HOSPITALITY ECONOMIC RESILIENCY GRANT PLUS SPECIAL BUSINESS BRIEFING

December 4, 2020

SHAWN KESSEL
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Interim Commissioner

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NORTH Dakota
Be Legendary.
Commerce

GNDC
Greater North Dakota Chamber
- Recording will be available at [ndresponse.gov](https://ndresponse.gov)

- Additional information is available at [https://belegendary.link/PHERG](https://belegendary.link/PHERG)

- If you have questions on the Hospitality ERG PLUS, email [businesshelpCOVID19@nd.gov](mailto:businesshelpCOVID19@nd.gov)
AGENDA

- Review Hospitality ERG PLUS Details  Shawn Kessel
- LIVE DEMO: How To Submit Your Application  Tricia Miller
- Hospitality ERG PLUS Summary  Shawn Kessel
- Closing Remarks  Arik Spencer
REMINDER

HOSPITALITY ECONOMIC RESILIENCY GRANT (HERG)
APPLICATION WINDOW CLOSES TODAY AT 5:00 p.m. CST
ELIGIBLE

- Includes hotels, motels, lodges and resort establishments

INELIGIBLE

- NOT intended for private vacation rentals or bed and breakfasts [Airbnb, HomeAway, VRBO]
- Extended stay hotels **ONLY** serving long-term stays, defined as 30 days or more, are not eligible.

Grantees will be chosen on a first come, first served basis among all recipients who have self-certified that they are complying with the current North Dakota Smart Restart protocols. Noncompliance with these protocols will result in the repayment of all grants funds.

*Hospitality ERG PLUS* funds will be used to reimburse eligible entities for costs in operations, such as payroll, rent, utilities and other expenses that comply with federal guidelines. Payroll taxes and other taxes are not eligible for reimbursement.

Please note, there is **NO APPEALS** process for the Hospitality ERG PLUS grant program. Providing all documentation requested and appropriate justification for each expense item will ensure your best chance for success with the grant program.
BUSINESS ELIGIBILITY REQUIREMENTS

- List all locations in which your ownership is 50% or greater (regardless of whether business has a separate EIN)

To be eligible for Hospitality ERG PLUS, a business must meet ALL of the following criteria:

- Customer facing marketplace
- Have a permanent physical location in North Dakota (P.O. Boxes or mailing addresses are not considered a physical location)
- Have been financially viable prior to March 1, 2020
- Have experienced negative financial impact due to COVID-19
- Be in good standing with the ND Secretary of State or applicable tribal government at the time of application
- A lodging entity - Derives a minimum of 51% of their sales from “heads in beds”; as well as a current lodging license
- Business meets ND Smart/ Re-Start standards
- Must have spent the money PRIOR to requesting reimbursement.
- Must meet business eligibility requirements listed at https://belegendary.link/PHERG
OWNERSHIP

- Facilities may apply for up to $40,000
- Applicants with more than one eligible facility may apply for up to $80,000
- If you receive a grant for more than one location, you cannot spend more than $40,000 per location
- List all locations in which your ownership is 50% or greater (regardless of whether business has a separate EIN)

**Q: Please provide clarification on if there are multiple owners and locations**

A: You may only fill out **ONE** application and will be eligible for up to $40,000 for one eligible location, up to $80,000 for two or more eligible locations. If you receive a grant for more than one location, you cannot spend more than $40,000 per location. An eligible location must meet business eligibility requirements as listed at [https://belegendary.link/PHERG](https://belegendary.link/PHERG) and is defined by the customer facing marketplace. List all locations in which your ownership is 50% or greater, regardless of whether business has a separate EIN. Applicant must list each business under this guideline and will be awarded according to the $40,000, and $80,000 maximum rule.
RECEIPTS

Legitimate receipts must include itemization (item description/or picture), total purchase price, date, verification of payment in full, evidence it came from the vendor.

Go to https://belegendary.link/PHERG for more information on required receipt documentation.

Eligible (standalone) Receipts:
- Itemized vendor receipt that shows proof of payment
- Invoices if showed paid-in-full with $0 balance due
- Screen shots showing the required information above (not just the shopping cart screenshot)
- Receipts for the items from the distributor/supplier which refer back to the invoice or estimate provided

Eligible: (if accompanied by proof of payment: cancelled check, credit card statement/receipt, bank draft, etc.)
- Invoice, quote, estimate, bid, purchase order, etc. (not showing a zero-balance due).
- Hand-written/editable receipts

Ineligible:
- Receipts showing applicant as the vendor

If ANY of the required information above is missing, or if the receipt is in any way editable, the applicant must provide additional transaction information such as cancelled checks, credit card statements, bank drafts, emails, etc. which provide the missing information.
WHAT IS A CANCELED CHECK?

- Check example edited to block out identifying and account information
INVOICES

- Be sure to identify what line item goes with what on the receipts.
- Limit one expenditure per line item, with corresponding documentation.
- Paid stamp only allowed if zero balance
- If invoice shows amount due, need supporting information showing it was paid
- Sales tax is not allowed
- If you have listed multiple locations in your application, please note in the description of your line item which location this expense is for.

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HOW TO APPLY

FOR THE HOSPITALITY ERG PLUS

TRICIA MILLER
ND Dept. of Commerce Digital Systems Manager

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If you were a previous applicant, you can use your same login information from round 1 ERG and HERG. If you are a new applicant, you will see a sign-up button.
Once signed in, if you are a returning applicant, you can select the “create application” button. If you are a “new” registration applicant, meaning you have not registered previously, you will need to follow the “verify email” button and prompts and also complete that part of the registration. But you can continue with your application.
Enter in business name – should match LEGAL name EXACTLY to any tax records.

Tax Identification Number - If your business has an EIN number, that should be used, if an EIN is not available, then the following are allowed: State Tax ID, Tribal Tax, TERO or SS# for Sole Proprietor.
One additional question added to this round: You will need to note your ownership % of the business location.

Please enter in all taxpayer information. The physical address **MUST** be the physical address of your business. The Mailing address is where the check will get mailed if awarded.
Business must:

- Must be located in North Dakota
- Registered to do business in North Dakota
- Allowed to conduct business in North Dakota
- NAICS code submission is no longer needed
You may only fill out **ONE** application and will be eligible for up to $40,000 for one eligible location and up to $80,000 for two or more eligible locations. If you receive a grant for more than one location, you cannot spend more than $40,000 per location. An eligible location must meet business eligibility requirements as listed at [https://belegendary.link/PHERG](https://belegendary.link/PHERG) and is defined by the customer facing marketplace. List all locations in which your ownership is 50% or greater, regardless of whether business has a separate EIN. Applicant must list each business under this guideline and will be awarded according to the $40,000 and $80,000 maximum rule.

When adding another location in your application, you must also note the % of ownership with each location.
Expenditure type: Mortgage, Operating Expenses, Payroll and Benefits, Rent and Utilities

- Please list each receipt item on separate line items. **DO NOT** combine receipts for multiple expenses on one line item.

- Payroll Cost Summary - sheet to use to outline costs and upload to application

May need to upload same receipt for multiple line items.
When entering in your receipt amount, be sure to note the following:

- **Total Receipt Amount:** this is the dollar amount of full receipt
- **Qualifying Portion of Purchase Amount:** this is the dollar amount that you would like to be reimbursed from the total receipt amount.
- **Non-qualifying Portion of Purchase Amount:** Sales tax is not allowable and could be placed in this field.
- **When entering in supporting documents for your expense,** please note the supporting document file types: JPG, JPEG, PDF, .doc, .xls. Files need to be less than 20MB.
Please review your line expenditures, you will notice your award amount max at the top, which aligns with the previously discussed protocol on multiple businesses.
HOSPITALITY ERG PLUS APPLICATION

- Business was viable
- Not more than 90 days delinquent prior to March 1, 2020
- Business is in good standing in the State of North Dakota
- Business is not delinquent on Federal or State Taxes
- Incurred a negative financial impact due to COVID-19
- Verify that nothing you are expensing in Hospitality ERG PLUS was approved in ERG Round 1 or HERG Round
HOSPITALITY ERG PLUS APPLICATION

- Certify you have read and understand the requirements of the PHERG
- Certify you have the authority to submit the request on behalf of business
- Have NOT submitted a Hospitality Economic Resiliency Grant PLUS application within the past 30 days
- All PHERG funds are subject to an audit

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No expenses can be claimed that were expensed in ERG Round 1 or HERG.

Verify that you are a lodging entity – must derive a MINIMUM of 51% of sales from "heads in beds" as well as current lodging licenses.
Business Obligations

- Certify that all information is true and accurate
- Read and agree to abide by the Smart Restart guidelines
Process and submit application:

- If you would like a copy of your application, please print from the browser when on the review screen.
Submit and process your application:
QUESTIONS AFTER APPLYING

EMAIL: businesshelpCOVID19@nd.gov

Once you submit your application and if you have questions, please make sure your ID number AND business name is listed in the email as it appears on the application.
HO SPITALITY
ERG PLUS
SUMMARY

https://belegendary.link/PHERG

SHAWN KESSEL
ND Dept. of Commerce
Interim Commissioner
HOSPITALITY ERG PLUS APPLICATION WINDOW

OPENs ➡️ TUESDAY, DEC. 8 AT 10:00 A.M. CST

CLOSES ➡️ FRIDAY, DEC. 18 AT 5:00 P.M. CST
NEXT STEPS

EMAIL: businesshelpCOVID19@nd.gov

COMMERCE NEWSLETTER: https://commerce.nd.gov/news/SignUpNewsReleases/

EMAIL: businesshelpCOVID19@nd.gov
THANK YOU