

# CITY OF BARNESVILLE

## Home-Based Business COVID-19 Relief Grant Program Information

In light of the COVID-19 pandemic, many Barnesville area businesses have applied and received grant funds for operational expenses. Nearly every program has excluded home-based businesses. Barnesville has many home-based businesses contributing to our economy. To address this the Barnesville City Council has created the City of Barnesville Home-Based Business COVID-19 Relief Grant Program. **Grants are monies that if received do not have to be paid back.** This program is funded by the Federal Coronavirus Relief Fund of the 2020 C.A.R.E.S. Act.

### PURPOSE

To provide a financial assistance to home-based business owners, located within the city limits of Barnesville, who have experienced financial hardship as a result of the COVID-19 outbreak.

### HOW IT WORKS

Submit an application to the Barnesville EDA which shows program eligibility and be able to provide sufficient documentation of need, if necessary. Applications will be accepted until midnight **Thursday, October 8**. All eligible applications will be accepted and reviewed. This is not a "first come, first served" or a "lottery" program.

### ELIGIBILITY

**The operation of the business must be the primary income source of the applicant**

To qualify, an applicant must:

- Be a private, home-based business located within the Barnesville city limits
- Be of one of these legal business structures: sole proprietorship, partnership, limited liability company or corporation
- Be in "good standing" with the Minnesota Secretary of State as of March 1, 2020
- Be able to show financial hardship as a result of the COVID-19 outbreak

### INELIGIBLE BUSINESSES TYPES

- Home-based childcare providers are excluded, as they were eligible for the Clay County CARES Small Business COVID-19 Relief Grant
- A business manufacturing, distributing, selling, or conducting related activities of sexually explicit materials.
- A business deriving income from passive investments without operational ties to operating businesses.
- A business primarily focusing on speculative activities based on fluctuations in price rather than the normal course of trade.
- A business earning more than half of its annual net revenue from lending.
- A business engaging in pyramid sales, where a participant's primary incentive is based on the sales of an ever-increasing number of participants.
- A business engaging in activities prohibited by federal law or applicable law in the local jurisdiction of the business.
- A business engaging in gambling enterprises unless the business earns less than 50% of its annual net revenue from lottery sales.
- **Any business that received a grant through the Clay County CARES Small Business COVID-19 Relief Grant would not be eligible to apply.**

### USE OF FUNDS

Funds must be used for expenses incurred as a direct result of the COVID-19 outbreak and could include working capital to support payroll expenses, rent and mortgage payments, utility bills, business licenses, and other similar expenses that occurred since March 1, 2020, in the regular course of business.

### GRANT AMOUNT

- Sole proprietors with no employees – up to \$3,000
- Other business types with 2+ non-family members – up to \$10,000

**Barnesville EDA will accept applications through October 8, 2020.**

**To request a fillable PDF file, email [klauer@bvillemn.net](mailto:klauer@bvillemn.net). Questions? Call 354-2145.**