



Pike County COVID-19 Hospitality Industry Recovery Program (CHIRP)

Program Guidelines

On February 5, 2021, Governor Wolf signed Senate Bill 109 into law (Act 1 of 2021), allocating \$145 million to the newly created COVID-19 Hospitality Industry Recovery Program (CHIRP). Under this program, eligible businesses that have been adversely affected by the COVID-19 pandemic can apply for grants of up to \$50,000.

All aspects of this program are subject to Senate Bill 109 (Act 1 of 2021):

<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesYr=2021&sessInd=0&billBody=S&billTyp=B&billNbr=0109&pn=0144>

Pike County CHIRP is being administered by NEPA Alliance with support from Hailstone Economic.

Funding Available

This Project was financed by a grant from the Commonwealth of Pennsylvania, Department of Community and Economic Development. Pike County is receiving \$632,133 to provide grants to eligible businesses through this program. Grant awards will range from \$5,000 to \$50,000. All funds will be distributed by July 31, 2021. The amount of grant awarded, if any, may be less than the amount requested as determined by the evaluation process and amount of funding available.

Application Due Date

Applications must be received by April 30, 2021.

Eligibility

Businesses must meet several eligibility criteria including:

- For-profit business located in Pike County, PA
- Not publicly traded
- NAICS classification of Accommodations (721) or Food Services and Drinking Places (722) with accommodations, food, or drink served or provided for the public with or without charge

- Tangible net worth of less than \$15,000,000
- Fewer than 300 full-time equivalent (FTE) employees
- In operation on February 20, 2020
- Plans to remain open for at least one year from date of application
- Current with all federal, state, and local income taxes
- Documented financial impact related to the COVID-19 pandemic

Use of Funds

This grant can be used to alleviate revenue losses or to pay eligible operating expenses incurred between March 1, 2020 and June 15, 2021.

For **mortgage** expenses, the mortgage must have been in force before February 15, 2020. For **rent**, the lease agreement must have been in force before February 15, 2020.

Applicants must certify that grant funds are not being used for the same eligible operating expenses for which the business receives or received payment, reimbursement, or loan forgiveness from any other grant or loan source including but not limited to:

- The CARES Act or Consolidated Appropriations Act, 2021
- The act of May 29, 2020 (P.L. __, No.2A), known as the COVID-19 Emergency Supplement to the General Appropriations Act of 2019
- Paycheck Protection Program (PPP)
- Economic Injury Disaster Loan (EIDL)
- PA Small Business Assistance Program (MetroAction/Lendistry)
- COVID-19 Hazard Pay Grant
- Pandemic Unemployment Compensation (PUC)

The following expenses are not eligible operating expenses: Taxes collected and remitted to a taxing authority such as sales tax, proceeds from transactions between the business and its domestic or foreign affiliate, amounts collected for another by a travel agent, real estate agent, advertising agent or conference management service provider, funds for dividends, payments to 1099 employees and/or subcontractors, or expenses related to a location outside of Pike County.

How to Document Financial Impact

Applicants can document financial impact in one of two ways based on gross receipts. Gross receipts include revenue such as the sales of products or services, interest, dividends, rent, royalties, and fees or commissions.

1. Annual Method

The business was in operation for all of 2019 and experienced a reduction in annual receipts of at least 25% in 2020 compared to 2019.

Documentation needed: 2019 federal tax return and 2020 federal tax return or profit and loss statement

2. Quarterly Method

There are four ways to document financial impact using the quarterly method.

- The business did not operate in 2019 but was in operation on February 15, 2020 and the business had gross receipts during the second, third, or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the gross receipts during the first quarter of 2020.
- The business did not operate in the first and second quarter of 2019 but did operate in the third and fourth quarters of 2019 and the gross receipts from any quarter of 2020 are at least 25% less than the third or fourth quarter of 2019.
- The business did not operate in the first, second, or third quarter of 2019 but was in operation during the fourth quarter of 2019 and the gross receipts during any quarter of 2020 are at least 25% less than the fourth quarter of 2019.
- The business had gross receipts during the first, second, third, or fourth quarter in calendar year 2020 that were at least 25% less than the business's gross receipts during the same quarter in 2019.

Documentation needed: Quarterly financial statements such as a profit and loss statement or Sales, Use and Hotel Occupancy Tax form in addition to 2019 federal tax return and 2020 federal tax return or profit and loss statement

How to Apply

Applications must be received by April 30, 2021. Applications will be accepted until funding is exhausted or the application deadline, whichever comes first.

Incomplete applications will not be reviewed until all required documentation is received. Submit a complete and accurate application to avoid delays.

There is no guarantee that funding will be available through the full application period, that all applications will be funded, or that applicants will receive their full funding request.

Applications can be submitted online using this link:

<https://form.jotform.com/210673974128057>

or by emailing the Application Form and all required documentation to jdreistadt@hailstoneeconomic.com.

Evaluation of Applications

Complete applications will be reviewed in the order they are received. Evaluation will be based on eligibility criteria and demonstrated need based on information provided in the grant application.

Priority will be given to applicants that either:

1. Had a reduction in gross receipts of 50% or more when comparing the period between April 1, 2019 and December 31, 2019 with April 1, 2020 and December 31, 2020; or
2. If the applicant was not in operation from April 1, 2019 to December 31, 2019 but was in operation on February 15, 2020, had a monthly average reduction in gross receipts of 50% when comparing the period between April 1, 2020 and December 31, 2020 with the period between January 1, 2020, and March 31, 2020.

In addition, priority will be given to businesses that have not received any prior funding related to the COVID-19 pandemic; however, businesses that received these funds will not necessarily be disqualified.

Questions and Assistance

For assistance, contact Jessica R. Dreistadt at Hailstone Economic at (484) 225-4929 or jdreistadt@hailstoneeconomic.com.