

## Lakes in Economic Distress Grant Program

### Program Guidelines

February 25, 2016

**The Lakes in Economic Distress Grant Program** (the “Program”) is a grant program administered by the Director of the Ohio Development Services Agency (“ODSA”), in order to provide financial assistance to businesses or other entities that have been adversely impacted as a result of their economic dependence upon a lake that has been declared an area “under economic distress”. The declaration of a lake as an area under economic distress (“Distressed Lake”) is made by the Director of the Ohio Department of Natural Resources (“ODNR”).

This Program is available to businesses and other entities that have limited access to capital and funding from conventional, private sources of funding, which have been adversely impacted by a Distressed Lake. The Program’s emphasis will be providing funding for projects that focus on achieving long-term economic stability in the area.

#### Eligible Businesses

To be eligible for the Program, an applicant must:

- Be located in a county that contains all or a portion of a Distressed Lake;
- Be in good standing with the Ohio Secretary of State;
- Not be delinquent on any tax liabilities or in violation with any environmental laws and/or regulations to the state of Ohio;
- Have been in operation at least 24 months prior to the ODNR declaration date of a Distressed Lake;
- Have experienced at least a 40 percent reduction in gross revenue based on the two most recent calendar year-end financials, as certified by an authorized representative of the applicant; and
- Provide evidence a direct link between the lake’s designation and their economic condition (i.e. their revenue is dependent on lake traffic/tourism)

#### Eligible Projects

Eligible projects include those that directly assist affected businesses and other entities by maintaining and/or upgrading their operations. Projects that market or promote the region as a whole are not eligible.

### Eligible Project Costs/Uses

Project costs will only be considered eligible if they are incurred after formal application approval by ODSA. Eligible costs include, but are not limited to:

- Working Capital
- Establishment Marketing/Advertising
- Market Research

### Application

The application period for the program will begin in XXXX and will continue until all funds for the fiscal year are committed. Electronic applications will be required for the program. Applications and funding will be considered on a first-come, first-served basis. An applicant (identified by its federal tax identification number) will only be eligible for one grant award in the two-year funding period.

### Available Funding:

For each of the 2016 and 2017 state fiscal years, \$250,000 in funding will be made available. Grant awards of \$10,000 will be extended to approved applicants who have certified a reduction in gross revenue of at least \$20,000. For applicants who have experienced a loss in gross revenue of less than \$20,000, a grant award will be extended for 50% of the calculated loss in gross revenue.

Note that if an applicant is approved and receives any funding under the Lakes in Economic Distress Grant Program, it is not be eligible for funding under the Lakes in Economic Distress Revolving Loan Program.

### Grant Period

The grant period is 12 months beginning on the date of application approval by ODSA (the “Grant Period”). All grant funds must be spent within the Grant Period. Grant funds may only be used on eligible costs incurred during the Grant Period, although grant funds will not be available until after a grant agreement is executed.

### Disbursement

Funds will be disbursed in two tranches. Up to 50 percent of the grant funds will be disbursed after a grant agreement is executed (the “Initial Disbursement”). To receive the disbursement of the remaining grant funds (the “Final Disbursement”), the grantee must provide evidence satisfactory in form and substance to ODSA (i.e. receipts, invoices, etc.), that the Initial Disbursement has been fully spent on eligible expenditures. The grantee shall request disbursement of grant funds using a disbursement request form provided by ODSA. No later than 60 days after the Final Disbursement, a grantee must provide evidence and documentation of the eligible expenditure of the Final Disbursement grant funds.



## Program Fees

There are no application or program fees associated with this program.

## Closeout Report

No later than 60 days after the end of the Grant Period, a grantee will be required to submit a closeout report to ODSA identifying following information and any additional information ODSA may request:

- General info- grantee name, grant number, grant start and end dates, today's date, total grant amount;
- Grant funds used;
- Unused grant funds being returned;
- Payroll at start of Grant Period;
- Payroll at end of Grant Period
- Revenue at start of Grant Period;
- Revenue at end of Grant Period
- List the items that were purchased with/funded by the grant funds;
- A summary of the impact the grant funds had on your business.