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# COUNTY BOLSTERS BUSINESS RELIEF FUND

## WITH FEDERAL GRANT FUNDS AND

### NEW PROGRAM GUIDELINES

## County Executive Alsobrooks Utilizes CARES Act Grant to Support Local Businesses



County Executive Angela Alsobrooks and the County Council authorized the use of \$20 Million from the County's federal CARES Act allocation to support Prince George's County businesses that have been adversely affected by the COVID-19 crisis. Until recently, Prince George's County has supported local businesses through its COVID-19 Business Relief Fund (BRF), which was launched on April 13, 2020 by the Prince George's County Economic Development Corporation and the Financial Services Corporation (FSC First). Because of the severity of the pandemic on the regional and national economies, it became apparent that Prince George's County businesses had applied for almost three times the BRF's available \$10 million.

Prince George's County received \$158 million from the federal CARES Act; \$20 million of which will be set aside to fund the County's new **COVID-19 Business Recovery Initiative (BRI)**. The BRI will replace the multi-million-dollar Prince George's County COVID19 Business Relief Fund, which provided low-cost loans of up to \$100,000 and grants up to \$10,000. The primary difference between the two funds is that, all disbursements from the BRI will be grants.

Under the BRI, grant amounts will range from \$5,000 to \$100,000. In addition, **the eligibility criteria have been expanded to include sole proprietors, 1099 contractors and co-ops.** Recipients can still utilize the BRI to support cash operating expenses including payroll, suppliers, rent, fixed debt payments and other business critical cash operating costs.

**Next Steps:** Find your status below and proceed accordingly:

**A. Applicants who have applied for and **received funding** under the former BRF:**

**1. If you received a direct loan, your loan will be converted into a grant.** No further action is required by you. Please expect an Amendment from the Prince George's County Office of Law changing your Loan Agreement into a Grant Agreement, to include the "public benefits requirements". The loan agreement and documents associated with it including the personal guaranty will be extinguished.

2. **If you received a grant**, no further action is required by you. Additional documentation may be required by the Office of Law.

3. **If you received a grant ONLY and can provide a **Justification for Additional Need****, you may reapply by 11:59pm on May 29, 2019. Note: Additional grant funding is subject to availability.

NOTE: Are there any federal requirements that must be included.

**B. Applicants who have applied and received commitments, but **have not been funded** under the former BRF:**

1. **If your commitment was for a LOAN only**, your request was evaluated based upon the highest amount you qualified for. Your loan commitment will be *revised* and converted into a grant authorization. Please follow the closing instructions to receive your grant funds via electronic wire transfer.

2. **If your commitment was for a GRANT only**, your request was evaluated based upon the amount requested. Your commitment will be revised to a grant authorization only. Please follow the closing instructions to receive your grant funds via electronic wire transfer. **If you received a grant ONLY and can provide a **Justification for Additional Need****, you may reapply by 11:59pm on May 29, 2019. Note: Additional grant funding is subject to availability.

3. **If your commitment was for both a LOAN and a GRANT**, you will receive a *revised* commitment for a grant. The loan amount will be converted into a grant and the combined amount will not exceed \$100,000. Upon receipt of the new grant authorization, please follow the closing instructions to receive your grant funds via electronic wire transfer.

**C. Applicants who have **applied but are still awaiting a decision**, your eligibility will now be determined based upon the new Business Recovery Initiative (BRI) Guidelines – a grants only program.**

1. **If your application is pending or submitted for a LOAN only**, your request will be evaluated based upon amount requested or justification of need, whichever is less. Grant authorizations may be awarded in an amount not to exceed \$100,000.

2. **If your application is pending or submitted for a GRANT only**, your request will be evaluated based upon the amount requested or justification of need. Grant

authorizations may be awarded in an amount not to exceed \$100,000. You do not need to submit another application to be considered for a grant above the previous BRF grant cap of \$5,000 or \$10,000.

3. **If your application was for both a LOAN and a GRANT**, your request will be combined and evaluated based upon the combined amount requested or justification of need, whichever is less. Grant authorization may be awarded in an amount not to exceed \$100,000. You do not need to re-apply.

**D. If you have not yet submitted an application, you are eligible to apply:**

The new deadline for applications to the COVID-19 Business Recovery Initiative is 11:59pm on Friday, May 29, 2020. All applications are considered on a first in first out basis.

For more information about the Prince George's County COVID-19 Business Recovery Initiative, visit <https://www.pgcedc.com/covid-business-fund-2020>.

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