

COKATO CARES ACT ECONOMIC DEVELOPMENT GRANT PROGRAM POLICY / APPLICATION

The Coronavirus Aid, Relief and Economic Security (CARES) Act, passed on March 27, 2020, provides over \$2 trillion in federal economic relief to protect the American people from the public health and economic impacts of COVID-19. The CARES Act provides assistance for American workers, families and small businesses and preserves jobs for American industries. The City of Cokato has been allocated \$208,090 through the CARES Act and by using its allowed discretion to determine what payments are necessary, has allocated funds for grants of up to \$6,000.00 to:

1. Small Businesses:

- a. Reimburse the costs of business interruptions caused by required closings;
- b. Reimburse the costs of business interruptions caused by voluntarily closing to prevent the spread of COVID-19;
- c. Reimburse businesses that were affected by decreased customer demand;
- d. Unemployment insurance costs relating to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise; and/or
- e. Employment and training programs for employees who have been furloughed due to the public health emergency, if the government determines that the costs of such employment and training programs would be necessary due to the public health emergency
- f. Ineligible Applicants include:
 - i. Lending institutions, law firms, accounting firms, utility companies, chain convenience stores, production agriculture, insurance agencies, financial advisors, passive investments and religious organizations
- g. In addition to a completed application, applicants must also provide:
 - i. Income/expense statements for the second quarter of 2019 and the second quarter of 2020;
 - ii. Documentation of how funds were spent within 60 days following grant dispersal;
 - iii. A copy of the businesses current filing with the Minnesota Secretary of State's office; and
 - iv. Other items as requested by the City

2. Non-Profit Organizations:

- a. Reimburse non-profits that were affected by a decrease in revenue due to decreased memberships or revenue generating events that were required to be cancelled to prevent the spread of COVID-19
- b. Ineligible Applicants:
 - i. Religious organizations without a social services component. Only the social services component is eligible
- c. In addition to a completed application, applicants must also provide:
 - i. Copy of IRS non-profit determination letter;
 - ii. The most recent federal 990 tax return filed by the business;
 - iii. Income/expense statements for the second quarter of 2019 and the second quarter of 2020;
 - v. Documentation of how funds were spent within 60 days following grant dispersal;
 - vi. A copy of the businesses current filing with the Minnesota Secretary of State's office; and
 - vii. Other items as requested by the City

The grants will be made available for completed applications that are due on September 4, 2020, 4:30 p.m. to Cokato businesses, non-profit organizations and residents for the period of March 1, 2020 to July 15, 2020. Priority will be given to businesses deemed as "Non-Essential" businesses as described in Emergency Executive Order 20-04 – "Providing for Temporary Closure of Bars, Restaurants and other Places of Public Accommodation". If there are still funds available after the first application period, additional application periods will be open until funds are exhausted.