

MontcoStrong Small Business Grant Program

Montgomery County Commerce Department

Frequently Asked Questions – April 2020

Q. What is the MontcoStrong Small Business Grant Program? What is the goal of the program?

A. This program is a Montgomery County funded initiative established by the Montgomery County Board of Commissioners and the Montgomery County Commerce Department in partnership with the Redevelopment Authority of Montgomery County. The goal of the program is to provide small businesses in Montgomery County with financial support as relief due to disruptions caused by the COVID-19 global pandemic.

Q. How is this program being funded? Will there be multiple rounds of funding available?

A. The initial round of funding for this program comes from County bond funding for economic development. The County is reviewing the possibility of additional funding opportunities with the potential for additional money being made available.

Q. If I am not one of the first applications submitted, does that mean I won't receive grant funding through this program? How long will applications be accepted for?

A. Not necessarily. Applications will be reviewed on a rolling basis. Applications will be accepted until all grant funds are awarded and/or the number of applications received significantly surpasses all available grant funds to be awarded in an application round. While we anticipate the number of applications received will quickly outpace the amount of funding available in the initial round (\$1 million), applications will be reviewed for thoroughness and determination of need based on program guidelines. Additionally, as applicants can request up to \$25,000, this does not mean a final number of grant awards has been determined.

Q. I am having trouble accessing the online application form?

A. We are encouraging everyone to be patient in submitting their applications. Please note applications will not be formally accepted for review before **11am on Wednesday, April 8th, 2020**. We expect that when the program opens the system will be inundated with application submissions. You may need to clear your web browser's cache if you continue to have trouble reloading the application form. Also, please make sure you complete all required sections of the online application form and upload all the required documents; the required sections and documents are denoted by an asterisk.

Q. I have an at-home business; how does that impact my use of grant funding?

A. At-home businesses are eligible, but with the following provisions:

- Allowable use of funds for payroll must be within the scope of the guidelines; if you own the business, you cannot pay more than 15% of your salary with grant funds.
- Allowable use of funds for mortgage or rent must include documentation that indicates the percentage of the domicile used for business purposes. Example – if 10% of the domicile is used for business purposes, only 10% of the rent/mortgage can be paid with grant funds.
- Allowable use of funds for utilities is only permissible if the account is in the name of the business. If, for example, a personal cell phone is used for business purposes, that would not be an eligible use of grant funds.

Q. How does the allowable payroll costs work for business owners?

A. Grant funds may only be used to pay 15% of any individual's salary who owns more than 5% of a business. If an individual is paid "X" in a given month, the grant money can only be used to pay 15% of "X" and the documentation must support this. For example – if someone who owns part of the business is paid a \$1,000 a month from the business and they were to apply for grant funds to cover payroll costs for April, May, June, and July, grant funds could be used to cover \$150 a month of that payroll costs as paid and this must be demonstrated in the documentation and final grant reporting. If someone in this position cut their pay to \$500 a month, they could use grant funds to pay for \$75 of their \$500 in payroll for that month.

Q. Is the number of employees specific to the businesses Montgomery County location or its global employment?

A. The employment total (full-time and part-time) is capped at fifty (50) and is specific to the number of employees in Montgomery County, Pennsylvania.

Q. If a business has multiple locations in Montgomery County, do I need to file a specific application for each location?

A. This would depend on how the business is structured. If each location is treated as its own entity legally, then yes, you would need to file an application for each location.

Q. I am a sole proprietor and do not have an EIN; what should I do to complete the application?

A. For the application, please provide the last four digits of your social security number.

Q. Does applying for this grant impact my eligibility for federal and/or state COVID-10 business funding and/or programs?

A. Our understanding, per the U.S. SBA by way of PA DCED, regarding federal programs is that the guidance is to ensure that businesses do not “double-dip” in using federal programs. This became an issue for businesses that applied for both the SBA’s EIDL program and the PPP program. However, it is ultimately the responsibility of the applicant and/or grantee to assure they are following the rules, regulations, and contracting stipulations of all grant and loan programs, regardless of source. Furthermore, grantees for any program, be it from County, State, or Federal government, are properly reporting and following all rules and regulations lawfully.

Q. How were the parameters for allowable use of grant funds determined?

A. The categories for the grant fund allowable costs (rent/mortgage, payroll, utilities, and debt service) were determined in part by the ongoing results of a regional business survey that began shortly after COVID-19 impacted southeastern Pennsylvania. Determinations were also made based upon allowable use of funding for the grant program.

Q. How will I know if I am awarded a grant?

A. Grant awardees will be informed by the Redevelopment Authority of Montgomery County (MCRDA) via a grant award letter followed by a grant contract. In order for funds to be disbursed, the grant contract must be signed and returned following all instructions.

Q. If I am awarded a grant, how soon will funds be disbursed?

A. Grant funds will be disbursed within approximately 7-10 business days upon return of a signed and executed grant contract. The preferred and stated method of fund disbursement will be electronic direct deposit. However, checks may be used to disburse funds depending on a variety of administrative factors. Grantees will be informed of disbursement of funds and the method of disbursement.

Q. I expended all of my grant funds. When should I submit my final grant report?

A. Final grant reports, as detailed in the grant contract, should be submitted as soon as all funds have been expended and all required documentation is ready. Grantees are encouraged to submit their final report as soon as they are able to do so.

Q. If I am not awarded a grant, what are some other options for my business to get help due to the COVID-19 global pandemic?

A. Montgomery County maintains and regularly updates a list of business information and resources on the County's COVID-19 data hub (www.montcopa.org/COVID-19) and on the Montgomery County Commerce Department's homepage (www.montcopa.org/Commerce).