

Charter Transportation & Border Business Assistance Grant Program

Overview

The Charter Transportation & Border Business Assistance (CTBBA) grant program's funding originates from the federal Coronavirus Relief Fund and will be awarded in the form of grants to provide direct assistance to a very targeted group of small businesses and organizations that have been, and continue to be, adversely and highly affected for an extended period of time by the disruption of operations due to the COVID-19 pandemic even as many restrictions have been lifted. The types of businesses and organizations that may apply are:

- Charter Transportation; Land & Sea Excursions/Sightseeing; and Port Harbor Operators (harbor pilots) statewide; and
- Customer-facing businesses and organizations that are open to the public and within 25 miles driving distance of a US-Canada border crossing including, but not limited to Retail Trade & Food Services.

The businesses and organizations in these target industry classifications and geographic areas continue to experience hardship due to very specific market closures and conditions that still exist despite the progress towards full reopening; and, they may not have had access to prior pandemic relief grant programs. Some of these market conditions include the extended closure of the US-Canada border which has severely restricted regular traffic of Canadian residents to businesses in communities along the border; a second season of cancelled cruise ship visits; and continued limitations on youth/student group travel for sports and field trips.

The program is governed by Federal CARES Act requirements and the State cannot expand eligibility to organizations excluded in the Federal legislation. DECD, in collaboration with its economic development and business support partners, is offering this round of targeted grant funds to bridge the gap between continued restrictions on operations due to specific market conditions continuing to affect these businesses and organizations, and their ability to more fully re-open.

This grant program will be accepting applications until 11:59 PM September 13, 2021. Specific instructions can be found on page 5. The total program amount available is \$10 million. Funds may be awarded to eligible businesses and organizations that have experienced at least 20% loss in gross revenues/receipts YOY 2019 to 2020 as reported on 2019 and 2020 Federal & State Income Tax returns.

Eligible applicants may receive up to \$100,000. Priority will be given to businesses and organizations that have not received CARES Act funds to date. All grant amounts are subject to review and adjustment pending applicant volume and magnitude of reported

losses. If eligible awards exceed \$10 million, DECD will need to pro-rate the final award amounts.

Eligible expenses include operational expenses (rent/mortgage expense, equipment payments, payroll, insurance, COVID-19 related expenses, and/or utilities).

Eligible Applicants must:

- Be a business or organization that is still highly impacted by continued COVID-19 restrictions and adverse market conditions resulting from the pandemic, including Charter Transportation; Land & Sea Excursions/Sightseeing; Port Harbor Operators (harbor pilots) statewide; and customer-facing businesses and organizations that are open to the public and within 25 miles driving distance of a US-Canada border crossing including, but not limited to Retail Trade, & Food Services.
- Have experienced at least a 20% loss in gross revenues/receipts YOY 2019 to 2020 as reported on 2019 and 2020 Federal & State Income Tax returns;
- Have gross revenues between \$24,000 and \$12MM annually;
- Be domiciled/headquartered in Maine (as registered with the Maine Department of Secretary of State);
- Be current and in good standing with all Maine State payroll taxes, sales taxes, and state income taxes (as applicable) through June 30, 2021;
- Be in good standing with the Maine Department of Labor;
- Not be in bankruptcy;
- Not have permanently ceased all operations;
- Be a going concern for the foreseeable future;
- Be in compliance with current State health and safety protocols established by the Moving Maine Forward Plan - <https://www.maine.gov/covid19/moving-maine-forward> and license to operate has not been suspended due to COVID-19 or other violations regarding public health and safety.

Affiliated Entities:

A group of affiliated entities must only submit one grant application. Please coordinate with other affiliated entities prior to submitting an application.

For purposes of this grant, a business/organization is considered affiliated with any other business/organization that:

1. Has the same Federal Taxpayer Identification Number (including Social Security Number)
2. Has the same corporate parent or grandparent
3. Is majority owned (more than 50%) by the same owner or group of owners

Receipt of prior Coronavirus Relief Funds:

A business and/or organization may apply if it has received prior CARES Act funding including, but not limited to, PPP, EIDL, Maine Economic Recovery Grant programs although priority will be given to those businesses and organizations that have not received CARES Act funding to date. In assessing the business'/organization's need for assistance, and to ensure that this program is not reimbursing the same business disruption as another federally funded program, the application will require the business/organization to enter the total dollar amount awarded from all CARES Act Federal and State grants and forgivable loans including, but not limited to:

- Payroll Protection Program Rounds 1 & 2 (PPP);
- Maine Economic Recovery Grant Phases 1 & 2 (MERG);
- Tourism, Hospitality & Retail Recovery Grant (THRR);
- Economic Injury Disaster Loan (EIDL) (that's been forgiven);
- Restaurant Revitalization Fund Grant (RRF);
- Shuttered Venue Operators Grant (SVOG);
- Coronavirus Economic Relief for Transportation Services (CERTS)*;
- Maine Agricultural Grant;
- SBDC Microenterprise Grant;
- Any local or regional CARES Act relief fund grant.

***Please Note:** For **Transportation businesses** that have applied to the program and received notification of approved status for the CERTS program, DECD will review applications to this CTBBA program for all eligibility criteria except qualified loss. DECD will not be able to calculate qualified loss to make a final determination of eligibility for this program until US Treasury notifies applicants of their CERTS award amounts, and those CERTS award amounts are included in the qualified loss calculations for this CTBBA program.

Ineligible to apply include, but not limited to:

- Professional Services
- 501(c)(4), 501(c)(6)

- K-12 schools, including charter, public and private
- Municipalities, municipal subdivisions, and other government agencies
- Assisted living and retirement communities
- Nursing homes
- Foundations and charitable trusts
- Trade associations
- Credit unions
- Insurance trusts
- Scholarship funds and programs
- Gambling
- Adult Entertainment
- Country clubs, golf clubs, other private clubs
- Cemetery trusts and associations
- Fraternal orders
- Hospitals, Nursing facilities, Institutions of higher education, and Childcare organizations

Eligible Uses of Grant Funds:

- Expenses may include but are not limited to:
 - Payroll costs and expenses;
 - Rent or mortgage payments for business facilities (unless otherwise waived by lessor/lender);
 - Utilities payments;
 - Purchase of personal protective equipment required by the business/organization;
 - Business related equipment purchases and payments;
 - Investments that will support the business's/organization's long-term sustainment;
 - Expenses incurred to replenish inventory or other necessary re-opening expenses; and,
 - Necessary operating expenses.

Grant Funds May NOT Be Used For:

- Depreciation expense;
- Entertainment;
- Lobbying;
- Goods and Services for Personal Use;
- Fines, Penalties, Damages and other Settlements;
- Operations outside of Maine.

- List is not all-inclusive. Applicants are required to check with DECD if they are unsure whether a particular expense is appropriate.
- This grant is considered reportable income; therefore, funds received from this grant must be included with reportable income in any applicable tax returns and forms and are subject to audit. For applicable businesses, a Form 1099 will accompany any awarded grant monies. Businesses/organizations will be solely liable for any misuse of funds.

The Grant Application may be completed and submitted at any time. The portal will close at 11:59 PM ET on September 13, 2021.

- Applications must be submitted no later than 11:59 PM ET Monday, September 13, 2021.
- Applications will be reviewed and final determinations made after the portal closing date. If selected for a grant, notice of grant amount will be sent out via e-mail.
- A Commitment Letter will be sent to approved applicants. Applicants will need to sign, date and return the letter to the regional Economic Development District (EDD). The signed and dated Commitment letter and a W-9 are required for issuance of the grant award.
- Awards will be distributed by regional EDDs by a check sent via the U.S. Postal Service to the address provided in the application.

What you will need to complete this application:

You will need the following information about your business/organization (and all affiliated businesses/organizations) before you begin the application:

1. Federal Employer Identification Number or Social Security Number
2. Type of business/organization (non-profit or for-profit)
3. Data Universal Number System (DUNS) number. To set-up or verify a DUNS number, visit <https://www.grants.gov/applicants/organization-registration/step-1-obtain-duns-number.html> .
 - a. DUNS number is not required to complete application. A DUNS number is required to receive grant funds.

4. Principal office address
5. Physical location (as applicable, and # of miles driving distance from US-Canada border crossing)
6. “Doing business as” (DBA) name
7. Applicant address and other contact information
8. For sole proprietors: Total amount of unemployment compensation benefits received March 1, 2020 – June 30, 2021
9. Documentation of any other monies awarded through Federal and State Relief grants or forgivable loans by the CARES Act. Federal and State Relief programs include, but are not limited to:
 - a. Payroll Protection Program Rounds 1 & 2 (PPP);
 - b. Maine Economic Recovery Grant Phases 1 & 2 (MERG);
 - c. Tourism, Hospitality & Retail Recovery Grant (THRR);
 - d. Economic Injury Disaster Loan (EIDL) (that’s been forgiven);
 - e. Restaurant Revitalization Fund Grant (RRF);
 - f. Shuttered Venue Operators Grant (SVOG);
 - g. Coronavirus Economic Relief for Transportation Services (CERTS);
 - h. Maine Agricultural Grant;
 - i. SBDC Microenterprise Grant;
 - j. Any local or regional CARES Act relief fund grant.
10. 2019 and 2020 Federal & State Income Tax returns
11. A prepared, electronic W-9 in the event your business/organization is selected for a grant (<https://www.irs.gov/pub/irs-pdf/fw9.pdf>). A W-9 is required to receive grant funds.

Award Calculation

The Charter Transportation & Border Business Assistance Grant Program eligibility requires a minimum 20% loss in gross revenues/receipts YOY 2019 to 2020 as reported on 2019 and 2020 Federal and State Income Tax returns.

The difference between 2019 and 2020 gross revenues/receipts is calculated to determine total loss in gross revenues/receipts. Forgivable federal funding received must be subtracted from the total loss in gross revenues/receipts. The remaining

amount will be considered qualified loss. The maximum grant award is \$100,000. The eligible business will receive an award equal to their qualified loss up to \$100,000. If the qualified loss is less than the maximum grant amount, the full qualified loss will be covered. If the qualified loss exceeds the maximum grant amount, then the business will only receive the maximum grant amount of \$100,000.

EXAMPLE:

- Business/organization has a total loss in gross revenues/receipts from 2019 to 2020, totaling \$250,000.
- Received \$65,000 in forgivable PPP and \$100,000 from MERG.
- The qualified loss would be \$85,000. $\$250,000 - (\$65,000 + \$100,000) = \$85,000$. This award would be \$85,000.

All grant amounts are subject to review and adjustment pending applicant volume and magnitude of reported losses. If eligible awards exceed \$10 million, DECD will need to pro-rate the final award amounts.

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For Questions and More Information:

Charter Transportation & Border Business Assistance Grant Program FAQ's
<https://www.maine.gov/decd/economic-recovery-grants/charter-border>

If you have any questions that are not addressed in the instructions or the FAQ's, please call: 1-800-872-3838 and press 3, or email: BizAwards.DECD@maine.gov.