



Seneca CARES Small Business Relief Program

Program Information & Guidelines

October 23, 2020

1. Summary

The program provides advance grants to eligible businesses with between 2 and 30 employees hurt by the coronavirus up to \$10,000 for eligible expenses. Eligible businesses with less than two employees are eligible for up to \$5,000. Funds will be made available in the following order:

- Tier I - Rural Seneca County businesses located outside of Fostoria and Tiffin will be funded first. Businesses located in Hopewell Township, Clinton Township, Eden Township, Bloom Township and the Village of Bettsville will also have exclusive access to their jurisdiction's dedicated funding.
- Tier II - Then, if funds are available, eligible Tiffin non-profits will be funded.
- Tier III - Then, Tiffin businesses who received \$6,000 and \$3,000 under the Tiffin CARES program will be eligible for up to an additional \$4,000 and \$2,000 respectively. At the same time, any eligible Fostoria businesses not funded under Fostoria's program due to lack of available funding due to high demand could be funded. We plan for Tiffin businesses to be able to apply under an expedited process that will allow them to use the same information and documents previously submitted to the Tiffin CARES program. Expenses covered already by the Tiffin and Fostoria programs cannot also be covered by the Seneca CARES program.
- Tier IV - Then, any eligible Tiffin businesses who did not apply for funding in the first round could be funded.

If, at any of the above funding levels, no additional funds can be found, winners will be drawn by lottery from that tier to distribute the remaining funding. Businesses sign grant agreements are legally obligated to submit close out reports within 120 days of receiving the funds documenting their expenses and may be audited.

2. Background

On March 9, 2020 Ohio Governor Mike DeWine declared a State of Emergency due to the coronavirus pandemic. In the days that followed, many businesses were closed and the economy came to a standstill. On March 27, the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law, providing a \$2.2 billion stimulus to respond to the economic fallout nationally. On September 2, the Ohio Senate passed SB 375, which would distribute the remaining \$650 million in federal CARES Act funds on a per capital basis to Ohio's political subdivisions.

On October 8, in order to direct some of those funds to local small businesses, the Seneca County Commissioners approved a resolution to create the Seneca CARES Small Business Relief Program and set aside \$300,000 for the program. Since then, Hopewell Township, Clinton Township, Eden Township, Bloom Township and the Village of Bettsville have dedicated funds to this purpose as well. This desperately needed program would provide small businesses in Seneca County with financial relief from loss of revenue caused by the COVID-19 pandemic. The Tiffin-Seneca Economic Partnership (TSEP) is administering the program.

3. Information & Inquiries

To make it as easy to learn about the program as possible, to control the inflow of questions and inquiries, and to be as responsive as possible, the following protocols are established:

- **Website** - All program information can be viewed at senecacares.com, where an ongoing list of FAQs (Frequently Asked Questions) will also be posted.
- **Email** - Questions not answered by information on the website can be submitted directly to the email address – senecacares@tiffinseneca.org, where it will be answered within the order received within 24 hours.

- **Online Meetings** - Additionally, there will be four scheduled online meetings to talk about the program and ask any questions. These are open to the public, require no preregistration, and will be recorded. Simply login in here: <https://global.gotomeeting.com/join/339384213>, or call 872-240-3311 with access code 339-384-213.
 - Monday, October 26 at 10:00 a.m.
 - Thursday, October 29 at noon
 - Wednesday, November 4 at 7:00 p.m.

4. Process

- The application period will open Wednesday, October 28, 2020 at noon (12:00 p.m.) and close on Monday, November 9, 2020 at 5:00 p.m.
- Each applicant business must complete the online application during the application period at senecacares.com. Paper applications will neither be available nor accepted. A complete application includes, but is not limited to, the following information and documents:
 - An itemization of expenses it intends to pay with the grant funds.
 - The first page of its 2019 federal tax return, or 2018 return, if the 2019 is not available (IRS Form 1040, 1040-SR, 1065, 1120 or 1120-S). (Forms 1040 and 1040-SR must also include the full Schedule C.)
 - A completed IRS Form W-9 ([obtain form](#)).
 - Announcements of funding will be made on or before Wednesday, November 21, 2020. If there are more eligible requests than available funds, the winners will be drawn by lottery.
- Award winners will be sent a grant agreement and Automated Clearing House (ACH) for to sign and submit back before funds are disbursed. They will be disbursed via Automated Clearing House (ACH) and not via check.
- Grantees will be required to submit a close-out report on or before 120 days following the disbursement of funds. The report will include a listing of all business expenses paid using the grant funds along with supporting documentation.
- An audit may be performed on some or all grant recipients.

5. Program Guidelines

The following guidelines were developed by TSEP and reviewed and agreed to by Seneca County.

5.1 Award Amounts

- Businesses with between 2 and 30 employees are eligible for grants up to \$6,000.
- Businesses with less than 2 employees are eligible for grants up to \$3,000.

5.2 Eligibility Requirements

- The business can be either a for-profit or non-profit business.
- The business must have a federal tax identification number.
- The business must be located in Seneca County, outside the corporate limits of the cities of Tiffin and Fostoria.
- The business must have a storefront or eligible home office.
- The business must have been established prior to January 1, 2019.
- The business must be operational at time of application.
- The business must have between 1 and 30 employees. Employees are defined as those working more than 20 hours per week and provided a W-2 and/or 1099 at the end of the year and/or principal owner, sole proprietors, or partners.
- The business can be a sole proprietorship, partnership, corporation (S or C), limited liability company, limited partnership, or limited liability partnership.
- The business must be current on all local, state, and federal tax obligations.
- The business must be compliant with all other local, state, and federal laws, regulations, and requirements.
- The business cannot be in bankruptcy or receivership.
- Businesses must attest that they have had at least a 15 percent decline in revenue.
- The business must have more than \$15,000 and less than \$2 million in gross revenue.

- Businesses cannot have received any business interruption insurance payments for coronavirus.

5.3 Ineligible Small Businesses

- Adult-oriented businesses.
- Businesses primarily selling tobacco products, cigarettes, electronic smoking products, or vapor products.
- Any financial institution that makes loans or issues credit (e.g., banks, savings and loans, credit unions).
- Franchised business not locally owned and independently operated.
- Entertainment device or skill game arcades.
- E-commerce only business.
- Independent contractors working on gig platforms (e.g., AirBnB, Uber).
- Commercial and residential real estate rental businesses, as well as real estate pass-through entities, real estate holding companies, and/or real estate investment trusts.

5.4 Eligible Expenses

All expenses must be related to the costs of business interruption caused by required closures or that the business faces uncertainty as to its ability to pay due to the pandemic, and that are deductible as ordinary and necessary business expenses under the US Internal Revenue Code. Any expenses already funded by a Paycheck Protection Program Loan or Economic Injury Disaster Loan are not eligible. They include the following:

- Mortgage payments for principal places of business; permanent residences excluded.
- Rent or lease payments for principal places of business; permanent residences excluded.
- Utility payments (electric, gas, sewer, water, trash removal) for the business's principal place of business.
- Vehicle and equipment lease or rental payments for personal property acquired on or prior to March 15, 2020.
- Salaries or wages of all employees employed by the business.
- Personal Protective Equipment (PPE) or other COVID-19 expenses related to compliance with Responsible Restart Ohio.
- Other costs related to interruption of the business caused by required closures, including the closure of the business's suppliers and/or customers.
- A portion of the lost sole proprietor income. (If the sole proprietor filed IRS Form 1040 and Schedule C thereto for tax year 2019, then the sole proprietor can use the grant 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.)
- All expenses reported as being paid using Seneca CARES funding must be incurred by the business or paid by the business on or after March 15, 2020, and on or before December 15, 2020.
- Please note that the eligible expenses set forth constitute, to the best of the Seneca County's and TSEP's knowledge and understanding, eligible expenses for which funds can be used under Section 5001 of the CARES Act, and the business cannot use grant funds it receives for purposes other than those set forth above.

5.5 Ineligible Expenses

Only those expenses described under Eligible Expenses are eligible. For the sake of emphasis and clarity, the following types of expenses are specifically listed as being ineligible. This list is by no means exhaustive.

- No vehicles or equipment leased after March 15, 2020 may be included, unless that vehicle was purchased for the express purpose of complying with Responsible Restart Ohio.
- Personal, non-business expenses of business or owner.
- Construction costs.
- Any tax, license, or fee obligations to any government entity.
- Marketing, insurance, advertising.
- Expenses already covered or paid for by other federal funding sources (e.g., Paycheck Protection Program loan, Economic Injury Disaster Loan) or by the Tiffin CARES program.

6. Application Form

The application can be accessed at senecarcare.com and will ask for the following information and ask the following questions:

6.1 Eligibility

After registering, the applicant first answers a number of questions to determine if they are eligible to apply.

- Is your business located in Seneca County?
 - The business must be located within Seneca County.
 - The easiest way to check is to find the Parcel ID at the Seneca County Auditor website (search by address, owner, map). If the parcel where the business is located has a Seneca County Parcel ID, it is located within Seneca County.
- Is your business not located in the cities of Tiffin or Fostoria?
 - Businesses located in either of these cities must apply for Fostoria CARES or Tiffin CARES.
 - The easiest way to check is to find the Parcel ID at the Seneca County Auditor website (search by address, owner, map). If the Parcel ID where the business is located begins with the letter P, it is located within the City of Fostoria (corporate limits), and if it begins with a Q, it is located within the city of Tiffin.
- Does your business have a storefront or eligible home office?
 - Home offices are eligible if they meet the IRS tests of regular and exclusive use and/or principal place of business. See [IRS website](#) for more information.
- Was your business established prior to January 1, 2019?
 - If you are unsure about when exactly your business was established, please check the filing date with the Ohio Secretary of State [business search](#) website.
- Is your business currently operational?
 - Businesses that have not reopened are not eligible for the grant program.
- How many employees did your business have on March 15, 2020?
 - Employees are defined as those working more than 20 hours per week and provided a W-2 and/or 1099 at the end of the year and/or principal owner, sole proprietors, or partners.
- What is the legal form of your business?
 - Acceptable business forms include sole proprietorship, partnership, corporation (S or C), limited liability company, limited partnership, and limited liability partnership. 1099 employees without a registered business are not eligible.
- Is your business current on all local, state, and federal tax obligations?
- Is your business compliant with all other local, state, and federal laws, regulations, and requirements?
- Is your business in bankruptcy or receivership?
- Has your business experienced at least a 15 percent decline in revenue due to the coronavirus pandemic?
- Is the 2019 gross revenue of your business between \$15,000 and \$2 million?
- Has your business received any business interruption insurance payments for coronavirus?
- Is your business one of the following?
 - Adult-oriented business.
 - Business primarily selling tobacco products, cigarettes, electronic smoking products, or vapor products.
 - Any financial institution that makes loans or issues credit (e.g., banks, savings and loans, credit unions).
 - Franchised business not locally owned and independently operated.
 - Entertainment device or skill game arcades.
 - E-commerce only business.
 - Independent contractor working on gig platforms (e.g., AirBnB, Uber).
 - Real estate pass-through, holding company, and/or investment trust.
 - Commercial and residential real estate rental business, real estate pass-through entity, real estate holding company, and/or real estate investment trusts.

6.2 Application - General Information

First a business is required to fill out some general information.

- Name of Business
- Street Address
- Apt/Suite
- City
- State
- Zip
- Mailing Address (if different)
 - Street
 - City
 - State
 - Zip Code
- Business Owners
- Contact Person Information
- Contact Name
- Contact Phone
- Contact Email
- Number of Employees
- Business Federal Tax ID Number
- Primary product or service provided

6.3 Application - Funding & Expenses

Then, the applicant proceeds to fill out the Funding & Expenses section.

- Summarize the financial and operation impacts COVID-19 has had on your business.
- How much funding are you requesting (\$6,000 maximum, \$3,000 maximum if less than 2 employees)?
- Please check all that apply on how the grant funds will be used. Documentation to demonstrate proof of payment for use of these funds will be required at closeout.
 - Mortgage payments for principal places of business; permanent residences excluded.
 - Rent or lease payments for principal places of business; permanent residences excluded.
 - Utility payments (electric, gas, sewer, water, trash removal) for the business's principal place of business.
 - Vehicle and equipment lease or rental payments for personal property acquired on or prior to March 15, 2020.
 - Salaries or wages of all employees employed by the business.
 - Personal Protective Equipment (PPE) or other COVID-19 expenses related to compliance with Responsible Restart Ohio.
 - Other costs related to interruption of the business caused by required closures, including the closure of the business's suppliers and/or customers.
 - A portion of the lost sole proprietor income (see 2.4 for more details).
- By checking this box, I hereby attest that none of these expenses have already been covered or paid for by other federal funding sources (e.g., Paycheck Protection Program loan, Economic Injury Disaster Loan).

6.4 Application - Supporting Documents

Please note that without these documents, an application is not considered complete and will not be considered.

- The first page of its 2019 federal tax return, or 2018 return, if the 2019 is not available (IRS Form 1040, 1040-SR, 1065, 1120 or 1120-S). (Forms 1040 and 1040-SR must also include the full Schedule C.)
- A completed, signed and dated IRS Form W-9.

6.5 Application - Applicant Statement & Signature

- By checking this box, I hereby attest that the information on this form is complete and accurate.

- By checking this box, I hereby acknowledge that I may be audited and required to supply additional documentation to validate any of the information contained herein.
- Signature & Date

6.6 Application – Submission & Review

- Once 6.2-6.5 are marked complete (there is a button), the applicant will be able to officially submit the application.
- The applicant will receive notification that their application has been submitted along with next steps.
- The application will then be reviewed and deemed Eligible for Funding or Declined if Ineligible.

7. Award Notification, Grant Agreement, and Disbursement of Funds

- All eligible and complete applications submitted prior to 5:00 PM on Monday, November 9, 2020 will be awarded funding by tier in the order described in Section 1, unless the funding requests exceed available funding. If there are more applications than available funding in any particular funding tier, a lottery will be held to select those awarded funding.
- Announcements of funding will be made on or before Thursday, November 19, 2020. If there are more eligible requests than available funds, the winners will be drawn by lottery.
- Award winners will be sent a grant agreement and required to sign it before funds are disbursed via Automated Clearing House (ACH). Funds will not be disbursed via check.

8. Close Out Report and Audit

- Grantees will be required to submit a close-out report on or before 120 days following the disbursement of funds. The report will include a listing of all business expenses paid using the grant funds along with supporting documentation.
- An audit may be performed on some or all of the grant recipients.