

REBUILD BERKS BERKS COUNTY SMALL BUSINESS NEW START GRANT PROGRAM



Frequently Asked Questions

We strongly recommend that you read this document and the Application Guide carefully before you start the online application form. This is NOT a first-come, first-served program, so there is NO advantage in rushing to getting your application submitted. All applications will be considered equally after the application window closes. So take your time and make sure you enter the correct information as you fill out the online application.

If you have questions regarding your application, please contact:

To connect directly with the online application customer support team, call 888-594-7270.

To connect with a lender from Community First Fund, call or email:

- Lucy Cortez, lcortez@communityfirstfund.org, 610-685-4940 (**Habla Español**)
- Alba Fernandez, afernandez@communityfirstfund.org, 610-396-7228 (**Habla Español**)
- John Scott, jscott@communityfirstfund.org, 717-205-6074

Background Information

1. Is the Berks County Small Business New Start Program a grant or loan program?

The Berks County Small Business New Start Program is awarding grants up to \$50,000. The Berks County Commissioners voted to designate \$6 million of the county's Coronavirus Aid, Relief and Economic Security (CARES) Act funding to support a small business grant program. The Berks County Small Business New Start Program will be administered by Community First Fund.

2. What is the total grant program size?

The County Commissioners will dedicate \$6 Million for small business negatively impacted by the COVID-19 pandemic.

3. What can the grant funds be used for?

- Payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums.
- 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.
- 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 (costs) incurred related to the expense of implementing COVID-19, including but not limited to specialized equipment, barriers, PPE, and employee training expenses to ensure compliance with state and federal CDC guidelines for reopening.
- US CARES Act funding requires that no “person, business concern or other entity” will receive duplicative assistance. Therefore, any COVID-19 related expenses must not have been already paid with other relief measures and will not be paid with other CARES Act relief measures such as state grants or loans, US SBA Paycheck Protection Loans, PA COVID-19 Statewide Small Business Assistance grants, or other local or regional CARES Act grant and/or loan programs. Applicants will certify that grant funds from the Berks County Small Business New Start Grant will not be used for the same purpose as funds received in prior CARES Act relief programs.

4. How much can I apply for?

The Berks County Small Business New Start Grant Award Categories Owners of multiple businesses will be considered for only one grant.		
Restart Program	Eligible Businesses	Amount available per business (up to)
Micro Business grant	Annual revenue up to \$75,000	\$10,000 grant
Micro Business grant	Annual revenue \$75,001 - \$100,000	\$15,000 grant
Micro 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	\$30,000 grant
Small Business grant	Annual revenue \$750,001 - \$850,000	\$35,000 grant
Small Business grant	Annual revenue \$850,001 - \$1,000,000	\$40,000 grant
Small Business grant	Annual revenue \$1,000,001 - \$3,000,000	\$50,000 grant

5. May I apply these grant funds against costs that were used to claim forgiveness under another grant or loan program (e.g., PPP loan)?

No, funds received under this grant program may not be applied against any costs to satisfy the requirements of another grant or loan program.

6. How will the funds be dispersed?

The county will be allocating \$6 million in grants to eligible small businesses. Priority will be given to businesses and nonprofit organizations that meet certain focuses:

- 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 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 businesses with NAICS codes for restaurants, hospitality, and tourism, retail, health and wellness, and personal care (beauty/nail salons, spas, and barbershops).
- Businesses impacted the most financially, based on gross revenue losses.
- Businesses owned and operated 51% or more by women, disabled individuals and US Veterans. Veteran-owned businesses as defined by the US Small Business Administration are small businesses owned and controlled by one or more of the following groups: veteran, active-duty military in TAP, reservist or National Guard member or a spouse of any of these groups, or a widowed spouse of a service member or veteran who died during service, or a service connected disability.
- Priority also will be given to businesses that did not receive any additional support funding, for example: Berks County Small Business New Start Grant, PA COVID-19 Statewide Small Business Assistance or City of Reading COVID-19 relief program.

Application Information

7. How can I apply?

The link to the application will be available on <https://communityfirstfund.org/berks-county-small-business-new-start-program/>

8. When will the application be available?

The application will be available on September 10 on <https://communityfirstfund.org/berks-county-small-business-new-start-program/>

9. How long will the application be open?

The application will be available for 10 business days until September 23.

10. What documents may I need to apply?

We suggest you have the following handy to reference, though they may or may not be required to submit in the application:

- Our signed business certification form, which will be available closer to when the application opens
- Financial Information (only one of the following is required):
 - Most recent tax return filed – (2019 or 2018) – must be in an electronic form for online upload, such as PDF or JPEG.
 - 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 or JPEG.
 - 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 or JPEG.
- Any form of acceptable government-issued photo ID for primary business owner or authorized representative; must be in an electronic form for online upload, such as PDF or JPEG.
- Applicants will enter a dollar amount of total gross revenues generated from March 1, 2019 – May 31, 2019 and will enter a dollar amount of total gross revenues generated from March 1, 2020 – May 31, 2020.

11. How do I calculate 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), 1120S (S-Corp return), and on IRS Schedule C for single member LLC's and sole proprietorship, Line 3.

Eligibility Information

12. Who is eligible for this program?

- Grants of \$10,000 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 on page 2.
- Grants are available for businesses with annual revenues (prior to March 1, 2020) of \$3 million or less and have 50 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), on IRS Schedule C for single member LLC's and sole proprietorships, Line 3 and on IRS form 1065 line 1c for partnerships.
- Eligible businesses must have a primary physical operation in Berks County and have at least 51% of gross annual revenues generated in Pennsylvania. Applicants must file a Pennsylvania tax return. Applicants will self-certify that 51% or more of revenues are generated in PA.
- Eligible businesses may be structured as C-corporations, S-corporations, limited liability corporations, partnerships, sole proprietors, independent contractors or self-employed individuals.
- Businesses must have been in operation as of February 15, 2020.
- Businesses must certify that their business is currently operating or has a clear plan to fully re-open once all Commonwealth COVID-19 related operating restrictions are lifted.
- Applicants must certify that they will use the funds only for COVID-19 related expenses incurred no earlier than March 1, 2020 and no later than December 31, 2020. Applicants also will certify that they have not received "duplication of benefits" from any other CARES Act funding.

13. How many employees does my business need to have to be eligible?

Businesses must have 50 or fewer full-time employees (FTE's).

14. I had over 50 full-time employees (FTE's) before the coronavirus crisis, but now I have less. Am I eligible?

To be eligible, businesses must fall under the employee cap as of March 1, 2020.

15. I would like to apply for this program for my business but I have a criminal record, am I ineligible?

Under federal guidelines, businesses are ineligible to receive funding under this Berks County Small Business New Start Grant Program they, or any owner of 20 percent or more of the equity of the applicant is presently incarcerated or, for any felony, 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, pleaded guilty or nolo contendere to, or commenced any form of parole or probation (including probation before judgment) for, 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.

16. If I received other funding assistance, can I still receive funding from the Berks County Small Business New Start Grant Program?

Yes, but priority will be given to businesses and nonprofit organizations who have received little to no other funding assistance from government funding relief efforts.

17. I own more than one business in Berks County, am I able to receive more than one grant?

No, owners of multiple businesses will be considered for only one grant.

18. Is a business who was in operation for less than a year eligible to apply?

Yes, if the applicant is a startup as of February 15, 2020, a profit and loss statement as of 3/31/20 must be submitted as a PDF with the online application.

19. Do businesses have to be members of the Greater Reading Chamber Alliance or any other organization to be eligible?

No, this funding is distributed by the county through federal funds and is available to small businesses who meet the eligibility requirements they determined.

Disbursement

20. Who will disburse the funds?

The County of Berks will disburse the funds.