

Covid-19 Hospitality Industry Recovery Program (CHIRP)

Program Guidelines

Franklin County Area Development Corporation
1900 Wayne Road
Chambersburg, PA 17202
Phone: (717) 263-8282
chirpgrant@fcadc.com

March 2, 2021

I. Purpose

CHIRP grant funds will be awarded to eligible Franklin County businesses as defined in Pennsylvania Act 1 of 2021. The funding is intended to alleviate revenue losses and pay eligible operating expenses due to the COVID-19 pandemic. The Franklin County Area Development Corporation (FCADC) will be administering and distributing CHIRP grant funds to eligible applicants on behalf of the County of Franklin.

Grant amounts will range from \$5,000 to \$50,000 per applicant in \$5,000 increments and rounded down to the nearest \$5,000. **Funds received under this program cannot be applied against any costs that were also used to satisfy the requirements of another COVID-19 relief grant or loan program either from the Federal Government or Commonwealth of Pennsylvania.** However, receipt of a prior Federal Government or Commonwealth grant or loan does not disqualify an applicant.

Priority is to be given to any applicant who has not received a loan or grant issued by the Commonwealth or by the Federal Government under CARES Act or Consolidations Appropriations Act; were subject to closure by the proclamation of disaster emergency issued by the Governor on March 6, 2020 and any renewals; and can demonstrate a gross revenue reduction of 50% or more between March 31, 2020-December 31, 2020 compared to the same period in 2019. An alternative revenue reduction calculation will be provided for businesses who were in operation on or before February 15, 2020, but not in operation for all four quarters in 2019.

II. Eligible Applicants

- Franklin County for-profit entities with a **NAICS code of 721 (Accommodations) or 722 (Food Services & Drinking Places)**
- Was in operation on/or before February 15, 2020
- 300 or fewer employees worldwide at the time of application
- Is not publicly traded
- Was subject to closure by order of the Governor
- Can demonstrate a gross revenue reduction of 50% or more between March 31, 2020-December 31, 2020 compared to the same period in 2019. An alternative revenue reduction calculation will be provided for businesses who were in operation on or before February 15, 2020, but not in operation for all four quarters in 2019

III. Eligible Operating Expenses

- Payroll or non-payroll expenses that are ordinary and necessary for the applicant's trade or business
- Limitations on non-payroll expenses include:
- The expense must have been incurred between March 1, 2020 and the date of application submittal or June 15, 2021, whichever comes first
- For mortgage expenses, the mortgage must have been in force BEFORE February 15, 2020
- For rental expenses, (under a lease agreement), the lease must have been in force BEFORE February 15, 2020
- For utility expenses, service must have begun BEFORE February 15, 2020.

IV. Amount of Grants

- The minimum grant award shall be \$5,000
- The maximum grant award shall be \$50,000
- Grants shall be awarded in increments of \$5,000 (up to a maximum of \$50,000)
- Grant awards will be rounded DOWN to the nearest \$5,000

Note: Funds received under this program cannot be applied against any costs that were also used to satisfy the requirements of another COVID-19 relief grant or loan program either from the Federal Government or Commonwealth of Pennsylvania.

V. Required Application Materials

- Fully completed application (including Addendums A&B) and signed application certification.
- 2019 and 2020 Quarterly Profit and Loss statements for the applicant. The financial statements must be professionally prepared or internally prepared via QuickBooks or other bookkeeping software.
- 2019 Federal Tax Return (if applicable)
- Signed W-9 form for any individual or entity serving as the applicant

VI. Program Timeline

- March 15, 2021 applications will be received and reviewed on a rolling basis until funds are exhausted or June 15, 2021 (whichever comes first)
- No later than July 15, 2021 FCADC will have acted on all applications
- No later than July 31, 2021 grant awards will be disbursed to eligible applicants

VII. Required Reporting

The County of Franklin is required to prepare and provide to the PA Department of Community and Economic Development (DCED) a complete program report containing the following information.

- A list of each grant awarded under the program
- The name and address of each grant recipient
- The amount of the grant awarded and the description of the financial impact to the grantee for which the grant was awarded
- The report DOES NOT require the disclosing of confidential applicant financial information, however such information may be required by the FCADC in order to process an application. All information will be kept confidential Grant proceeds may be subject to payment of income tax. You should consult with your accountant and/or tax preparer.

VIII. Tax reporting

Grant funds received through this program may be subject to taxes. Recipients should consult their tax advisors.

IX. Any Questions Contact

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End of Program Guidelines