

Northeast Partnership for Regional Economic Performance Community Development Block Grant FAQs

INTRODUCTION

- Governor Tom Wolf has announced \$4 million in Community Development Block Grant-CARES Act (CDBG-CV) funding to support communities and their residents in Northeastern Pennsylvania.
- NEPA Alliance through the Partnership for Regional Economic Performance (Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, and Wayne counties) will be providing grants of up to \$50,000 for small businesses and up to \$15,000 for microenterprises (small businesses that employ few people) located in one of those 7 counties that have been severely impacted due to COVID-19. NEPA Alliance anticipates approximately 150 jobs will be retained or created.
- Applications will be reviewed and granted on a first come, first served basis until funds are depleted.
- There is no cost to apply for this grant.
- The University of Scranton and Wilkes University Small Business Development Centers are assisting with the application process by offering individual guidance. If you are not already working with an SBDC consultant, please [register with the SBDC](#) to receive services.

FREQUENTLY ASKED QUESTIONS

- **Location** -Businesses must be located in **Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill and Wayne** counties
- **Impacted by COVID-19** -The business must be able to demonstrate that they were impacted by the coronavirus pandemic. The disruption may include but is not limited to:
 - temporary closure of operations,
 - temporary adjustment of operations,
 - furlough or release of employees,
 - interrupted supply chain.
- **Viability** -The applicant must be able to prove that the business was viable prior to the pandemic.
 - Evidence can be in the form of a financial statement or Federal Income tax return.
- **I started my business after February 2020, am I eligible to apply?**
Yes! Businesses starting during the pandemic may also qualify with additional qualifications.

- You must be able to demonstrate loss, or inability to reach revenue projections. You may submit a comprehensive business plan that was used to start your business, financial projections substantiated by an accountant, banker, or other professional, or proof that you worked with an SBDC Business Consultant.
- **Business Size Requirements** - The business must be able to prove revenue under \$1 million or less than 100 employees.
- **Taxes Must Be Up to Date** - Business must be able to provide evidence that the federal, state and local taxes for the business are up to date, or that a payment plan has been established.
- **Job Creation or Retention**- The applicant must be able to demonstrate that with the assistance of the CDBG grant funds the business will create or retain at least one Full Time Equivalent (FTE) job. Full Time Equivalent (FTE) is based upon a 40 hour work week - ie. 1 person working 40 hours per week or 2 people working 20 hours each per week, etc. You can not divide a job among more than 4 people.
- **Low-to-Moderate Income Eligibility** - The business either employs an individual whose household qualifies as Low-to-Moderate Income (LMI) eligible, or the business is located within a census tract that has a poverty level of 20% or higher. Businesses with five or fewer employees, including the owner, may be qualified based upon the Microenterprise qualification provided by the guidelines, which may include the income qualifications of the owner of the business.

Ineligible Businesses

- Non- profits
- Real estate developers.
- Businesses that provide assistance in the form of lobbying or other political activities.
- Businesses that are are considered a “sin” business as defined in the Opportunity Zone Regulations.
 - Suntan parlor
 - Horse tracks and casinos
 - Golf Course
 - Country Club
 - Massage Parlor
 - Hot tub facilities
 - Liquor stores (defined as stores with the principal purpose of selling alcoholic beverages for consumption off the premises)

My Business is Seasonal. Am I Eligible?

Seasonal businesses do not qualify unless they employ 1 Full-Time Equivalent (FTE) employee for the full 12 months per year. This is based on a FTE defined as 40 hours a week. That may

be 1 person working 40 hours a week, 2 persons working 20 hours a week or 4 persons working 10 hours a week. A maximum of 4 persons may be combined for one FTE.

ELIGIBLE EXPENSES

What Eligible Expenses Can the Grant Be Used For?

This financial assistance can be used to offset one or more of the following expenses that have been incurred in the past 6 months. Expenses incurred more than 6 months ago *may* be considered as eligible expenses; however, expenses and newer expenses are more likely to be deemed eligible.

- Payroll
- Rent/Mortgage
- Utilities
- Supplies (needed for day-to-day operations up to 90 days)
- Equipment purchases needed to “prevent, prepare for, and respond to the coronavirus.”
- Insurance
- Accounting
- Legal
- Advertising

Reminder: any expenses that have already been covered by other financial assistance under any other program or from insurance or any other source are not eligible.

SUBMITTING AN APPLICATION

How Do I Apply?

The first step is to complete the pre-application. The pre-application will help determine your eligibility for CDBG funding and will either move you along to the next steps in the application process or connect you with an SBDC consultant who will review the pre-application with you.

Can I Start My Application Form and Come Back to it?

We advise having all of your information ready prior to starting the application and completing it all in one sitting. Completion time may vary, but please set aside approximately 45 minutes.

You can start the typeform, close it, and return later without losing your answers only if you are on the same browser and device (and not in Incognito or Private browsing mode). Your answers will be kept safely in your browser's local storage, for 15 days. When you open the typeform again, you will be taken to the start of the form, but will see your existing answers from your last visit. You can edit those answers and fill out the rest of the questions before submitting.

We cannot provide tech support for those who encounter issues with this, therefore we advise you to have all of your information ready and complete it in one sitting.

I Have Received Other Disaster Funding. Am I Still Eligible for this Grant?

Yes! As with all disaster funding you will need to show proof that you were adversely affected by the pandemic and you *can not duplicate any benefits* you have already received. Only eligible expenses that *have not been previously claimed* on prior disaster funding can be covered by this grant. (Although expenses incurred more than 6 months ago *may* be considered as eligible expenses, expenses incurred in the *past 6 months and newer expenses* are more likely to be deemed eligible). Please use this [Duplication of Benefits Form Statement](#) to determine the eligibility amount.

How Much Assistance Can I Apply For?

Small business with 100 or fewer employees are eligible for up to \$50,000.

Microenterprises - businesses with 5 or fewer employees, are eligible for up to \$15,000.

If My Business Has Multiple Locations Can I Submit an Application for Each Location?

Yes, each location, as long as it is located in an eligible county may apply.

Do I Need a Specific Number of Employees to Receive the Grant?

Small businesses may not have more than 100 employees

Microenterprises may not have more than 5 employees (can include the owner)

How Long Will it Take for My Application to be Processed?

We anticipate a high number of applications to this program and will need to carefully review each application so it will take approximately 4 weeks after a complete application is submitted before an applicant is notified of an award.

How Will I be Notified if I Receive a Grant?

If your application is approved for funding you will receive an email from NEPA Alliance that details the amount being funded and the next steps.

How Will the Funds be Dispersed?

Invoices will need to be submitted to NEPA Alliance for eligible expenses. A check will then be sent to the business to cover the eligible and approved expense.

What Do the LMI (low to moderate income) Guidelines Mean?

CDBG grants center around job creation and retention. In order to qualify for this grant you must be able to prove that you will either create or retain a FTE (full-time equivalent) based on 40 hours per week. Businesses with five or fewer employees including the owner may be qualified based upon the Microenterprise qualification provided by the guidelines, which may include the income qualifications of the owner of the business.