



# **LE SUEUR COUNTY SMALL BUSINESS ECONOMIC RELIEF FUND PROGRAM GUIDELINES**

A SMALL BUSINESS RECOVERY FUND TO SUPPORT AND ASSIST LOCAL  
BUSINESSES ADVERSELY IMPACTED BY THE COVID-19 PANDEMIC  
FUNDED BY THE STATE OF MINNESOTA BUSINESS RELIEF FUNDS

1/5/2021

## Program Purpose

To provide emergency recovery support to small local businesses in Le Sueur County adversely impacted by the COVID-19 pandemic, Le Sueur County will provide grants of up to \$10,000 to small businesses, prioritizing those directly closed by Minnesota Emergency Executive Order 20-99, issued Nov. 19, 2020, and then those indirectly impacted by the pandemic who were not funded through the Fall 2020 Le Sueur County CARES Act program.

Funds will help businesses pay for critical expenses such as current payroll obligations, rent payments, mortgage payments, utilities and payments to suppliers. Providing this support will increase the capacity of small businesses with a physical location in Le Sueur County to rebound from the current crisis and will help prevent potential future blight scenarios.

The Le Sueur County Economic Relief Funds will be administered through NextStage, a local non-profit that brings extensive experience managing and administering loan funds. A total of \$556,330 in State of Minnesota Economic Relief grant funding is available for distribution to qualified applicants through this program offered by Le Sueur County.

## Funding

- A one-time emergency grant of up to \$10,000, based on economic injury from the COVID-19 pandemic and eligible expenses. Final grant awards shall be limited to the lesser of eligible expenses or demonstrated loss, up to the \$10,000 maximum.
- Funds can be used for operating expenses, incurred between September 1, 2020, and January 1, 2021, including current payroll obligations, rent payments, mortgage payments, utilities, accounts payable, tax payments, or other critical business expenses as approved by the fund administrator.

## Eligible Businesses

Businesses must meet all the following criteria as of March 1, 2020, to be eligible.

- Must be a locally owned and operating for-profit business with a physical establishment in Le Sueur County. Or a non-profit, "community-asset" business, such as bars and restaurants operated by a VFW post or American Legion Post, community fitness centers, ice arenas and other entities that earn revenue similar to a for-profit business, which had to cease operations due to Executive Order 20-99 are also eligible for this program.
- Must have been in business for at least 6 months prior to March 1, 2020, and intending to continue operations.
- Must be licensed, in good standing, and not have any delinquent property taxes or utilities.
- Must demonstrate a significant loss in revenue since March 15, 2020.

In addition, eligible businesses must meet ONE of the following conditions:

- Business was closed by Governor Walz’s Executive Order 20-04 or 20-08 or 20-99\* , OR
- Business employed at least 1- and not more than 20- W-2 eligible employees as of March 1, 2020, and under \$1 million in annual revenue, OR
- Business is Owner-Operated, with not more than 20 W-2 eligible employees as of March 1, 2020, and under \$1 million in annual revenue. Owner-Operated shall be defined as one who’s owner’s principal employer is the business.

Certain businesses are ineligible, including:

- Home-based businesses; those without a physical establishment
- Tax-exempt, non-profit organizations
- Businesses in default conditions prior to February 29, 2020
- Businesses that derive income from passive investments; business-to-business transactions; real estate transactions; property rentals or property management; billboards; or lobbying.

Businesses that received COVID-related federal funding, such as the Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL) or Paycheck Protection Program (PPP), may still be eligible for this Le Sueur County program but must demonstrate that grant funds from this program shall be utilized for expenses not covered by another program.

\*Businesses closed by Executive Order 20-99

- Restaurants, food courts, cafes, coffeehouses, and other places of public accommodation offering food or beverage for on-premises consumption, NOT including institutional or in-house food cafeterias that serve residents, employees, and clients of businesses, childcare facilities, hospitals, and long-term care facilities.
- Bars, taverns, brew pubs, breweries, microbreweries, distilleries, wineries, tasting rooms, clubs, and other places of public accommodation offering alcoholic beverages for on-premises consumption.
- Theaters, cinemas, indoor and outdoor performance venues, and museums.
- Gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios.
- Amusement parks, arcades, bingo halls, bowling alleys, indoor climbing facilities, skating rinks, trampoline parks, and other similar recreational or entertainment facilities.

## Application Process

- Applications will be accepted beginning January 11, 2021, and ending January 22, 2020, at 12:00 p.m. (noon). Applications are on the Le Sueur County website: [www.co.le-sueur.mn.us/603/Small-Business-COVID-19-Information](http://www.co.le-sueur.mn.us/603/Small-Business-COVID-19-Information)
- If applications exceed the funding available, the fund administrator will select recipients using a lottery system.
- The fund administrator, NextStage, will notify approved applicants by email on or before February 1, 2021.

Upon notice of an approved application, applicants are required to submit the following items within 5 business days:

- Notice of whether the business has been funded by Minnesota Department of Revenue Business Relief Payments.
- 2019 Federal Business Tax Return or appropriate Business Tax Schedule - based on entity type. Businesses that have not yet completed a 2019 Federal Return are eligible to apply and substitute other documentation of revenue deemed acceptable to the program administrator. If the applicant has applied for Le Sueur County CARES Act funds in 2020 and submitted their 2019 Federal Business Tax Return, they will not need to resubmit it.
- Evidence of revenue loss related to the COVID 19 emergency. Applicant should submit documentation that best demonstrates the impact and is deemed acceptable to Program Administrator. Some examples of acceptable documentation include comparable-period Sales Tax Reporting, Period Statements from 3<sup>rd</sup>-party Sales Platforms, Merchant Services Statements, and Point of Sale or Register reports.
- Evidence of employment prior to March 1, 2020. Acceptable documentation may include period reporting from a 3<sup>rd</sup>-party payroll processor, applicant's Federal Form 941/Employer's Quarterly Federal Tax Return, or other State or Federal payroll-related filing.
- Any additional documentation or information deemed necessary by the fund administrator to determine eligibility, generate loan documents, disburse loan proceeds, or meet program reporting requirements.
- Failure to submit required documentation will result in forfeiture of Grant Opportunity.

Note: Le Sueur County reserves the right to revise these guidelines as needed to best address the impact of the current pandemic.