



Downtown Disaster Business Stabilization Grant 2020

The Downtown Newton Development Association (501c3), in accordance with current bylaws, establishes a Disaster Business Stabilization grant. The DNDA seeks to provide relief to businesses affected by a current or future disaster, which threatens the viability of the business, thus protecting the economy of downtown Newton and preserving jobs for the district.

The President declared the Covid 19 Pandemic as a national disaster.

<https://www.irs.gov/pub/irs-drop/n-20-17.pdf>

The President approved NC's declaration as a disaster state.

<https://www.newsobserver.com/news/coronavirus/article241517026.html>.

Therefore, the businesses in downtown Newton are considered a charitable class and can receive this grant.

Who can receive funds?

The **first** cycle of this grant will be open to the businesses that were ordered to close by the North Carolina Governor's Executive Order 120.

Entertainment Facilities without a retail or dining component (as defined by Executive Order 120) such as:

- Bowling alleys
- Live Performance Venues
- Movie Theaters
- Skating Rinks

- Go-cart racing
- Driving ranges
- Batting cages
- Mini-golf courses
- Amusement parks
- Amusement facilities
- Indoor pools and outdoor pools at any public or private club, facility, or community
- Restaurants located within an entertainment facility may remain open for carry-out, drive-through or delivery and retail components located within an entertainment facility may continue to operate if they are meeting the mass gathering and social distancing guidelines.

Gaming and Business Establishments which allow gaming activities such as:

- Video poker
- Gaming
- Sweepstakes
- Video games, arcade games and pinball machines
- Other computer, electronic or mechanical devices played for amusement

Indoor Exercise Facilities such as:

- Gyms
- Yoga studios
- Martial arts facilities
- Rock climbing facilities
- Escape Rooms
- Trampoline Parks
- Gymnastics Clubs

- Health Clubs
- Personal trainers utilizing indoor training facilities or gyms

Personal Care and Personal Grooming Facilities such as:

- Tanning facilities
- All hair and barber salons, including in-home salons
- Beauty Salons including waxing and hair removal centers
- Nail salons/Manicure/Pedicure Providers
- Massage Parlors
- Tattoo Parlors
- Cryotherapy centers
- Spas

Additional Establishments where individuals are in close proximity for extended periods of time such as:

- Hookah Bars
- Cigar Bars

*For professionals who provide services (manicurist, barbers, hair stylists, massage therapist, etc.) within a business and **pay rent** to that business owner; you will be listed on the business owner's application and disbursement of funds will be paid directly to the professional. The business owner may also receive a grant.

The **second** cycle of this grant will be open to the businesses that were ordered to limit their services or have experience financial damage, 25% reduction in revenues, due to social distancing and limited service requirements or closures related to COVID19 (as defined by Executive Order 120) such as:

- Pet grooming or pet daycares. Owners and customers should practice social distancing and limit contact.
- Lawn care
- Home repair

- Cleaning services
- Farmers markets
- Flea markets
- Chiropractic Offices
- Medically prescribed massage therapy
- Occupational Therapy
- Physical Therapy
- Speech Therapy
- RV parks and campgrounds.
- Live streaming of performances or use of performance facilities to record performances for later viewing, so long as they comply with the restrictions on mass gatherings and practice appropriate social distancing.

Should there be adequate funding, the **third** cycle of this grant will be for those who qualify for either the first or second phases and were not able to apply during the open application time period. The qualified recipient will get the amount given to the businesses in either the 1st or 2nd cycle depending on the classification of the business.

How much will each business receive?

The grant amount in all cycles will be determined by the number of downtown Newton businesses affected by the restrictions that submit complete and accurate applications divided by the current or acquired DNDA funds that the board allocates to the fund. Approximately 50% of the funds will be available during the first cycle and 45% for the second cycle. These percentages are based on the number of affected businesses that may apply during each cycle.

Five percent will be reserved for the 3rd cycle.

How do I know if my business is in downtown Newton?

Downtown Newton is determined by the enlarged district boundaries that were adopted in 2019. The map will be attached to the application.

Criteria

The applicant must have been current on rent/mortgage, utilities, along with business and commercial real estate tax payments as of March 25, 2020. Applicants will be required to make a declaration about rent/mortgage and utilities. The DNDA will verify tax payment status.

The applicant must declare a reduction of at least 25% revenue loss directly related to the COVID19 pandemic and addressed under Executive Order 120.

The applicant must have a certificate of occupancy to operate their business within Downtown Newton and an up to date fire inspection from the Newton Fire Department.

The applicant must have been in business at least March 1, 2020 to qualify.

Who decides whether money is given to a business and how?

The grant applications will be forwarded to an Advisory Committee made up of 3-5 Newton citizens that do not have a financial interest in any downtown business, downtown real estate, and who are not, or have been, on a committee or board of the Downtown Newton Development Association.

The Advisory Committee will see anonymous applications and verify that the type of business qualifies for the funds for that cycle, the application is complete, and the tax documentation is provided (by the DNDA) and that the applicant is current.

How long will these grants be available?

Each phase will accept applications for 10 days. The applications for each phase will be verified in a timely fashion relative to the convening of the committee.

Should the disaster continue, or should the businesses in downtown Newton be affected by future disaster related revenue loss, or if funds allow an equal disbursement to all previous applicants then further cycles of allocation will be discussed and decided by the board of the DNDA.

DNDA REQUIREMENTS

Establish a separate bank account for the grant funds.

Keep records of applications and disbursements in a grant file with IRS documents.

Attempt to secure additional funding.

Determine the approximate number of businesses eligible, by business type, for each phase.

Develop the application including:

- Business name
- Business location
- Applicant name
- Applicant contact info
- Checkboxes for:
 - In possession of a Certificate of Occupancy from the City of Newton as of 3/1/2020.
 - Current status on rent/mortgage, utilities, and business and commercial real estate taxes for the downtown Newton building that houses the business as of 3/1/2020.
 - Current Fire Inspection by the City of Newton.
 - Have a 25% or higher loss of revenue directly related to business operation restrictions due to COVID19.
- DNDA will verify tax status.
- DNDA will verify Certificate of Occupancy status.
- DNDA will verify Fire Inspection.

Distribute application to every business located within the downtown Newton boundaries.

Form the Advisory Committee.

Create a spreadsheet of applications to preserve anonymity.

Apply accept/deny boxes and comment boxes on spreadsheet for recordkeeping.



Downtown Newton Disaster Business Stabilization Grant 2020	
Application	
Business Name: Click	
Business Location: Click	
Applicant Name: Click	
Applicant Contact Information: Click Click	
Email	Phone
Verify the status of these statements:	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A My commercial property tax (for the address above) is current.	
Yes <input type="checkbox"/> No <input type="checkbox"/> I have a Certificate of Occupancy from the City of Newton as of 3/1/2020.	
Yes <input type="checkbox"/> No <input type="checkbox"/> I have a current Fire Inspection from the City of Newton.	
Yes <input type="checkbox"/> No <input type="checkbox"/> The rent/mortgage for my business was current as of 3/1/2020.	
Yes <input type="checkbox"/> No <input type="checkbox"/> The City of Newton utilities for my business was current as of 3/1/2020.	
Yes <input type="checkbox"/> No <input type="checkbox"/> I have experienced a 25% or higher loss of revenue directly related to business operation restrictions due to COVID 19.	
If you are a salon or spa and have independent contractors that pay you rent, please list them below and they will receive their own grant to assist with their rent payments.	
Click	Click
Click	Click
Click	Click
Click	Click
Signature _____ Date _____	
Please submit this application to the Planning Department at Newton City Hall or through email to sjohnson@newtonnc . The open application period for the 1 st cycle is from	
JUNE 14 – JUNE 23	

For more information, please contact:
 Shannon Johnson
sjohnson@newtonnc.gov
 828 695 4360