# **COVID-19 RELIEF**

PA STATEWIDE SMALL BUSINESS ASSISTANCE PROGRAM

# **CDFI GUIDELINES**

**UPDATED 07/07/20** 

#### **PROGRAM OVERVIEW**

- 1. \$225 million of funding designated by the PA Department of Community and Economic Development will be administered by the Pennsylvania CDFI Network.
- 2. \$200 million is allocated for grants to small businesses
  - \$100 million allocated for historically disadvantaged businesses
  - \$100 million allocated for other small businesses
- 3. \$25 million is allocated to Pennsylvania CDFI Network members for support of loan loss reserves and to process portfolio loan deferrals. The process for LLR and loan deferrals is in development and will be outlined in separate procedures.
- 4. The program is not a "first come, first served" basis. The application portal will open for a specific period of time determined by the Network.
- 5. CDFIs will conduct outreach and marketing to ensure small, vulnerable and disadvantaged businesses have access to the grant application platform.
- 6. CDFIs will provide technical assistance to business owners during application preparation and online submission.
- 7. Once applications are received, Lendistry will process applications based on the Network approved rating method set forth below.
- 8. A six-member review committee of Network designees will approve the final list of business grant recipients for each round of funding.
- 9. Lendistry will fund grants to approved businesses.
- 10. Businesses will be required to provide certifications regarding accuracy and truthfulness of information submitted in the application. CDFIs must be aware of such certifications outlined in these guidelines.

# WE SUPPORT SMALL BUSINESSES IN PENNSYLVANIA

This grant provides funds up to \$50,000 to small businesses in the state of Pennsylvania that have been impacted by COVID-19.

#### **PROGRAM ELIGIBILITY**

- 1. Grants of \$5,000 to \$50,000 are available for small businesses that have been negatively affected by the COVID-19 pandemic and related statewide business closure. Funding tiers are listed below.
- 2. Grants are available only for businesses with annual revenues (prior to March 1, 2020) of \$1 million or less and have 25 or fewer full-time employees (FTEs). (Revenues are based on the IRS tax form definition: Gross Sales (less any returns and allowances) as reported on Line 1.c. on both the 1120 (corporate return), 1120S (S-Corp return), and on IRS Schedule C for single member LLC's and sole proprietorships, Line 3.
- 3. Eligible businesses must operate primarily in Pennsylvania and must file a Pennsylvania tax return. Applicants will self-certify that 51% or more of revenues are generated in PA.
- 4. Eligible businesses may be structured as C-corporations, S-corporations, limited liability corporations, sole proprietors, independent contractors or self-employed individuals.
- 5. Businesses must have must have been in operation as of February 15, 2020.
- 6. Businesses must currently be operating or have a clear plan to re-open once the Commonwealth permits re-opening of the business.

#### **PROGRAM PRIORITIES**

#### 1. Primary Priority will be given to:

- Historically disadvantaged businesses are defined as businesses that are 51% or more owned and operated by people identifying as African American, Hispanic, Native American, Asian American or Pacific Islander (based on the US CDFI Fund definition of individuals historically lacking access to financial services.)
- Businesses owned and operated by low and moderate income business owners. Low and moderate income business owners are defined as those with a total household income of 80% or less than the county Median Family Income, based on the US Census Bureau's 2018 American Community Survey (2018 ACS) or HUD 80% of Median Household Income.
- Businesses located in rural communities and disadvantaged areas defined as U.S. CDFI Fund Investment Areas including those located in communities experiencing higher than average poverty rates, lower income (less than 80% of area median), higher than average unemployment rates and/or high population loss.
- Certain industry sectors including retail, food and hospitality, health and wellness, personal care (beauty/nail salons, spas, and barbershops), and child care and adult day care.
- Businesses impacted the most financially based on gross revenue losses.

#### 2. <u>Secondary Priority</u> will be given to:

- Women-owned businesses
- Businesses operating in communities participating in one of the following designated revitalization programs including: an active Main Street Program or Elm Street Program, a town in the Trail Town Program™, a town located in the PA Wilds™, or designated commercial corridors in Philadelphia, and Neighborhood Business Districts in Pittsburgh.

### **GRANT FUNDING STRUCTURE**

#### The Emergency Fund includes the following eight (8) Categories Owners of multiple businesses will be considered for only one grant

RELIEF PROGRAM	ELIGIBLE BUSINESSES	AMOUNT AVAILABLE PER BUSINESS
Micro Business Grant	Annual revenue up to \$50,000 \$5,000 Grant	
Micro Business Grant	Annual revenue \$50,001 - \$75,000	\$10,000 Grant
Micro Business Grant	Annual revenue \$75,001 - \$100,000	\$15,000 Grant
Small Business Grant	Annual revenue \$100,001 -\$250,000	\$20,000 Grant
Small Business Grant	Annual revenue \$250,001 -\$500,000	\$25,000 Grant
Small Business Grant	Annual revenue \$500,001 - \$750,000 \$35,000 Grant	
Small Business Grant	Annual revenue \$750,001 - \$850,000 \$40,000 Grant	
Small Business Grant	Annual revenue \$850,001 - \$1,000,000	\$50,000 Grant

#### **ELIGIBLE USES OF FUNDS**

- 1. Payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums.
- 2. Working capital for the purpose of paying mortgage principal and interest payments (but not mortgage prepayments); and principal and interest payments on any other debt obligations that were incurred before February 15, 2020.
- 3. Rent payments, utility payments.
- 4. Working capital for the purpose of covering the costs of re-opening business operations after being fully or partially closed due to the state-mandated business closure period commencing March 2020, as long as the expense was incurred do to COVID-19.
- 5. Any expenses (costs) incurred related to the expense of implementing COVID-19, including but not limited to specialized equipment, barriers, PDE's, and employee training expense to ensure compliance with state and federal CDC guidelines for reopening.
- 6. Any Covid-19 related expenses not already paid for with other relief measures such as state grants or loans, US SBA Paycheck Protection Loans, local or regional grant and/or loan programs.

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#### REQUIRED DOCUMENTATION

#### PA CARES DOCUMENTATION CHECKLIST Most recent tax return filed (2019 or 2018) – must be in an electronic form for online upload, such as PDF. If the applicant was a startup in 2019 and has not yet filed taxes, a management prepared statement of revenue and expenses as of December 31, 2019; must be in an electronic form for online upload, such as PDF. If the applicant is a startup as of January 1, 2020, a profit and loss statement as of 3/31/20 - must be in an electronic form for online upload, such as PDF. Articles of Incorporation Copy of official filing with the Department of State or local Certificate of Organization municipality for your business such as: Fictitious Name Registration (one of the following); must be provided in electronic format for upload, such as Government-Issued Business License **PDF** Any form of acceptable government-issued photo ID; must be in an electronic form for online upload, such as PDF. Applicant Certification: CLICK HERE TO DOWNLOAD THE ELECTRONIC FORM

#### **INELIGIBLE BUSINESSES**

- 1. Businesses that are not physically based in Pennsylvania
- 2. Businesses that are in active default (not on a payment plan) with taxes or fees owed to the federal government or Commonwealth
- 3. Businesses engaged in any activity that is illegal under Federal, state, or local law
- 4. Businesses owned or controlled by any owner that has ever obtained a direct or guaranteed loan from the State of Pennsylvania or any Federal agency that is currently delinquent or has defaulted within the last seven years and caused a loss to the government.
- 5. Non-Profits, Churches and other religious institutions
- 6. Financial businesses primarily engaged in the business of lending, such as banks, finance companies, and factors
- 7. Passive real estate companies and investors who file a Schedule E on their personal tax returns are not eligible. Real estate businesses in which the majority (>51%) of their income is rental income are also not eligible
- 8. Life insurance companies
- 9. Private clubs and businesses which limit the number of memberships for reasons other than capacity
- 10. Government-owned entities or elected official offices
- 11. Businesses primarily engaged in political or lobbying activities
- 12. Businesses engaged in any illegal activity, socially undesirable or those that may be considered predatory in nature, such as pawnshops, rent to own, check cashing businesses and adult bookstores
- 13. An owner of 20 percent or more of the equity of the applicant is incarcerated, on probation, on parole; presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; or has been convicted of a felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance within the last five years or any other felony within the last year

# APPLICANT CERTIFICATION

HOW TO DOWNLOAD AND COMPLETE THE FORM

#### **APPLICANT CERTIFICATION**

cations accepted from June 30 <sup>th</sup> – July 14 <sup>th</sup>		
	QUALIFI	CATIONS —
APPLY NOW  SIGN INTO YOUR ACCOUNT  E-Mail  Passavered Show/Hide  Forgot Password?  SUBMIT	WHAT IS THE SIZE OF THE GRANT? \$5,000-\$50,000 based on revenue  REQUIRED DOCUMENTATION:  - Most recent tax return filed (2019 or 2018)  - If the applicant is a startup as of January 1, 2020, a profit and loss statement as of 3/31/20  - Proof of tax payment plan (if not current)  - Entity Docs Including DBA or FBN certificate & proof of ownership  - Business License (if Sole Proprietor)  - Government Issued ID  - Application Certification  CLICK THE LINK TO DOWNLOAD THE	WHO IS ELIGIBLE?  Any for-profit business or individual dba as a business in the state of Pennsylvania  APPROVAL REQUIREMENTS:  - Must be in business by February 15th, 2020  - Grass annual revenue less than or equal to \$1,000,000  - Pull-time employees less than or equal to 25  - Use of funds must be related to COVID-19  - Must be in Pennsylvania (business only, not Owner)

#### **INSTRUCTIONS**

Before starting a new grant application, click on [APPLICATION CERTIFICATION] under QUALIFICATIONS to download the electronic form. This is a required document for your grant application. You will need to upload it to the Portal during Step 12: Upload Documents of the application process. You can also download the form by CLICKING HERE.

**NOTE:** This is an electronic form and can be completed and saved on your computer, laptop, tablet, or other mobile devices.

# **ENTER YOUR INITIALS HERE**

Business Address

n	licant Certifications	for the COVID-19 F	elief Statewide Small	<b>Business Assistance Program:</b>

Applicants will be required to self-certify adherence to the following:

#### Pennsylvania CDFI Network Reliance on Business Applicant Certifications for the COVID-19 Relief Statewide Small Business Assistance Program:

sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to the business.

The Pennsylvania CDFI Network may rely on applicant certifications for use of funds, business eligibility, owner information and financial information for both the business and the owner. Applicant must make this certification in good faith, taking into account their current business activity and their ability to access other

COVID-19	Relief Statewide Small Business Assistance Prog	<u>ram</u> . The grant funds shall be awarded	d by priorities established b	by the Pennsylvania CDFI Network.
Businesse	rized representative of the applicant must certify in es receiving grant funds must certify such complian es) to all of the below:		oursuant to 18 Pa. C.S. § 49	04 (relating to unsworn falsification to
1. business	The business was in operation on February 15, 20 tax returns.	020 and, if required, paid income taxes	s to the state and federal go	overnment, as reported on individual or
2.	COVID-19 has had an adverse economic impact a	and makes this grant request necessar	ry to support the ongoing o	perations of the applicant.
3. federal go	The grant will be used only to cover COVID 19 rela overnment may hold me legally liable such as for c		ds are knowingly used for ur	nauthorized purposes, the state and
4. 19 Relief	During the period beginning on June 1, 2020 and Statewide Small Business Assistance Program.	l ending on December 31, 2020, the bu	usiness has not and will not	t receive another grant under the COVID-
orders by	The business must have been, and remain, in cor cy under the Pennsylvania Governor's proclamatic the Governor, Secretary of Health, or other comm og under this program and may be required to retu	on dated March 6, 2020, and any and a nonwealth officials empowered to act	all subsequent renewals. The during the emergency. Any	ne foregoing includes, but is not limited to,
by which	I understand that I am ineligible to receive funding of the equity of the applicant is incarcerated, on proformal criminal charges are brought in any jurisdic ication or an application for federal financial assist	robation, on parole; presently subject to ction; or has been convicted of a felon	o an indictment, criminal in y involving fraud, bribery, e	nformation, arraignment, or other means embezzlement, or a false statement in a
warrant t informati	By executing this application, I am hereby author is Small Business Assistance Program to request act hat I am an authorized representative of the applion. I authorize the Pennsylvania Department of Rebut not limited to methods such as phone discussion.	cess to, and review of, the applicant's icant and have full authority to waive evenue (the "Department") to release	Pennsylvania state tax retu confidentiality under Penn confidential information in	urns and tax return information. I hereby sylvania law and authorize release of this the possession of the Department,
law, inclu more tha	I further certify that the information provided in erial respects. I understand that knowingly making ding under 18 USC 1001 and 3571 by imprisonmer n two years and/or a fine of not more than \$5,000 rs and/or a fine of not #1,000,000.	g a false statement to obtain a grant fr nt of not more than five years and/or a	om the State of Pennsylvar a fine of up to \$250,000; un	nia is punishable under state and federal der 15 USC 645 by imprisonment of not
authorize	I acknowledge that the Pennsylvania CDFI Networks are identical to those submitted to the Internal d representatives can share the tax Information was uirements and reviews.	Revenue Service. I also understand, ac	knowledge, and agree tha	t the Pennsylvania CDFI Network and its
Pennsylva	acknowledge that the business must adhere to all ania Human Relations Act, the Pennsylvania Labor nder this program and may be required to return	Relations Act and the federal Civil Rig	hts Act of 1964. Any non-c	
Signature		Date		NOTE.
. 6				NOTE:
 Print Nam	е	Title		COMPLETE
	-			ALL FIELDS ON
		EIN#		THE FORM
Business N	Name			PRIOR TO

**UPLOADING** 

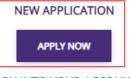


#### START A NEW APPLICATION

# PENNSYLVANIA

This grant provides funds up to \$50,000 to small businesses in the state of Pennsylvania that have been impacted by COVID-19.

Applications accepted from June 30th - July 14th



SIGN INTO YOUR ACCOUNT

E-Mail	
Password	Show/Hide

Forgot Password?

SUBMIT

#### QUALIFICATIONS

#### WHAT IS THE SIZE OF THE GRANT?

#### REQUIRED DOCUMENTATION:

- Most recent tax return filed (2019 or 2018)
   If the applicant is a startup as of January 1, 2020, a
  profit and loss statement as of 3/31/20
- Proof of tax payment plan (if not current)
   Entity Does including DBA or FBN certificate &
- Business License (if Sole Proprietor)
- Government Issued ID
- Application Certification

#### WHO IS ELIGIBLE?

Any for-profit business or individual dba as a business in the state of Pennsylvania

#### APPROVAL REQUIREMENTS:

- Must be in business by February 15th, 2020
   Gross annual revenue less than or equal to
- Full-time employees less than or equal to 2
- Use of funds must be related to COVID-19
- Must be in Pennsylvania (business only, not

DISCLOSURE

Terms and Conditions

is Project is financed by a grant from the federal Department of U.S. Treascry, under the administration of the Commonwealth of Pennsylvania and the Pennsylvania CDF1 Network

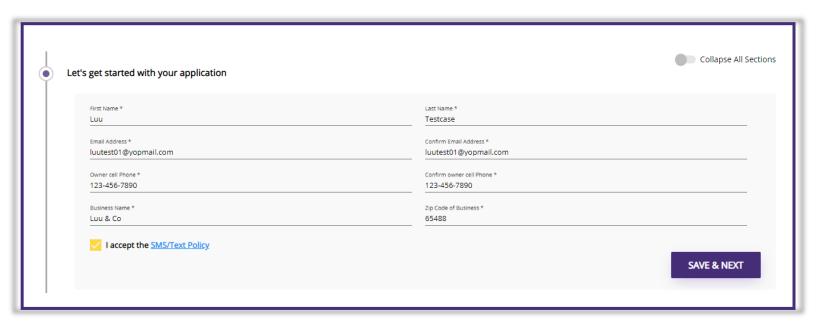
#### **INSTRUCTIONS**

To begin your application, click [APPLY NOW].

**NOTE:** Please use Google Chrome for optimal web browser experience.

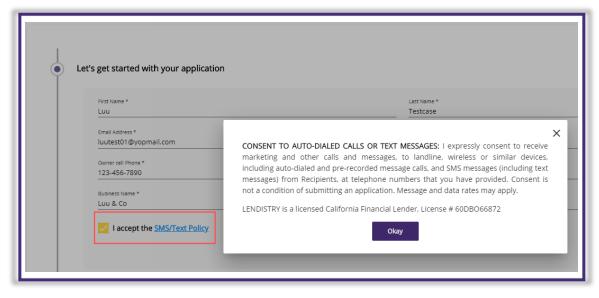


#### LET'S GET STARTED WITH YOUR APPLICATION



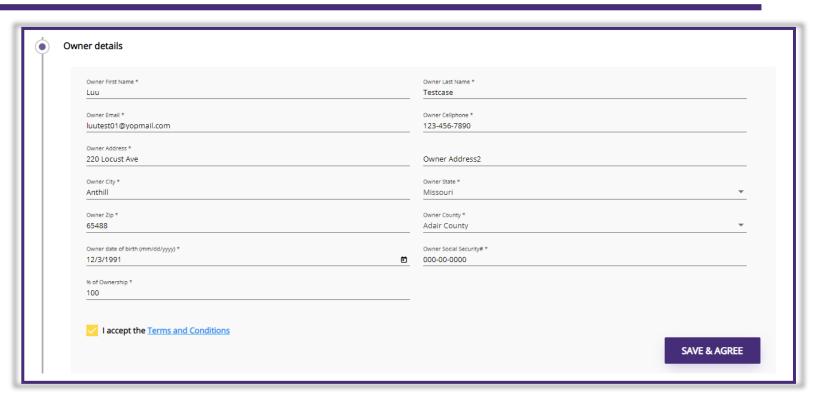
#### INFORMATION NEEDED

- First Name
- Last Name
- E-mail
- Phone Number
- Business Name
- Zip Code of Business



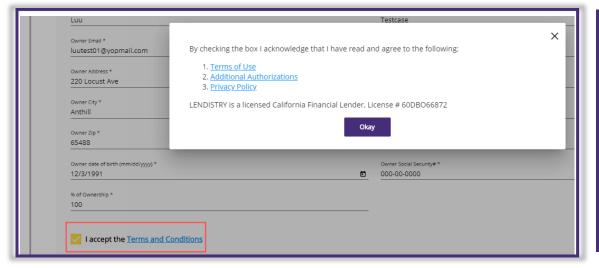
If you'd like to receive text message updates on your grant application, read the **SMS/TEXT Policy** and check the box to agree. If you'd like to opt out of this feature, leave the box unchecked.

#### **OWNER DETAILS**



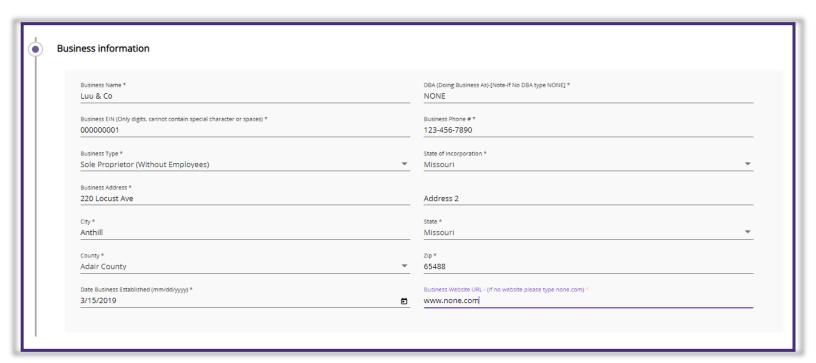
#### INFORMATION NEEDED

- Owner First Name
- Owner Last Name
- Owner E-mail
- Owner Address City, State, Zip Code, and County
- Owner Birthday
- Owner Social Security
- % of Ownership



Check the box to acknowledge that you have read and agree to the <u>Terms</u> and Conditions. You must agree in order to move forward with your grant application.

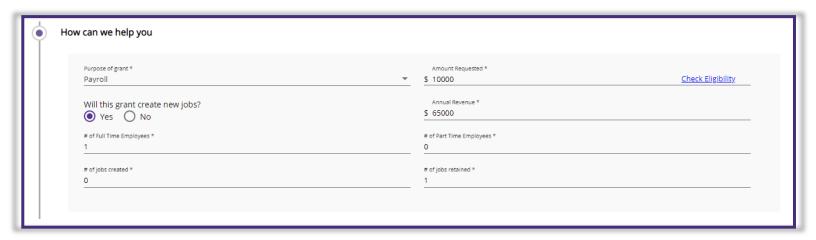
#### **BUSINESS INFORMATION**



#### **INFORMATION NEEDED**

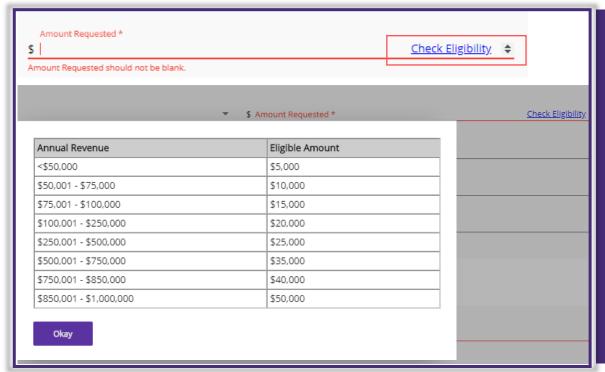
- Business Name
- DBA (if applicable)
- Business EIN
- Business Phone Number
- Business Type
- State of Incorporation
- · Business Address, City, State, Zip Code, and County
- Business Start Date
- Business Website

#### **HOW CAN WE HELP?**



#### INFORMATION NEEDED

- Purpose of Grant
- Amount Requested
- Will this Grant create new jobs?
- Annual Revenue
- # of Full-Time Employees
- # of Part-Time Employees
- # of Jobs Created
- # of Jobs Retained



#### **NOTE:**

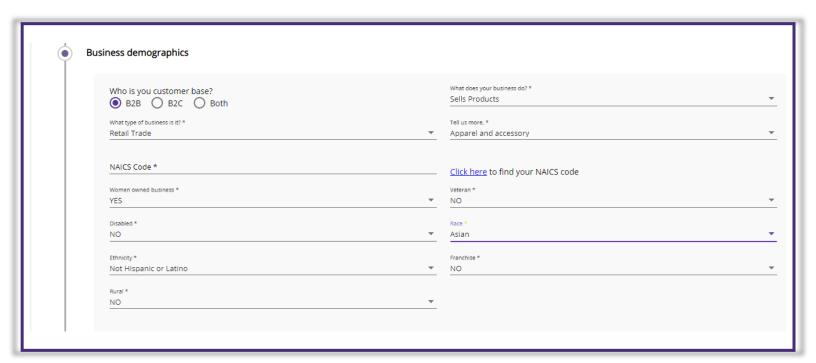
The form field,

AMOUNT

REQUESTED, is based on your annual revenue. To check the grant amount you are qualified for, click

[CHECK ELIGIBILITY] and locate your eligible amount. You may only request the amount you are eligible for.

#### **BUSINESS DEMOGRAPHICS**



#### INFORMATION NEEDED

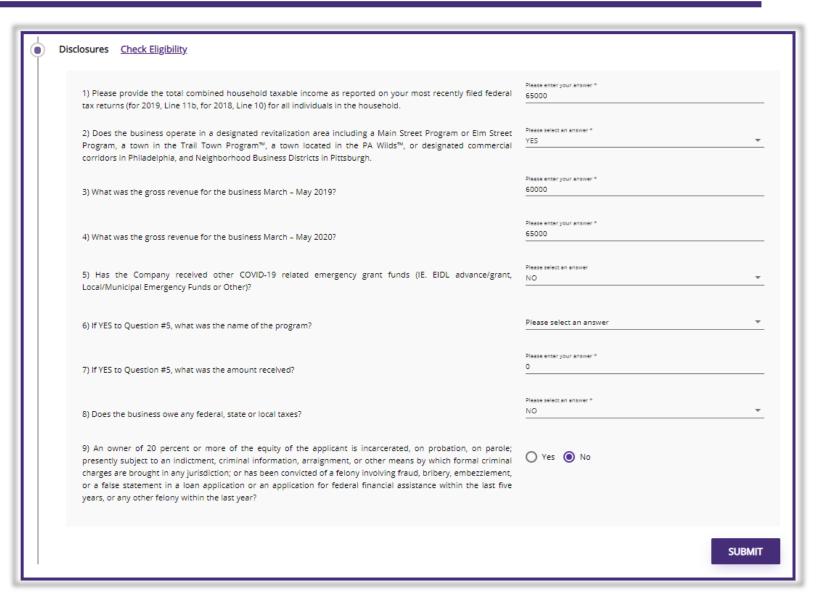
- Who is your customer base?
- What does your business do? What type of business is it? (TIP: View page 18 for a list of business types)
- Tell us more.
- NAICS Code
- Women Owned Business?
- Veteran?
- Disabled?
- Race?
- Ethnicity?
- Franchise?
- Rural?

Click here to find your NAICS code

Don't know your NAICS Code? Click the following link to find it.

#### WHAT DOES YOUR BUSINESS DO?

MANUFACTURER It Grows, Builds, and/or Manufactures Something or Multiple Things	SELLING PRODUCT It Sells Products to People or Businesses (including food and lodging)	SERVICE It Provides a Service to People or Business (Including Healthcare)	CONSTRUCTION  Construction	TRANSPORTATION Transportation/ Communication/ Electric/ Gas/ Sanitary
	WHAT TYPE OF BUSINESS IS IT?			
Food Products  Meat and Dairy  Canned, Frozen and Preserved Products  Grain Mill  Bakery, Sugar, Fats and Oils  Beverages  Other Products	Wholesale - Durable  "Motor Vehicles"  Technology Services  "Furniture and Fixtures"  Lumber and other construction  Professional and Commercial Equipment  Metals and Minerals  Machinery & Equipment  Hardware/Plumbing/Heating/El ectrical	Entertainment  Full Service Restaurant  Limited Service Restaurant  Franchise  Full Service Bar/Lounge  Bar/lounge including entertainment	General Contractor Single Family Residential - other then Single Industrial/Warehouse Nonresidential - other then industrial	Transportation  Railroad  Local and suburban Transportation  Buses (all)  Motor Freight Transport and Warehousing  Water Transportation  Air Transportation  Transportation Services (agencies, operators, etc)
Textile  Fabric Mill (Cotton, wool, silk & other)  Knitting Mill  Dyeing and Finishing  Carpets and Rugs  Yarn and Thread	Wholesale - Non-Durable Paper & Paper Products Apparel Groceries & Related Products Farm Products Chemical and Petroleum Beer, Wine and Distilled	Insurance/Real Estate Independent Insurance Carriers Insurance Agent/Broker/Service Real Estate Operators Real Estate Agent/Manager	Special Trade Contractor  Plumbing, heating, Air- conditioning Painting and Paper Hanging Electrical Masonary, Stonework, Tile and plastering Carpentry and Floor Work Roofing Concrete Other Special Trade Contrator	Communications  Telephone Radio Cable
Apparel  Mens, Women's, children  Hats and Caps  Miscellaneous Apparel and accessories  Miscellaneous Fabricated Textile	Retail Trade  Building Materials/Hardware/Garden/M obile Homes General Merchandise Food and Grocery Automotive Dealers and Gasoline Apparel and accessory Home furniture, furnishings and equipment Pharmacy	Hotels/Camps and Lodging  Hotels/Motels and Boarding Houses  Camps and RV Parks  Lodging Houses		Electric/Gas/Sanitary Electrical services Gas Prodcution and Distribution Water Supply Sanitary Services Steam and Irrigation
Furniture and Fixtures  Household Furniture  Office Furniture  Public Building and Related  Office and Store Fixtures		Personal Services Laundry/cleaning/Garment Photographic and Portrait Beauty/Barber/Nail Shoe repair Funeral Services		
Printing Commercial Printing Manifold Business Forms Greeting cards Service industries for printing trade Miscellaneous		Business Services  Advertising Reporting Agencies Services to dwelling and other Equipment rental and leasing Personal supply services Computer/technology related		
Rubber, Plastic, Leather/Glass Tires/tubes/hoses/beltings Plastic products Any leather goods Glass and other glass products		Auto Repair and Services Rental Parking Services (except repair) Repair		
Cement/Clay/Stone/Metal  Any cement product  Any Clay product  Any stone product  Fabricated Metal product		Amusement and Recreation  Dance Studios  Theater and Band Bowling Commercial sports		
Industrial/Commercial Machinery and Computer Equipment  Transportation  Farm and Garden  Construction and Metalworking  Medical  Computer and Office  Refrigeration  Electronic/Electrical(including Household appliances, lighting,A&V)		Health Services  Offices and clinics  Nursing and personal care Hospitals Medical and dental labs Home health care services		
		Professional Legal Educational Social Arts Engineering Accounting Mgmt and Public relations		



#### **INSTRUCTIONS**

To see if your business operates in a **designated revitalization area** for Question #2, click **[CHECK ELIGIBILITY]** and locate your business area.

Once you have completed all fields for the Disclosures, click [SUBMIT] to complete your application.



Questions? Contact Us 866-913-7510

Thank you for applying for a grant through the COVID-19 Relief Pennsylvania Small Business Assistance Program.

The link below will take you to the Lendistry portal and the new account created for Luu & Co. We have partnered with Lendistry for the processing of your grant.

Please use this link to add additional information or upload requested documentation.

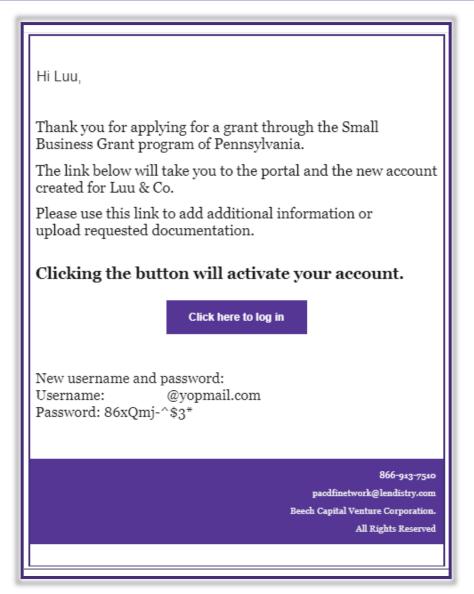
#### INSTRUCTIONS

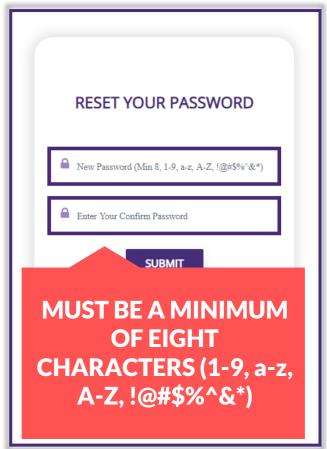
You will receive the following message when your application has been successfully submitted.

Please check the email address that you entered in the "let's get started with your application" section of the grant application for your username and password to our Portal.

You will <u>need to activate your account</u> using the assigned login in order to upload the required documents for your grant application.

#### **ACTIVATE ACCOUNT AND CHANGE PASSWORD**



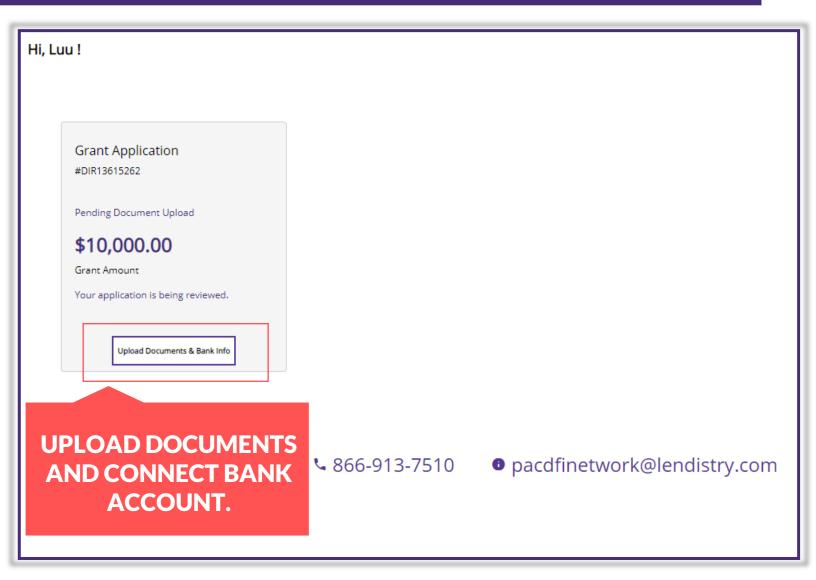


#### **INSTRUCTIONS**

Activate your account by clicking [CLICK HERE TO LOGIN]. Use the username and password that is assigned to you in the confirmation email.

Once you login, you will be prompted to reset your password for your privacy. Your new password must have a minimum of eight characters (1-9, a-z, A-Z), which includes one special character (!@#\$%^&\*).

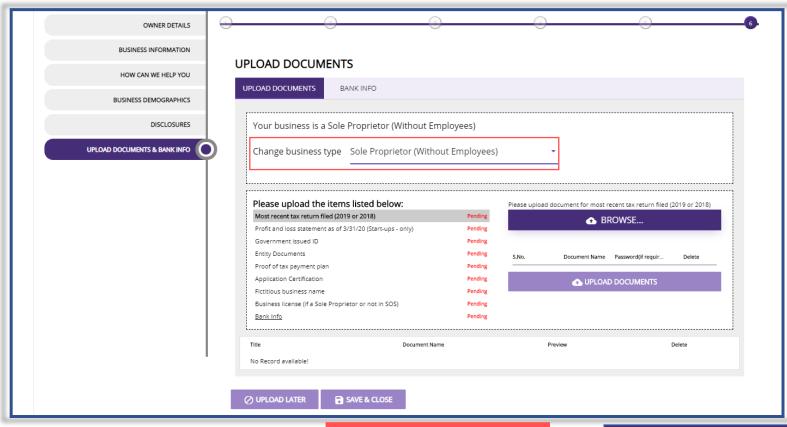
#### **UPLOAD DOCUMENTS & BANK INFO**

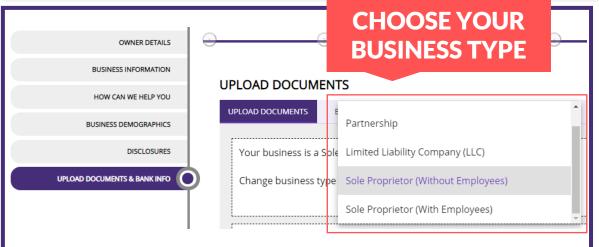


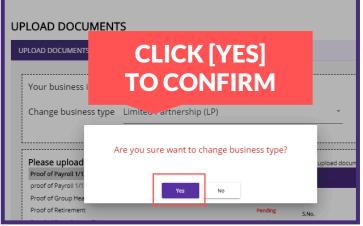
#### **INSTRUCTIONS**

Once logged into the Portal, click [UPLOAD DOCUMENTS & BANK INFO] to submit the required documents and link your bank account.

#### **CHOOSE BUSINESS TYPE**









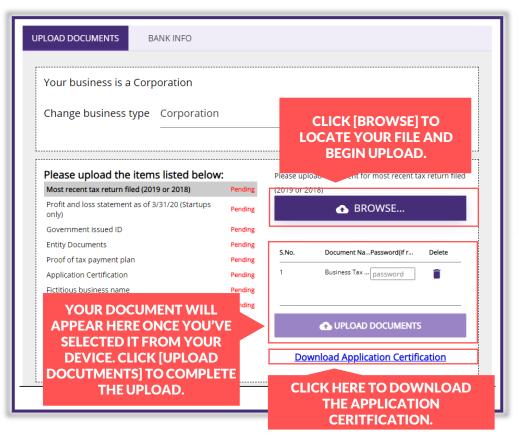
A notification will appear once you have successfully selected your business type.



Choose from the following business types:

- 1. Corporation
- 2. Partnership
- 3. Limited Liability Partnership (LLP)
- 4. Limited Liability Company (LLC)
- 5. Sole Proprietor (Without Employees)
- 6. Sole Proprietor (With Employees)

#### **UPLOAD DOCUMENTS**



Please upload the items listed below:		
Most recent tax return filed (2019 or 2018)	COMPLETED	
Profit and loss statement as of 3/31/20 (Start- ups - only)	COMPLETED	
Government issued ID	COMPLETED	
Entity Documents	COMPLETED	
Proof of tax payment plan	COMPLETED	
Application Certification	COMPLETED	
Fictitious business name	COMPLETED	
Business license (if a Sole Proprietor or not in SOS)	COMPLETED	
Bank Info	COMPLETED	

[PENDING]	Document Has Not Been Uploaded
[COMPLETED]	Document Successfully Uploaded

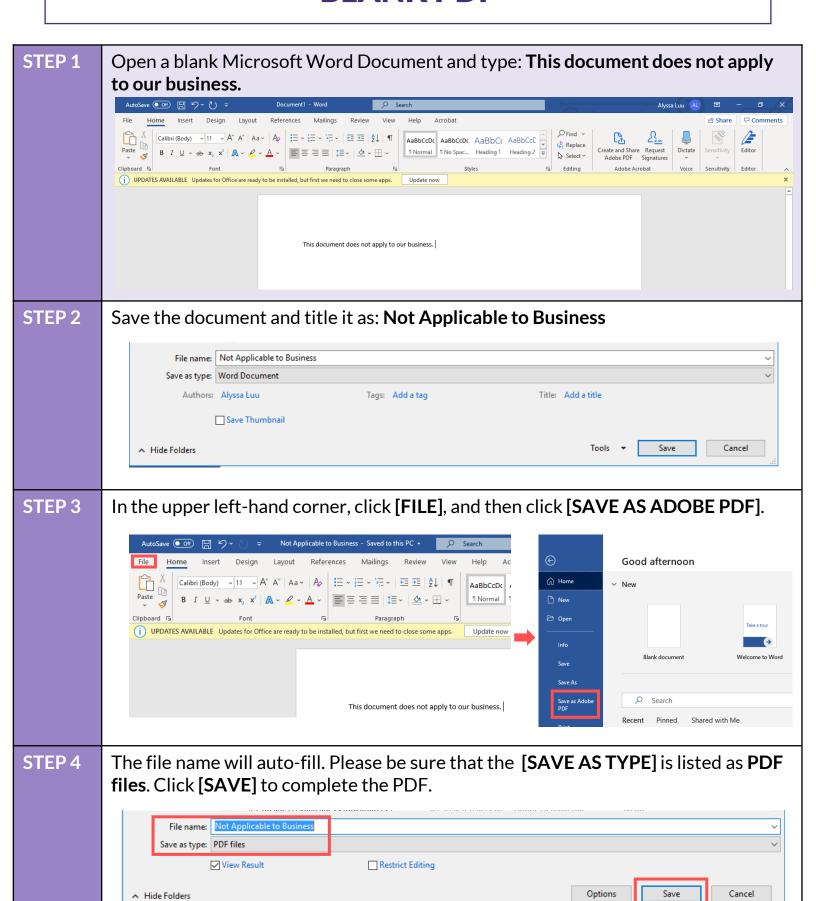
#### **INSTRUCTIONS**

Begin uploading ALL listed documents. These documents are **required**, and your grant cannot be processed until all have been uploaded to the Portal.

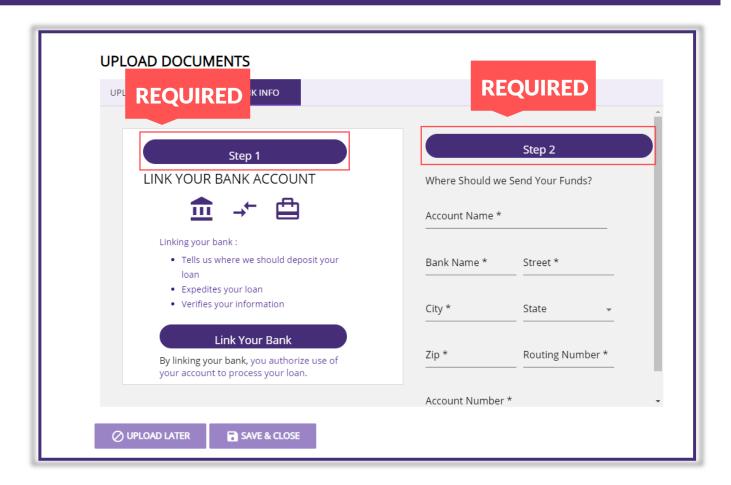
**NOTE**: If a document does not apply to your business, please save a blank PDF as "**Not Applicable to Business**" and upload it to the Portal. Please see the next page for instructions on how to create a blank PDF or <u>CLICK HERE</u> to download and save a copy.

- 1. Select a document from the list.
- 2. Click [BROWSE] to locate the document on your device.
- Once you've selected the document from your device, it will appear on the portal screen. Click [UPLOAD DOCUMENTS] to complete the upload.
   NOTE: Enter the document password if one is required for access.
- 4. The status of the document will change from [PENDING] to [COMPLETED] once it has been successfully uploaded into the Portal.
- If you have not completed the Application Certification by now, click [DOWNLOAD APPLICATION CERTIFICATION] to download and complete the form before uploading.
- 6. Continue uploading documents until all have been marked as **[COMPLETED]**.

# HOW TO CREATE A BLANK PDF



#### LINK BANK ACCOUNT



#### **INSTRUCTIONS**

Once you have uploaded ALL required documents, click [SAVE & CLOSE] to link your bank account to the portal. Enter the routing and account numbers to set up a direct deposit for your funds. Account Name MUST match your Business Name, as reflected in your bank statements.

NOTE: Both steps are required and must be completed for your application to be processed. Click [SAVE & CLOSE] when both are completed.

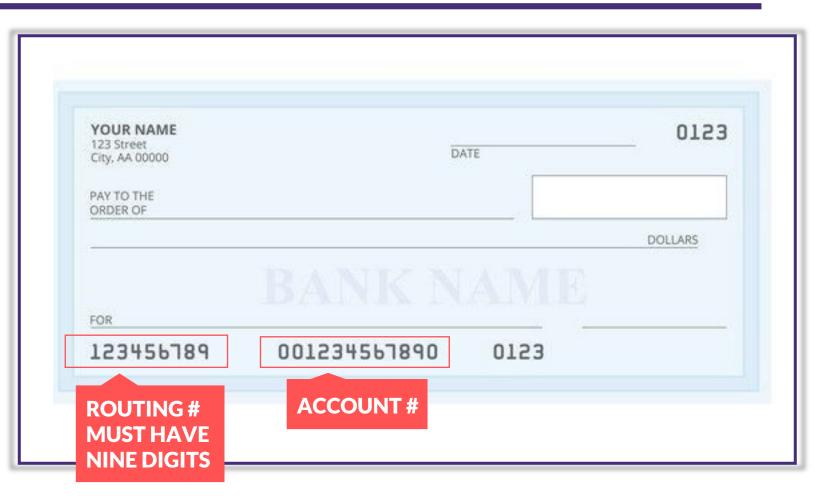
After clicking on [LINK YOUR BANK] to connect your bank to the portal, a pop-up window will open. Click [CONTINUE] to select your banking institution and sign into your online banking account. This will allow Lendistry to access your business bank statements.

TIP: See STEP 14: WHERE TO FIND YOUR ROUTING AND ACCOUNT # to locate your bank information.

Please note that
Lendistry DOES
NOT have access
to your Online
Banking ID and
Password. We are
only able to view
your banking
accounts, which
are used to verify
that your bank
statements are
accurate.



#### WHERE TO FIND YOUR ROUTING AND ACCOUNT#



#### **INSTRUCTIONS**

You can locate your Routing and Account Numbers on your check.

**NOTE:** The Routing Number contains nine digits.

# FAQ

#### WHAT CAN FUNDS BE USED FOR?

The grants must be used for COVID-19 related losses or expenses. These include:

- Payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums.
- Mortgage interest payments (but not mortgage prepayments or principal payments); interest payments on any other debt obligations that were incurred before February 15, 2020.
- Rent payments, utility payments.
- Working capital for the purpose of covering the costs of re-opening business operations after being fully or partially closed due to the state-mandated business closure period commencing March 2020, as long as the expense was incurred due to COVID-19.
- Any expenses related to the expense of implementing COVID-19, including but not limited to specialized equipment, barriers, PDE's, and employee training expenses to ensure compliance with state and federal CDC guidelines for reopening.

Grant funds cannot be used for expenses or losses that were already covered by the Payroll Protection Program, Economic Injury Disaster Loan (EIDL) or other emergency funding.

#### WHAT ARE COVID RELATED EXPENSES?

COVID-related expenses are additional costs to re-open; costs to adhere to COVID-19 distancing or sanitation requirements; or normal operating expenses that could not be covered due to reduced revenues due to COVID-19. These include:

- Payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums.
- Mortgage interest payments (but not mortgage prepayments or principal payments); interest payments on any other debt obligations that were incurred before February 15, 2020.
- Rent payments, utility payments.
- Working capital for the purpose of covering the costs of re-opening business operations after being fully or partially closed due to the state-mandated business closure period commencing March 2020, as long as the expense was incurred due to COVID-19.
- Any expenses related to the expense of implementing COVID-19, including but not limited to specialized equipment, barriers, PDE's, and employee training expenses to ensure compliance with state and federal CDC guidelines for reopening.

# ARE PA COVID-19 WORKING CAPITAL ACCESS (CWCA) RECIPIENTS ELIGIBLE AND, IF YES, CAN THE GRANT BE USED TO PAY OFF THE CWCA DEBT (OR AT LEAST A PORTION OF IT)?

Yes, CWCA recipients may apply. However, funds from this grant cannot be used to cover the same expenses that were covered by CWCA. Grant funds CANNOT be used to repay CWCA loans. Grant can only be used for payment on debts incurred before February 15, 2020.

# ARE RECIPIENTS OF COUNTY/CITY BUSINESS RELIEF FUNDS ELIGIBLE TO APPLY AND WILL THAT BE CONSIDERED IN ANY WAY IN THE PROCESS?

Yes, county/city relief recipients may apply. However, funds from this grant cannot be used to cover the same expenses that the county/city relief funds covered.

# ARE FEDERAL PAYCHECK PROTECTION PROGRAM (PPP)/ OR ECONOMIC INJURY DISASTER LOAN (EIDL) RECIPIENTS ELIGIBLE TO APPLY AND WILL THAT BE CONSIDERED IN ANY WAY IN THE PROCESS?

Yes, PPP and EIDL recipients may apply. However, funds cannot be used to cover the same expenses that the PPP/EIDL funds covered.

#### HOW DO THEY DECIDE WHO WILL RECEIVE THE GRANT?

All applications will first be determined to meet all of the eligibility requirements. Then eligible businesses will be scored based on the program criteria. Priority will be given to businesses owned and operated by low and moderate-income business owners; businesses located in low-income and rural communities and disadvantaged areas; certain industry sectors most impacted by economic shutdown; and businesses impacted the most financially based on gross revenue losses.

At least 50% of grants will go to historically disadvantaged businesses that have traditionally experienced discrimination when seeking financial services and financial products. These businesses are at least 51% owned by persons who are Black, Hispanic, Native American, Asian American, or Pacific Islander.

Additional priority will be given to women-owned businesses; and businesses operating in communities participating in one of the designated revitalization programs, including active DCED designated Main Street and Elm Street communities, a community in the Trail Town Program™, communities located in the PA Wilds™, commercial corridors in Philadelphia, or Neighborhood Business Districts in Pittsburgh.

#### WHEN WILL THEY MAKE THE DECISION?

Decisions will be made on a rolling basis following each application period. The first application window will close on July 14th. All applications received between June 30th and July 14th will then be scored. Awards from the first application round will be known within 27 business days of the close of the application window.

## WILL THEY CONTACT ME DIRECTLY IF I AM SELECTED FOR THE GRANT?

You will be notified directly if you receive a grant. If you are awarded you will be notified within 27 business days of the close of the application window.

#### **HOW MANY ROUNDS ARE THERE?**

We anticipate up to four (4) application rounds.

#### DO I NEED TO REAPPLY FOR EACH ROUND?

No. If you apply and are not awarded a grant, your application will automatically be moved into the next round.

#### IF I RECEIVED A GRANT IN ONE ROUND, CAN I APPLY AGAIN?

No. Businesses who are awarded a grant are not eligible to apply. Any business (awarded or not awarded) should not apply again in subsequent application rounds, your application will automatically be moved onto the next round.

#### WILL EVERYONE WHO APPLIES RECEIVE A GRANT?

No. There are more than 1 million businesses in Pennsylvania who are eligible to apply and we anticipate an overwhelming need for these grants. Eligible businesses will be scored based on the program criteria. Priority will be given to businesses owned and operated by low and moderate-income business owners; businesses located in rural communities and disadvantaged areas; certain industry sectors most impacted by economic shutdown; and businesses impacted the most financially based on gross revenue losses. At least 50% of grants will go to historically disadvantaged businesses that have traditionally experienced discrimination when seeking financial services and financial products. These businesses are at least 51% owned by persons who are Black, Hispanic, Native American, Asian American, or Pacific Islander. Additional priority will be given to women-owned businesses; and businesses operating in communities participating in one of the designated revitalization programs, or designated commercial corridors in Philadelphia, or Neighborhood Business Districts in Pittsburgh.

# WHY WAS I NOT PICKED IN THE FIRST ROUND, MY BUSINESS NEEDS THE MONEY?

There is an overwhelming need for small businesses that have been economically impacted by COVID-19 pandemic and related statewide business closure. If you were not selected in the first round and your business meets all of the eligibility requirements you will be considered for future rounds of funding.

# I HAVE A LOAN OUTSTANDING WITH ONE OF THE PARTICIPATING CDFIS. HOW DO I PARTICIPATE IN THE LOAN FORBEARANCE AND PAYMENT RELIEF BENEFIT?

You need to reach out to your CDFI lender and discuss any forbearance or adjustment of repayment terms directly with them.

# I HAVE A FRANCHISE BUSINESS WITH MULTIPLE LOCATIONS. CAN I APPLY FOR ASSISTANCE FOR EACH LOCATION?

No. Businesses with common ownership can only apply once. If you own multiple franchises or multiple locations for your business, you may only apply one time.

#### I OWN MULTIPLE BUSINESSES. CAN I APPLY FOR EACH BUSINESS?

Owners of multiple businesses will be considered for only one grant. Owners of multiple businesses are encouraged to apply with the business that best fits the program priorities.

# IS THERE A DIFFERENCE IN WHICH CDFI ORGANIZATION SERVICES A GRANT APPLICATION IN MY AREA?

You may select any CDFI that serves your area. Each county will have at least two CDFIs from which businesses can choose to apply. Some counties will have several more options. You can research CDFIs that serve your county at pabusinessgrants.com. Pick the one that you think best fits your needs, as they can also provide other financing assistance for you, like working capital loans, equipment loans and technical assistance to help you and your business.

# I'M EXAMINING THE LIST OF FINANCIAL INSTITUTIONS AND LOOKING FOR THE ONE THAT WOULD FIT ME BEST. THERE ARE SEVERAL GROUPS LISTED IN MY COUNTY. CAN I APPLY TO VARIOUS ORGANIZATIONS?

No. Submitting multiple applications will only delay your application from being processed. Pick the one that you think best fits your needs, as they can also provide other financing assistance for you, like working capital loans, equipment loans and technical assistance to help you and your business.

# WHICH GRANT DO I APPLY FOR, THE DISADVANTAGED GRANT OR THE MAIN STREET GRANT?

You do not need to worry about this. You will submit one application and the process will place you in consideration for the correct pool of funds.

## WHAT DOCUMENTS WILL I NEED TO SUBMIT AS PART OF MY APPLICATION

- 1. Most recent federal tax return filed (2019 or 2018) must be in an electronic format for online upload, such as PDF.
- 2. If the applicant was a startup in 2019 and has not yet filed taxes, a management prepared statement of revenue and expenses as of December 31, 2019; must be in an electronic format for online upload, such as PDF.
- 3. If the applicant is a startup as of January 1, 2020, a profit and loss statement as of 3/31/20 must be in an electronic format for online upload, such as PDF.
- 4. Copy of official filing with Department of State or local municipality for your business such as: (one of the following); must be provided in electronic format for upload, such as PDF.
  - a. Articles of Incorporation
  - b. Certificate of Organization
  - c. Fictitious Name registration
  - d. Government-issued Business License
  - e. Any form of acceptable government-issued photo ID; must be in an electronic format for online upload, such as PDF.

For step-by-step instruction of all information that will need to be provided in the application, please refer to the Portal Guide Book

# ARE THE APPLICATION QUESTIONS POSTED ON THE WEBSITE SO THAT I CAN PREPARE TO ANSWER THE QUESTIONS BEFORE BEGINNING THE ACTUAL APPLICATION?

You can refer to the Portal Guide Book which takes you step-by-step through the application process.

#### **HOW MUCH CAN A BUSINESS APPLY FOR?**

Grant amounts will range from \$5,000 to \$50,000. The grant amount for which a Business is eligible is based on its annual revenues as documented in its most recent tax return. Owners of multiple businesses will be considered for only one grant.

ELIGIBLE BUSINESS ANNUAL REVENUE	GRANT AMOUNT AVAILABLE PER BUSINESS
<\$50,000	\$5,000 Grant
\$50,001 - \$75,000	\$10,000 Grant
\$75,001 - \$100,000	\$15,000 Grant
\$100,001 -\$250,000	\$20,000 Grant
\$250,001 -\$500,000	\$25,000 Grant
\$500,001 - \$750,000	\$35,000 Grant
\$750,001 - \$850,000	\$40,000 Grant
\$850,001 - \$1,000,000	\$50,000 Grant

# ARE THE REVENUE THRESHOLDS FOR THE GRANT AMOUNTS BASED OFF OF GROSS REVENUE?

Revenues are based on the IRS tax form definition: Gross Sales (less any returns and allowances) as reported on Line 1.c. on both the 1120 (corporate return) and 1120S (S-Corp return) and on IRS Schedule C for single-member LLC's and sole proprietorships it is Line 3.

#### **HOW LONG WILL I HAVE TO COMPLETE MY APPLICATION?**

Application window for the first round of funding is expected to open on June 30th and remain open for 10 business days. Applications will continue to be accepted after 10 business days but will be considered for future rounds of funding. Additional rounds will be announced soon. There will be multiple rounds of application windows, and each will be open for a period of approximately 10 days. It is not a first-come, first-served program. If you can't apply in the first round, there will be additional rounds in which you can apply. However, we encourage you to apply as soon as you can.

# IF MY BUSINESS IS A PARTNERSHIP OR HAS MULTIPLE OWNERS AND SOME ARE LOW-INCOME OTHERS ARE NOT. WHAT IS THE % OF OWNERSHIP THAT MUST BE LOW INCOME?

51% of ownership to determine eligibility for Low-Income status and also to determine minority-or women-ownership status.

# IS THE 25 EMPLOYEES OR FEWER COUNT PRIOR TO COVID-19 OR POST COVID-19 IMPACT? ARE ONLY W2 EMPLOYEES COUNTED?

To be eligible a business must have 25 or fewer full-time equivalent (FTE) employees prior to February 15, 2020. To count FTE employees, apply one for a 1 FTE for a full-time person and 1/2 FTE for any part-time employee no matter how many hours the employee works. Then sum to determine total employment for this requirement.

# AM I ELIGIBLE FOR THE PROGRAM IF MY REVENUE FOR THIS YEAR IS LESS THAN \$1 MILLION BUT LAST YEAR (AND THE YEARS BEFORE) IT WAS MORE THAN \$1 MILLION?

Grants are available only for businesses with annual revenues (prior to March 1, 2020) of \$1 million or less and have 25 or fewer full-time equivalent employees (FTEs). Revenues are based on the IRS tax form definition: Gross Sales (less any returns and allowances) as reported on Line 1.c. on both the 1120 (corporate return) and 1120S (S-Corp return); and, on IRS Schedule C for single-member LLC's. For sole proprietorships it is Line 3.

# MY BUSINESS IS INCORPORATED OUTSIDE OF PA BUT I GENERATE THE MAJORITY OF MY BUSINESS REVENUE IN PA. AM I ELIGIBLE TO APPLY?

Eligible businesses must operate primarily in Pennsylvania and must file a Pennsylvania tax return and must have 51% or more of business revenue generated from PA operations.

## ARE REAL ESTATE COMPANIES/BROKERS/SALES AGENTS ELIGIBLE GRANTEES?

Real estate professionals who practice real estate as their operating business and file a Schedule C on their personal tax returns are eligible. Passive real estate companies and investors who file a Schedule E on their personal tax returns are not eligible. Real estate businesses in which the majority (>51%) of their income is rental income are also not eligible.

# A DRIVER'S LICENSE IS A REQUIRED DOCUMENT. IS A STATE ID ALLOWED INSTEAD OF A DRIVER'S LICENSE? OR WOULD OTHER FORMS OF PICTURE IDENTIFICATION BE ALLOWED?

Yes, any government issued Photo ID will be accepted. State ID, or a passport would be other forms that could be accepted.

# DO I HAVE TO SUBMIT DOCUMENTATION TO VERIFY OWNERSHIP? DO MULTI-OWNER COMPANIES HAVE TO SUBMIT FOR ONE OWNER OR ALL?

We will need information from only the owner that is filing the application. Only one business owner can apply.