

BUSINESS RECOVERY GRANT PROGRAM

PROGRAM DESIGN

Established by the 2021-2023 FYS State Budget, this program provides relief to hospitality and entertainment businesses in North Carolina that suffered economic damage from the COVID-19 pandemic. The grants are broken into two categories: Hospitality Grants and Reimbursement Grants.

ELIGIBILITY

- **Hospitality Grants:** A business must satisfy all the following criteria:
 - Classified for the period for which economic loss is measured in NAICS Code 71 or 72, and
 - Can demonstrate an economic loss of at least 20%.
 - *Hospitality Grant recipients MAY have previously received prior awards through various other COVID-19 economic relief programs.*
- **Reimbursement Grants:** A business must satisfy all the following criteria:
 - Not classified for the period for which economic loss is measured in NAICS Code 71 or 72, and
 - Can demonstrate that it suffered an economic loss of at least 20%, and
 - Has **not** previously received prior awards through various other COVID-19 economic relief programs.

If a business qualifies for both a Hospitality Grant and a Reimbursement Grant, the grant awarded to the business will be deducted from the funding available for Hospitality Grants.

FUNDING:

The program was appropriated at \$500,000,000, including up to \$2,500,000 available for administrative purposes.

- \$200,000,000 is reserved for Reimbursement Grants.
- \$5,000,000 of Hospitality Grants are reserved for the NC Restaurant and Lodging Association for workforce recruitment purposes.

AWARDED GRANTS

The **LESSER** of \$500,000 **OR** a percentage of the economic loss of the business as follows:

- For applicants who have not previously received relief: 20%
- For all other applicants: 10%

APPLICATION

Businesses will apply through a process dictated by the Department of Revenue (DOR). The deadline to apply will be in late January or early February.

IF FUNDING RUNS OUT OR EXCEEDS DEMAND

For hospitality grants, applicants that have not received a prior reward will be prioritized and fully funded. Grant awards to applicants who have previously received an award amount will be reduced on a proportionate basis. For Reimbursement Grants, each grant award will be reduced on a proportionate basis.

IF FUNDING REMAINS

If funds for one type of grant remain after eligible, timely applicants have been awarded, then remaining funds can be allocated to the other grant type. However, the DOR must:

- First, fully fund any prorated awards, and
- Second, reopen the grant applications period again, but this may happen no later than mid-March.

If funds remain for both grants after eligible, timely applicants have been rewarded, then funds will be returned to the State Fiscal Recovery Reserve.

OUTREACH

The Office for Historically Underutilized Businesses must inform and educate minority-owned businesses that may be eligible to apply for the grants as soon as practicable so they may have the opportunity to access the grants provided by it. The Department of Revenue is not required to advertise or provide any specific outreach on the Program except for posting relevant Program information on its website.

QUESTIONS

Please direct all questions, including questions regarding eligibility, to:

- The NC Department of Revenue at <https://www.ncdor.gov/contact-ncdor>
- The Office for Historically Underutilized Businesses at <https://ncadmin.nc.gov/businesses/hub/contact-hub>