term economic hardship to Summit County residents that may result from the COVID-19 pandemic.

II. Eligibility Criteria

A. To be eligible for grant funds under the Program, Summit County businesses must meet the following requirements, as of March 15, 2020:

- The business must operate for profit. Non-profit entities of any type are not eligible. (Business that are for-profit generally file an IRS Form 1040 with a Schedule-C, 1040-SR with a Schedule-C, 1065, 1120 or 1120-S.)
- The business may be a sole proprietorship, partnership, corporation (both S and C), professional association, limited liability company, limited partnership, or limited liability partnership. If a corporation, professional association, limited liability company, limited partnership or limited liability partnership, the business must be registered with the Ohio Secretary of State to do business in the State of Ohio. If a sole proprietorship, the business shall provide documentation of its existence as a business, including, but not limited to income tax returns for the business, trade name registrations, business banking or credit accounts, or similar documents. If a partnership, the business shall either be registered with the Ohio Secretary of State to do business in the State of Ohio, or, if not registered, shall provide documentation similar to that required for a sole proprietorship.
- The principal place of business, or headquarters, for the business must be located within Summit County.
- The business must have been in operation for at least fifteen months prior to March 15, 2020, which, at a minimum, may be evidenced by a filing on or before that time of documents with the Ohio Secretary of State incorporating or organizing the business or evidencing operation of the business prior to that time.
- To be eligible for a grant in an amount of up to \$5,000, the business must employ a minimum of two employees and a maximum of thirty employees. Businesses that employ one



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employee will be eligible for grants of up to \$2,000. For purposes of this criteria, “employee” shall mean an individual who (i) is employed as an employee who regularly works at least 20 hours per week and who is provided an IRS Form W-2 at the end of each calendar year, (ii) is independently contracted with the business, regularly works at least 20 hours per week and who receives an IRS Form 1099 at the end of each calendar year, or (iii) the principal owner(s) of the business, the sole proprietor, or partners, whichever is applicable, provided, however, that the principal owners, sole proprietor or partners need not be included in the number of employees if it would cause the business to exceed the maximum number of individuals employed.

- At least 50% of the individuals employed by the business, as defined herein, must be permanent residents of the County of Summit.
- The business must not be in receivership or bankruptcy.
- The business must be current on all Summit County municipal and Joint Economic Development District income tax obligations and Summit County property tax obligations. All businesses will be required to provide the businesses’ federal employer identification number, or, if the business does not have a federal employer identification number, the social security number under which the business operates.

B. The businesses shall not be one of the following, regardless of its general eligibility under subsection (A), above:

- Any business operating as an entertainment device arcade, as defined in [Chapter 755](#) of the Codified Ordinances of the County of Summit, regardless of the location within Summit County.
- Any business operating as a sexually oriented business as that term is defined in [Section 2907.40](#) of the Ohio Revised Code.
- Any business that primarily sells tobacco products, cigarettes, electronic smoking devices, or vapor products as those terms are defined in [Section 2927.02](#) of the Ohio Revised Code.
- Any financial institution that makes loans or issues credit to the public, including, but not limited to, banks, credit unions, payday lenders, or any other similar business.
- Any business that has received grant funds previously from through this Program or from another Summit County local government or private grant fund related to relief for small businesses as a result of the COVID-19 pandemic shall be ineligible to receive grant funds under the Program if:



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(i) they employ two to thirty employees and they were awarded \$5,000 or more in grant funds, or, in the event the business received less than \$5,000 in grant funds from the other grant, then any grant they receive under the Program shall be reduced by the amount of the grant funds already awarded, or

(ii) they employ one employee and they were awarded \$2,000 or more in grant funds, or, in the event the business received less than \$2,000 in grant funds from the other grant, then any grant they receive under the Program shall be reduced by the amount of the grant funds already awarded.

III. Eligible expenses

A. Unless excepted below, all expenses of the business that are deductible as ordinary and necessary business expenses under the U.S. Internal Revenue Code may be paid for with grant funds from the Program. Examples of eligible expenses include, but are not limited to:

- Mortgage payments for the business's principal place of business or such other business location in Summit County. Mortgage payments for businesses that are located in an owner's primary residence are not eligible.
- Rent payments for the business's principal place of business or such other business location in Summit County. Rent payments for businesses that are located in an owner's primary residence are not eligible.
- Utility payments – electric, gas, sewer, water, trash removal – for the business's principal place of business or such other business location in Summit County. Utility payments for businesses that are located in an owner's primary residence are not eligible.
- Health, property and casualty and liability insurance payments.
- Vehicle and equipment lease or rental payments for vehicles and equipment leased on or prior to March 15, 2020.
- Salaries or wages of all employees employed by the business.

B. Additionally, any sole proprietor may use grant funds from the Program to replace a portion of its lost revenue, as follows:

If the sole proprietor filed IRS Form 1040 and Schedule C thereto for tax year 2019, or, if the event the sole proprietor has not filed IRS Form 1040 for tax year 2019, but has filed IRS Form 1040 and Schedule C thereto for tax year 2018, then the sole proprietor can use the grant



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- funds to pay the sole proprietor the equivalent of up to 1/6 of the net profit reported by the sole proprietor on line 31 of the applicable Schedule C.
- C. Each applicant for funds will include in its application to the Greater Akron Chamber an itemization of the expenses it intends to pay with the grant funds, which will be reviewed for compliance with the eligible expenses set forth in Section III(A), above. Following the expenditure of all grant funds, the business shall provide a listing to the Greater Akron Chamber of all business expenses paid using the grant funds along with supporting documentation. Documentation will be in the form of cancelled checks, paid invoices, bank statements, or similar documents evidencing payment. The listing of business expenses paid and accompanying documentation shall be submitted to the Greater Akron Chamber no later than 180 days following the receipt of grant funds by the business.
- D. All expenses reported to the Greater Akron Chamber as paid using Program funds must either be incurred by the business or paid by the business on or after March 15, 2020, and within 90 days of receipt of grant funds. No grant funds may be used to pay for vehicles or equipment leased or purchased after March 15, 2020 (this prohibition is not intended to apply to inventory of the business).

IV. Application and Award Process

- A. Businesses that wish to apply for a grant from the Program shall submit to the Greater Akron Chamber the following documents in electronic format:
- A complete application on the form prescribed by the Greater Akron Chamber. That application will include basic information regarding the business, as well as the following information:
 - If the business applied for a Paycheck Protection Program Loan or Economic Injury Disaster Loan through the U.S. Small Business Administration, the loan application number(s) for the Economic Injury Disaster Loan and/or the Paycheck Protection Program Loan. Application for these programs is not a requirement and will be used for statistical purposes only.
 - Summary level information on 2019 revenues and expenses, 2020 YTD revenues and expenses and COVID-19 impact on revenue and expenses.
 - An indication of business expenses that the business will pay with grant funds awarded from the Program.
 - For all businesses applying, the first page of its IRS Form 1040, 1040-SR, 1065, 1120 or 1120-S for tax year 2019, or, if the business has not filed IRS Form 1040, 1040-SR, 1065, 1120 or



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1120-S for tax year 2019, but has filed one of said forms for tax year 2018, then the first page of the same. Additionally, any business providing a Form 1040 or 1040-SR must also include the full Schedule C that was filed with the Form 1040 or 1040-SR.

- B. The first round of funding for which applications will be taken will commence at 12pm on Thursday May 14, 2020 and run until 9am Friday, May 22, 2020. All applications must be fully submitted and completed during this time to be considered. Applications will be received electronically via the online survey application tool. In the event that an applicant is absolutely unable to submit via the online tool, we will do our best to accommodate arrangements for application via paper. Submissions via fax will be time stamped for receipt. Applications may also be received by U.S. Mail and will be time stamped upon receipt for 5 p.m. on the date of the postmark of the application. To facilitate review, no applications will be accepted by U.S. Mail if received after 5 p.m. on the final date of the application period. Given current inconsistent office hours for the Greater Akron Chamber due to COVID-19 work at home operations, no applications will be accepted in person at the Greater Akron Chamber or any other office unless a specific appointment time for receipt can be made.
- C. Upon receipt of each application, the Greater Akron Chamber will examine the same for completeness and ensure that all items required by Section IV(A) are included. Complete submission of accurate information is the responsibility of the applicant. Given the volume of applications expected, The Greater Akron Chamber is unable to contact individual recipients related to incomplete information. Incomplete applications will result in elimination of the company's application for the grant. Information submitted will be deemed as certified to be accurate and truthful by the applicant and will be relied on for determining eligibility and applicant scoring. False information provided by applicants could result in the requirement to repay grant funds as a result of submitting a false or misleading application.
- D. All applications that are complete and contain all information required by Section IV(A), above, will receive a sequential grant application number indicating the order that the complete application was received. This number will factor into the review as a way of prioritizing distribution of funds in the event scoring of the application results in equal scores to other applications.
- E. All complete applications that receive a grant application number will be considered for funding by the Grant Underwriting Team. Grant awards will be made based on competitive application scoring and the availability of funds. It is not likely the Program will be able to provide funds for every eligible applicant.

The Grant Underwriting Team, the membership of which is attached hereto as Exhibit A, will be responsible for oversight of the scoring methodology, advising grant program staff on the review process and providing general advice and support for the approach to applicant evaluation and the awards process. The Grant Underwriting Team shall review and approve the final set of



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awards based on review of the scoring process and the final summary of applicant and awardee information.

Upon approval by the Grant Underwriting Team, businesses with employees of two to thirty employees will be awarded a grant of up to \$5,000 and businesses with less than two employees will be awarded a grant of up to \$2,000 (unless they qualify for a higher grant award as provided by a specific grantor's direction). Grants will be funded only to the extent that grant funds are available. Grant awards will be announced by the Greater Akron Chamber on Tuesday, June 2nd. Following award of each grant, the Greater Akron Chamber will email to each business a grant agreement. The business must complete and sign the grant agreement and return the same to the Greater Akron Chamber to receive grant funds. Grant funds will be distributed immediately following the receipt of a signed grant agreement, unless funding from a funder for that particular grant is received by the Greater Akron Chamber later than that week.

- F. If, after review of all applications and award of grant funds for all applications received, there are still funds remaining to be granted and/or subsequent funds are received by the Greater Akron Chamber for the purpose of making grants hereunder, subsequent rounds of funding, that will function in a similar manner, may be announced and conducted. Any business that was not funded in a prior round due to an incomplete application will be contacted to re-submit or update their information to be considered in the next subsequent funding round. Additionally, any application that is complete and meets all eligibility, but was not funded in a certain round will be reconsidered for funding in the next subsequent funding round.
- G. The Greater Akron Chamber may require any business owner to complete any necessary documentation to determine if the grant to that business may be funded.
- H. Prior to receiving any grant funds, the business shall sign a grant agreement between itself and the Greater Akron Chamber. At a minimum, the grant agreement will (i) require the business to use all grant funds for the purposes set forth in these Guidelines and its application, (ii) require the business to follow and comply with all other provisions of these Guidelines, (iii) be conditioned on the business providing all information on the application, accompanying documents and verification of expenses in a true and accurate manner, (iv) require the business to be subject to audit and reimbursement of funds in the event it fails to comply with items (i) to (iii), and (v) require the business to indemnify and hold harmless the Greater Akron Chamber and all contributors of grant funds.
- I. To the extent allowable due to the availability of funds, all businesses with between two and thirty employees who submitted applications requesting at least \$5,000 in assistance will be funded in the amount of up to \$5,000 (unless they qualify for a higher grant award as provided by a specific grantor's direction) provided they are complete, meet all other criteria, and are approved by the Grant Underwriting Team. For all businesses with between two and thirty employees, any application requesting less than \$5,000 in assistance will be funded in the amount requested in



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the application, again, provided they are complete, meet all other criteria, and are approved by the Grant Underwriting Team. The Greater Akron Chamber and the Grant Underwriting Team will not make determinations that grants be funded for an amount different than the amount requested, unless necessary to cap the grant at a maximum amount.

To the extent allowable due to the availability of funds, all businesses with less than two employees who submitted applications requesting at least \$2,000 in assistance will be funded in the amount of to \$2,000 (unless they qualify for a higher grant award as provided by a specific grantor's direction) provided they are complete, meet all other criteria, and are approved by the Grant Underwriting Team. For all businesses with less than two employees, any application requesting less than \$2,000 in assistance will be funded in the amount requested in the application, again, provided they are complete, meet all other criteria, and are approved by the Grant Underwriting Team. The Greater Akron Chamber and the Grant Underwriting Team will not make determinations that grants be funded for an amount different than the amount requested, unless necessary to cap the grant at a maximum amount.

- J. In general, the Greater Akron Chamber will manage the Program and administer the distribution of grants in accordance with these Guidelines.
- K. Nothing contained herein is intended to obligate or bind, nor shall it be construed to obligate or bind, the Greater Akron Chamber or any grantor of funds to the Program, to make, award, or fund any grant to any entity whatsoever, and no entity shall have any claim, action, or cause of action against the Greater Akron Chamber or any grantor of funds for failure to make, award, or fund any grant. All determinations will be made with the best efforts of the Grant Underwriting Team and in the spirit of meeting the objectives of this program. The decisions of the Grant Underwriting Team are final, not subject to appeal and fully within the discretion of the Grant Underwriting Team subject to whatever process modifications they find necessary in the dispatch of their work to meet the guidelines of the program. A statement to this effect shall be included in the application.

V. Fund Contributions

The Greater Akron Chamber will accept fund contributions in increments of \$1,000, for the purpose of providing Program grants from governmental entities, businesses, non-profits, and individuals who wish to contribute to the Program.

- A. Grantors who provide fund contributions in excess of \$25,000 shall have the ability to direct the following factors as it pertains to the use of their contributions:



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- The community or geographic area within Summit County in which the fund contributions must be utilized for grants. Fund Contributions that are not restricted to a jurisdictional or geographic area within the County shall be deemed as available for grants to businesses Countywide.
 - An increase in the maximum amount of the grant awards available to grantees in excess of the Program grant award maximums set forth above.
- B. Contributed funds will be paid by grantors in a lump sum payment to the Greater Akron Chamber pursuant to a grant agreement executed between the Greater Akron Chamber and the grantor. Once funds are paid to the Greater Akron Chamber, they will not be returned to the grantor unless (i) the grantor cancels the grant agreement for cause because of mismanagement, misfeasance, or malfeasance on the part of the Greater Akron Chamber, or (ii) on December 30, 2020, the Greater Akron Chamber is still in possession of contributed funds from the Grantor that were not distributed to businesses under this Program. The Greater Akron Chamber shall develop and distribute the grant agreement to each grantor. All grants will then be made out of the funds contributed by the grantors and the Greater Akron Chamber shall not have any obligation to fund grants out of its operating funds.
- C. The following shall be used by the Greater Akron Chamber in determining which fund contributions shall be drawn down to fund any grants that are awarded:
- If funds that have been contributed for a certain jurisdiction or geographic area wherein the business is located are available, then the grant shall be funded by those funds.
- If jurisdictionally or geographically-directed funds are no longer available that apply for that business's location, then the grant shall be funded by other funds that are available.
- In the event that a grantor has permitted that grant funds may be used to fund grants in excess of the maximum amounts set forth above, regardless of whether such funds are jurisdictionally or geographically restricted, then any grant that is awarded solely using those funds may exceed that maximum amount, up to the amount allowed by the grantor. Grants that are approved for funding will receive the maximum amount in the order that they are approved.
- D. The County of Summit will provide the Greater Akron Chamber with a grant from its General Fund in the amount of \$5,400,000, of which \$100,000 shall be used by the Greater Akron Chamber towards its costs in administering the Program, \$300,000 shall be used by the Greater Akron Chamber to provide assistance outside of this Program to small businesses negatively impacted by COVID-19, and the balance of \$5,000,000 may be used to fund grants under this Program. All additional contributions to the Program from other grantors will be used exclusively for the



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purpose of making grants and will not be used to pay the administrative costs of the Greater Akron Chamber.



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EXHIBIT A

GRANT UNDERWRITING TEAM MEMBERS

The following members shall comprise the Program's Grant Underwriting Team:

1. Two representatives of the County of Summit.
2. Two representatives of the Greater Akron Chamber.
3. A representative of the Akron Urban League.
4. A representative of BOUNCE Innovation Hub.
5. Three (3) individuals with experience as SBA certified lending officers, commercial lending or entrepreneurial finance from lending institutions or economic development intermediaries with a presence in Summit County.



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EXHIBIT B

UNDERWRITING CRITERIA

The below criteria shall be used by the Grant Underwriting Team in determining whether to fund any grant. In evaluating businesses in view of the below criteria, the Grant Underwriting Team shall place a priority upon the goals of (i) maximizing the number of employees, and in particular Summit County resident employees, (ii) the value of the economic impact that the business has on Summit County and surrounding markets and/or the corresponding loss if the business discontinues operations, and (iii) assistance to businesses that are threatened and/or economically harmed by the COVID-19 pandemic, but that were otherwise healthy and functional businesses prior to the pandemic, and are therefore likely to be successful following the pandemic.

Businesses with two to thirty employees will be evaluated amongst other businesses with two to thirty employees and businesses with less than two employees will be evaluated amongst other businesses with less than two employees. Funds will be allocated and awarded by the Greater Akron Chamber for each group of businesses – those with two to thirty employees and those with less than two employees – following receipt of applications and a determination regarding how much should be allocated to each group based on the number of applications received.

1. The impact of COVID-19 on the businesses ability to be successful.
2. The length of time the business has been in operation and the business ownership/leadership experience of its principals.
3. The number of full-time employees employed by the business.
4. The location of the business, and, specifically, whether the business is located within a low-to-moderate income census tract or a designated County Job Hub; or the business employs individuals that live in low-to-moderate income census tracts.
5. Whether the business is a minority-owned, woman-owned, veteran-owned or other disadvantaged business, including whether the business has an EDGE certification or other certification that it is a disadvantaged business.
6. The amount of the business's sales and operating expenses in the 12-month period from March 2019 to February 2020.
7. In light of the business's current operating expenses and revenue, the likelihood that the grant funds will pay enough of the operating expenses to allow the business to either continue operating or resume operations following the COVID-19 pandemic.



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8. The strength of the industry within which the business is situated, particularly in light of the COVID-19 pandemic and its impact on that particular industry.

9. Recommendations or support from (i) the municipality or township where the business is located, (ii) the grantor that contributed funds to the Program from which the grant will be funded, or (iii) other businesses, non-profits or other entities.

Upon a two-thirds vote of the members of the Grant Underwriting Team, the above criteria may be modified, provided that any modified criteria conform to the goals set forth in the first paragraph of this Exhibit B.