



State of Oregon COVID-19 Emergency Business Assistance Grant Fund Request for Proposals

The Oregon Legislature, in partnership with the Governor, allocated \$5 Million from the State General Fund, which will be combined with \$5 Million redirected from existing programs at the Business Oregon, for the purpose of providing financial assistance to small businesses adversely affected by economic conditions associated with the COVID-19 pandemic that have not received federal emergency assistance under the federal CARES Act or other federal program for emergency pandemic funding.

Many small businesses in Oregon face cash flow shortfalls due to the economic conditions arising from efforts to reduce the number and severity of COVID-19 infections. Some businesses have been closed by executive emergency orders, while others have voluntarily closed or reduced operations to address health and economic concerns.

To fill gaps not reached by other programs, these state funds are directed to adversely affected businesses with 25 or fewer employees, and only those that have been unable to receive federal CARES Act funding, including the Small Business Administration's Paycheck Protection Program, Economic Injury Disaster Loan Emergency Advance program, or other federal programs for emergency pandemic funding to date. Businesses may use the proceeds for any business related operating expenses, particularly those that support reopening as part of Oregon's Phase I reopening process.

This announcement is for the second of four rounds of funding tied to this program, this round consists of \$5,000,000 to provide emergency economic assistance to local small businesses. Awards will be made to qualified Community Development Financial Institutions and Economic Development Districts (Community Lenders) that are able to rapidly deploy financial assistance to COVID-19 impacted small businesses and to meet the parameters of this program.

Program awards made to Community Lenders will be structured as forgivable loans. Forgiveness will be based upon a recipient's ability to meet the program values and priorities outlined below and in contract. Community Lenders will be required to make sub-awards from this program to eligible individual businesses as grants.

Awards for this round of funds will be based on a Community Lender's ability to achieve the parameters, values, and goals of the program. If you have such a program that meets the state's program parameters, please submit a funding proposal.

Proposals for this round of funding are due Monday, June 1, 2020, by 5:00 PM.

Program Values

- Ensure that historically disadvantaged individuals that own businesses have access to these funds.
- Ensure these funds are supporting the small businesses unable to access or apply for federal funds.
- Ensure that these funds are reaching every corner of Oregon.
- Ensure that these funds are keeping businesses operational.

Eligible Applicants

Eligible applicants include:

- Oregon's established [Economic Development Districts](#), and
- Community Development Financial Institutions currently certified by the United States Department of the Treasury, with active operations in Oregon that currently provide services to financial services and/or technical assistance to small businesses.

Additionally, Community Lenders must be able to meet the parameters of this program as described below.

Program Funding Priorities

Community Lenders are expected to make one-time-only awards to businesses as follows:

- Businesses that have been adversely affected economically in either one of the following two categories:
 - Those for-profit and non-profit (limited to 501(c)(3) corporations) businesses that were prohibited from operation as directed by Executive Order 20-12.
 - Those eligible for-profit businesses that can demonstrate a one-month decline in revenue greater than 50% in the month of March 2020 or April 2020 as compared against sales in the month of January 2020 or February 2020. Those non-profit businesses (limited to 501(c)(3) corporations) that can demonstrate a decline in revenue greater than 50% across the months of March 2020 and April 2020 as compared against the same period of time in 2019.
- Businesses with 25 or fewer employees.
- Businesses that have been unable to access federal CARES Act funds including:
 - Small Business Administration's Paycheck Protection Program (PPP);
 - Economic Injury Disaster Loan Emergency Advance program (EIDL); or
 - Other federal programs to date for emergency pandemic funding.

Ineligibility Factors

- Passive real estate holding companies and others holding passive investments.
- Non-profit entities that do not have federal 501(c)(3) status.
- Businesses that are delinquent on federal, state, or local taxes that were due before April 1, 2020.
- Businesses that do not comply with all federal, state and local laws and regulations.
- Businesses not headquartered and with principal operations in Oregon.
- Businesses not registered to do business in Oregon (Secretary of State Business Registry verification) if such registration is required.
- Businesses that have previously received funding from the state of Oregon through this COVID-19 Emergency Business Assistance Grant Fund whether from another Community Lender or public entity.

Program Design

Awards to eligible businesses will be made as a grant. The amount of the grant will be the greater of two figures based on an applicant's ability and desire to submit support documentation: the first based on the number of employees before the COVID-19 crisis (as of February 29, 2020); or the second based on the documented amount of fixed operating expenses for the 60-day period of January 1 through February 29, 2020:

- 0-5 employees
 - \$2,500, or
 - 60-day fixed expenses up to a maximum of \$5,000.
- 6-10 employees
 - \$5,000, or
 - 60-day fixed expenses up to a maximum of \$10,000.
- 11-15 employees
 - \$7,500, or
 - 60-day fixed expenses up to a maximum of \$15,000.
- 16-20 employees
 - \$10,000, or
 - 60-day fixed expenses up to a maximum of \$20,000.
- 20-25 employees
 - \$12,500, or
 - 60-day fixed expenses up to a maximum of \$25,000.

Program Award Targets & Community Lender Award Limitations

The state will make awards to various Community Lenders designed to achieve geographical delivery across the state, with a target of at least 60% of awards reaching those in rural areas (see Award Process below). The state has also set a target for the Community Lender of 50% of these funds to be awarded to sole proprietors. The state will encourage the Community Lender to conduct outreach to historically disadvantaged population groups. The funds must be rapidly deployed to meet immediate business needs and awarded applicants will be required to fully deploy the proceeds within 45 days of receipt. Funds are not available through this award for administrative expenses.

As this program is intended to be accessible by all Oregon-based businesses, and not just those with existing financial relationships with the Community Lenders, Community Lenders will be

limited to funding not more than 25% of the award to existing clients unless otherwise waived in writing by the department. This limit will also be required if a Community Lender is contracted to administer a program on behalf of one or more local community assistance program(s) that receives an award from this state COVID-19 Emergency Business Assistance Grant Fund. Waivers may be considered on a case-by-case basis and will be made at the sole discretion of the department. All decisions on waiver request will be considered final when made and not subject to appeal or review.

Business Applications and Support Documentation

Businesses must:

- Self-certify they have not received PPP, EIDL, or any other CARES Act assistance as of the date of application.
- Demonstrate:
 - That they were prohibited from operation as directed by Executive Order 20-12; or
 - That they had a sales or revenue decrease of 50% or more in the month of March or April 2020, as compared against the sales or revenues of January or February 2020, or as compared against the same period in 2019.
- Demonstrate they are headquartered and with principal operations in Oregon.
- Self-certify they are not subject to any of the ineligibility criteria.
- Self-certify that the business and its operations are, and will, remain compliant with all local, state, and federal laws.
- Provide business, financial, and ownership information necessary to determine and verify eligibility.

Other Program Details and Next Steps

Community Lenders may apply to receive an award under this announcement. If approved, the applicant will enter into a contract with Business Oregon in short order. During the contract process, Business Oregon will consult on the detailed operational steps proposed by the Community Lenders and the basic reporting needed by the state.

Program Access

It is intended that these state funds are equally accessible to all Oregonians, so a robust marketing program that reaches out locally to businesses owned by members of historically disadvantaged population groups (Asian, Black, Hispanic, Native American, and Women Owned Businesses) is a requirement of this program. Only those applicants that can demonstrate such a marketing program and fair access procedures will be considered for funding. Community Lender program awardees will be required to:

- Utilize program marketing materials and applications made available by Business Oregon in languages that are representative of the local population.
- Develop a stepped marketing program that reaches out and markets to members of historically disadvantaged population groups in advance of marketing to the general public.
- Deploy the awarded funds to eligible businesses within 45 days of the receipt of funds.
- Demonstrate, for loan forgiveness, that all agreed Program Access activities as described in the application and agreed upon in contract have been fulfilled.

Application Process

Community Lenders should submit a written Proposal that describes the following:

- Amount of award requested.
- If the applicant is under contract by a public entity, or was identified in one or more public entities' proposal, to deploy and/or administer matching funds awarded under the state of Oregon COVID-19 Emergency Business Assistance Matching Fund provide information on:
 - The public entities that the Community Lender is administering matching grant proceeds for; and,
 - The municipalities and/or counties proposed to be served by the award.
- Describe marketing activities and outreach to encourage participation of businesses owned by members of historically disadvantaged populations groups (see Program Access above) in the applicant's region(s).
- Describe the plans to market the grant program, including partnerships and marketing strategies with chambers, business associations, Small Business Development Centers, etc.
- Description of your grant/loan announcement and application process.
- Description of your grant/loan review and award process.
- Estimate geographic distribution of awards (list all municipalities and/or counties served):
 - The percent of allocation awarded to urban (cities with populations greater than 30,000) businesses, and
 - The percent of allocation awarded to rural (cities with populations of 30,000 or less, or unincorporated areas) businesses.
- Estimate the percent of allocation awarded to sole proprietors.
- Briefly describe the background of the executive in charge of the program, and description of any other key team members if desired, and description of any audit or oversight measures if desired. Provide contact information for a designated lead contact.

There is no minimum or maximum page limit for Proposals or other format requirements, except that the Proposal must be delivered electronically in a Microsoft Office compatible file type, less than 20 megabytes.

Please deliver your Proposal by email to:

John Saris, Finance Manager

john.saris@oregon.gov

Call (503) 383-8612 for any questions (due to the holiday weekend, voicemails and emails will be responded to beginning Tuesday, May 26)

A teleconference for Questions and Answers regarding this announcement will be held: Tuesday, May 26 at 9:00 AM.

Proposals for this round of funding are due Monday, June 1, 2020 by 5:00 PM.

Award Process

Business Oregon will coordinate an expeditious review process and may contact any proposer for further clarification or negotiation. Decisions will be made in the state's sole discretion, endeavoring to meet the objectives and targets described above and below:

- Funds are not available for administrative purposes.
- No less than 50% of the awards to be made to Sole Proprietors.
- No less than 60% of awards to be deployed in rural communities with population fewer than 30,000 per the last decennial census (2010) data including all areas outside of the following urban growth boundaries:
 - Albany
 - Bend
 - Corvallis
 - Eugene/Springfield
 - Grants Pass
 - McMinnville
 - Medford
 - Portland Metro (city of Portland, Clackamas, Multnomah, and Washington counties)
 - Salem/Keizer
- To the extent possible, evenly balanced allocations to the following regions:
 - Central Region
 - Crook, Deschutes, Hood, Jefferson, Sherman, and Wasco counties
 - Coastal Region
 - Clatsop, Coos, Curry, Lincoln, and Tillamook counties, Lane and Douglas counties west of Coastal Range
 - Eastern Oregon Region
 - Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa, and Wheeler counties
 - Portland Region
 - Clackamas, Multnomah, and Washington counties
 - Southern Oregon Region
 - Jackson, Josephine, Klamath, and Lake counties and Douglas County east of Coastal Range
 - Valley Region
 - Benton, Columbia, Linn, Marion, Polk, and Yamhill counties and Lane County east of the Coastal Range

Grant Fund Deployment Deadlines and Reporting Requirements

A final report is due the sooner of:

- 30 days from when the capital is deployed by the local assistance program to eligible businesses, or
- August 28, 2020.

Any proceeds not deployed by July 24, 2020, are to be repaid to Business Oregon on or before July 27, 2020, unless waived in writing by the department. In the final report, the local assistance program will be required to report program and recipient information on a form prescribed by Business Oregon, including but not limited to:

- Number of applications received
- Number of awards made
 - Awards as #, \$, and % of allocation by voluntary reported demographic information
 - Award as #, \$, and % of allocation by region
 - Award as #, \$, and % of allocation by company size
 - Award as #, \$, and % of allocation to sole proprietors
- Sub recipient data
 - Name of company
 - Employer Identification Number (EIN)
 - Oregon Business Identification Number (BIN)
 - Business Owner(s) Social Security Number
 - Address of company
 - Industry/NAICS
 - Amount of award
 - Legal business structure
 - # of employees as of February 29, 2020
 - Estimated number of jobs to be retained as a result of the grant award

FAQ

[Frequently asked questions and answers](#) will be posted on our website.