City of Brainerd
Economic Development Authority
Meeting Agenda

May 19, 2020
6:00 PM

In accordance with the requirements of Minn. Stat. Section 13D.021, Jennifer Bergman, the City Administrator, has determined that an in-person meeting is not practical or prudent because of a health pandemic declared under Chapter 12 of the Minnesota Statutes.

Members of the public may monitor the meeting via phone.
Call In Number: 844-992-4726
Access Code: 964 207 278

I. Call to Order

II. Roll Call

III. Approval/Amendment of Agenda

IV. Small Business Relief Grant

V. Adjournment

____ E. Menk
____ K. Bevans
____ J. Sinner
____ W. Erickson
____ G. Johnson
____ Y. Campbell
____ Vacant

Brainerd Economic Development Authority
Small Business Relief Grant

Eligibility

Be an eligible business type

Eligible business types include locally owned and operated businesses noted in Executive Orders 20-04 and 20-08, including but not limited to:

- Restaurants, cafes, coffeehouses and other places of public accommodation offering food or beverage for on-premises consumption.
- Taverns, brew pubs, microbreweries, distilleries, wineries, tasting rooms and other places of public accommodation offering alcoholic beverages for on-premises consumption.
- Gymnasiums, fitness centers, indoor sports facilities, indoor exercise facilities, exercise studios, businesses offering massage therapy or similar body work, spas, salons, nail salons, cosmetology salons and barber shops. This includes, but is not limited to, all salons and shops licensed by the Minnesota Board of Cosmetologist Examiners and the Minnesota Board of Barber Examiners.
- Art and music studios.
- Bowling alleys, skating rinks and other similar recreational or entertainment facilities.
- Retail businesses of all kinds.
- Other businesses as approved by the EDA.

Located inside city limits:

The business shall have a physical business address within the city and have been operating within the city long enough to demonstrate financial viability.

Employ not more than 10 employees

The business should employ no more than 10 FTE employees prior to the issuance of the State of Minnesota Emergency Executive Order 20-04 (March 16, 2020). Businesses with more than 10 employees will be considered on a case-by-case basis by the EDA Board of Commissioners.

In operation

The business must have been in operation as of March 1, 2020 and hold an active lease/mortgage/own the business's physical location.

Be in good standing with the city

All businesses must:

- Be a conforming or legally nonconforming use under the current zoning regulations of the city
- Not be in violation of the city's zoning code
- Not have any delinquent taxes, bills or charges due to the city
- Must be current with all required permits and licenses
- Active registration with the State of Minnesota

Amount

Businesses may apply for a one-time emergency grant of up to $3,000.

Application Window

Grant applications will be received from May 25, 2020 until funds are exhausted or Friday, June 12, whichever comes first. $90,000 has been allocated to the EDA from the Brainerd City Council to support this grant. Fully completed applications will be reviewed and considered as they are received.

Term

All grant funds must be used within two months of the grant contract being fully executed.

Uses

Awarded funds may be used exclusively for safety equipment (e.g. masks, gloves, cough shields, etc.), current payroll obligations (may not include employees who are currently laid off), lease or mortgage payments, utilities, accounts payable, property taxes and other critical business expenses that can't be paid as a direct result of the COVID-19 pandemic. Awarded funds may not be used for business owner's/manager's personal uses or expenses.

Disbursement of funds

Funds will be distributed via check within 7 business days after a fully executed grant agreement has been received.

Termination

The EDA retains the right to terminate any agreement under the emergency assistance program if a grant recipient is found to be in violation of any conditions set forth in the grant guidelines or grant agreement.

Right to deny

The EDA retains the right to deny any application for grant funding.

Grant Agreement

After an applicant has been selected to receive funds, the grant recipient will enter into a grant agreement with the EDA. Funds will not be distributed for any grant award until a grant agreement has been executed by all required parties.

Reporting

As a condition for receiving grant funding, all grant recipients are required to submit a brief report to the EDA within two months after receiving grant funds, specifying how the grant funds were used and providing evidence in the form of paid invoices, statements or similar documentation. Funds used on ineligible uses must be immediately repaid to the EDA.

Funding Availability

The small business relief grant has been funded to the amount of $90,000, and grants will be provided to businesses that meet eligibility requirements. Funding will be provided until Friday, June 12 or the funds are exhausted, whichever comes first.

Grant Funds as Taxable Income

*insert language detailing that income is taxable

Indemnification

All grant recipients will be required to indemnify the City of Brainerd, the Brainerd Economic Development Authority, and any officers acting on their behalf.

Ineligible businesses

Assistance cannot be provided to businesses or nonprofits that:

- Do not have a physical business address within the City of Brainerd
- Are home-based or internet-based businesses
- Derive income from passive investments without operational ties to operating businesses
- Primarily generate income from gambling activities
- Generate any part of its income from adult-oriented or marijuana

COVID-19 Emergency Assistance Grant Application

Business Information

Legal Business Name: State Tax ID:

Federal EIN:

☐ Individual ☐ Corporation ☐ Partnership ☐ LLC ☐ Other:

Physical Address: City State Zip

Mailing Address: City State Zip

How long has this business been in operation?

Business Owner(s) Information

How long have you owned / operated this business?

Owner 1 Full Name: Social Security #:

Address: City State Zip

Work Phone: Home Phone: Cell Phone:

Owner 2 Full Name: Social Security #:

Address: City State Zip

Work Phone: Home Phone: Cell Phone:

If there are more than 2 owners attach an additional sheet.

Primary Lender Information

Name of Financial Institution: Contact Name: Title:

Phone Number: Email Address:

Details Regarding Need and Use of Funds Amount Requested

(you may attach additional sheets if needed)

How has COVID-19 financially affected your business?

$_____ Grant (maximum of $3,000)

For what purpose(s) will these funds be used? Be as detailed as possible.

The number of employees who have been impacted by COVID-19 at your business? Please provide a brief description of impacts to employees (i.e., layoffs, furloughs, pay reductions, etc.

Statement of Understanding and Authorization for release of Information I declare that the information provided in this application and on the accompanying exhibits is true and complete to the best of my knowledge. The City of Brainerd Economic Development Authority (EDA) and its staff have the right to verify any information contained in this application. The lenders named herein have the right to share information with the EDA, its Review Committee, and staff as is necessary to approve the application.

Further, by signing below, I agree to make payments, if applicable, to the City of Mora and agree to abide by all of the terms and guidelines of the City of Brainerd COVID-19 Emergency Assistance Grant program.

Signature: _____ Date: _____

Printed Name: _____

Title: _____

Signature: _____ Date: _____

Printed Name: _____

Title: _____