**Maine Seafood Dealer and Processor**

**Covid-19 Response and Resilience Grant Program (SDPP)**

**SAMPLE APPLICATION**

Instructions

**Step 1:** Complete the five sections on the following pages of this Word document. You may add your responses on the following pages in this Word document – or you may compose your responses in a separate document. Once complete, save your final application document and compile the required financial documents identified below, to be uploaded in our Online Application Portal in Step 2.

You will need electronic versions of the following financial documents to complete your online application:

[x]  Signed and dated W-9 Form

[x]  Current Balance Sheet

[x]  Income Statement (or Profit and Loss Statement) for 2019, 2020, & 2021

 *(Sole proprietors without access to accounting software may instead provide federal tax returns)*

[x]  Federal UEI number (Unique Entity Identification – required to access federal funds)

[x]  Signed and dated agreement to comply with federal and state reporting requirements

**Step 2:** Create your login credentials and complete your online application at the [SDPP Online Application Portal](https://www.grantrequest.com/SID_2050?SA=SNA&FID=35165) by going to: <https://www.grantrequest.com/SID_2050?SA=SNA&FID=35165>
You will need an active email address to create your username and password.

When you login to the Online Application Portal, you will be asked to enter information about your business and your funding request into the online forms. You will upload your finalized application document prepared in Step 1, along with the financial documents identified in the checklist above.

*You will need at least 30 minutes to complete all required sections of the Online Application Portal.*

You will be asked to electronically acknowledge MTI’s Disclosure and Confidentiality Statement in the Online Application Portal – for your reference, that statement is also provided at the end of this document.

**APPLICATION NOTIFICATIONS:**

You will receive an auto-generated email notification once your online application package has been submitted. MTI staff will be in contact with you via email if any further information is required. MTI plans to announce awards for the Maine Seafood Processor and Dealer Grant Program before the end of May.

You can access your MTI online account and view your saved & submitted applications here:

[www.GrantRequest.com/SID\_2050?SA=AM](http://www.GrantRequest.com/SID_2050?SA=AM)

Section 1

Reimbursement for Expenses Incurred to Address the Covid-19 Pandemic

Certain pandemic-related expenses are eligible for reimbursement. Since March 2020, has your business incurred any of the following expenses:

[x]  Workplace Safety Measures: PPE, sanitizer, air filters, thermometers, cleaning supplies, etc.

[x]  Market Pivots: transitions to online sales, supplies, new signage, or similar items.

[x]  Retrofitting facilities for worker and/or consumer safety: plexiglass, heat lamps, fans, tents, etc.

[ ]  Additional transportation required to maintain social distancing.

[ ]  Additional worker housing required to maintain social distancing / quarantining

[x]  Medical: providing / enabling vaccinations, testing, or treatment for employees, including paid leave.

Provide a dollar estimate for costs incurred between March 2020 – Feb 2021 related to these expenses:

*(Please provide an estimate that is defensible with receipts, as any reimbursement will be subject to audit)*

*During 2020 and early 2021, we were forced to install plexiglass air shields to minimize risk among workers. We also upgraded the internal HVAC to improve air flow. Both efforts cost $26,000. They are listed on our 2020 P&L as “Covid Expenses” which includes PPE equipment for employees. We also upgraded our website to allow for direct purchase from consumers including an online payment mechanism. These upgrades cost 18,000. Finally, we allowed employees paid time off in excess of company policy to get COVID vaccines. Our records indicate that we had 18 days of PTO for workers that needed this subsidy. That cost was approximately $10,000.*

*The total cost of these changes for which I am requesting reimbursement is $54,000 during this period.*

Provide a dollar estimate for costs incurred since March 2021 related to these expenses:

*(Please provide an estimate that is defensible with receipts, as any reimbursement will be subject to audit)*

*Since March of 2021, we have incurred only 15 days of PTO for workers who needed paid leave for family care or sickness issues. The total for these days was $8333.*

Section 2

Negative Economic Impacts of the Covid-19 Pandemic

Describe the negative impacts of the pandemic that your business has suffered. Your comments should include quantifiable estimates such as dollar amounts for: revenue lost, additional costs incurred due to the pandemic, costs of increased lead times due to pandemic-related supply chain delays, etc…

*(You can select from the general categories of negative impact from the list below)*

*During 2020 and again in 2021 we had significant damage due to the pandemic and the impact on wholesale seafood sales.*

*Although we had some gains in consumer sales and other accounts, the revenue in 2020 was down by $35,000 as compared to what we had in 2019. In 2020, our delivery trucks experienced mechanical failures and due to the supply disruptions, our trucks were offline for over 2 weeks. We needed to lease equipment which added $5000 to our costs.*

*One of our major processing lines also suffered mechanical failure that forced us into manual processing and added over $15000 in labor expense to our processing during the summer of 2020. The delays were caused by a lack of parts from the manufacturer due to supply disruptions from overseas.*

*Fuel, electricity and heating costs are up almost 40% in 2021 adding almost $20,000 to our expenses in the last year.*

*Finally, we have significant labor issues the last 2 years. We needed to make salary adjustments for some of our most loyal employees. In addition, a number of employees needed significant time off as they needed to take care of children home from school. The loss in manpower caused us to miss sales opportunities as I was unable to promise delivery due to the lack of workers on my team*.

List of allowable damages from Federal guidelines

[x]  Reduced Revenues

[ ]  Reduced access to credit

[x]  Reduced labor availability

[x]  Increased labor expenses

[x]  Increased fuel costs

[ ]  Increased materials costs

[ ]  Shipping delays

[x]  Other supply chain disruptions

Section 3

**Pandemic Response Plan**

How much recovery funding are you requesting?

*$180,000 as outlined below*

How will you use the requested funds to address the negative impacts of the pandemic that your business has suffered?

*(Select from the following categories of negative impact – and provide further detail in your answers below.)*

[x]  Reimbursement for pandemic-related costs identified in Section 1 of this Application

[ ]  Changes made in the marketing or distribution of your product to comply with COVID protocols

[ ]  Additional medical and/or testing equipment for employees

[x]  Investments in new processing equipment or labor-saving devices

[ ]  Additional hires

[x]  Enhanced compensation, benefits or training for existing employees

[ ]  Build inventory to mitigate future supply disruptions

[x]  Other *(please specify below)*

Please describe your plans to use the requested funds.

*We have 4 major initiatives that we believe will significantly improve operations for our company and minimize or mitigate the impact from the pandemic.*

*First, we plan to add a 401K plan for employees that in 2022 will include a match that is dependent on the years of service and the on-time performance of the employee. Longer term employees with lower absences will receive a larger match. We believe this will help with retention and attendance. The cost of this program in 2022 and 2023 will be approximately $22,000 depending on the rate of participation.*

*Second, we need to upgrade our fleet of delivery trucks to vehicles that are dependable and more fuel efficient. We expect that with the trade in of exiting equipment, the new trucks will be leased at $33,000 per year for both vehicles.*

*Third, we have been working with the consultants from the Maine Manufacturing Extension Program (MMEP) to design and upgrade our processing line. The changes and new equipment they recommend will cost $67,000 but will improve productivity of workers by 22%. This increase in pounds of fish processed per FTE reduces my dependence on labor and improves the quality of the fish delivered to our clients.*

*Finally, we have received a quote to upgrade the HVAC units in our plant to eliminate fossil fuel (heating oil) and the heat pumps will provide cooling on warm summer days. The installation of heat pumps with new controllers and sensors will be approx. $58,000*

*These four initiatives will reduce our labor expense, increase worker satisfaction and create higher quality jobs, improve delivery efficiencies and emissions and finally, reduce fossil fuel dependence and improve efficiencies for heating.*

*We recognize that we may not be successful in getting a grant from SDDP for the full amount requested here. Depending on the final amount of the award, we can begin the highest priority projects first (401K and new processing line) and address the other projects over time.*

Will you use these funds to make any new hire(s) in 2022? If yes, how many new employees? If you are a seasonal employer, be sure to specify an estimated duration of employment for any new hires.

*We expect to keep our total FTEs the same. We expect that sales will rebound, but added volume can be handled with the improved productivity of the new equipment.*

How does your plan help you build a stronger business in the wake of the pandemic?

We believe this investment will significantly improve the efficiency of our operation and allow us to keep/reward long term employees. The energy efficiencies for transportation and heating will significantly reduce our processing costs.

Section 4

**Business Structure and Financial Statements**

Where is your business located? Do you have multiple locations? In-state and/or out-of-state?

*Cumberland County*

Who owns your business? List all owners and ownership percentages:

*Tom and Mary Smith LLC owns 100% of the company.*

Does your business carry any debt? If yes, list all existing debt obligations and include lender name, current balance, monthly payment, and loan collateral *(you may refer to your balance sheet, if included)*

*Balance sheet shows $118,000 of current equipment financing. All loans are current.*

What are your annual Profit and Loss projections for 2022?

*We expect only minor changes from 2021. (Financials uploaded as part of this application process) We expect a small increase in revenues but EBITA will suffer as we have significantly higher processing costs in 2021. Our proposed plan will significantly reduce operating expense in 2023 and beyond*

What accounting system(s) do you utilize to track income and expenses?

*We utilize QuickBooks Online. Our accountant logs on to do monthly reviews and corrections.*

Section 5

Measuring Revenue Lost Due to the Covid-19 Pandemic

As part of this application process, you need to assess the extent of 2020 revenue lost due to the pandemic.

Specifically, you need to confirm whether or not, in 2020, your business suffered at least one month of greater than 35% revenue reduction, compared to your average gross revenue for that same month in prior years, averaged over 2015 – 2019.

*[Example: if your August 2020 gross revenue was $64,000, but in past years (2015 – 2019) your average monthly revenue for August was $100,000, then your business meets this threshold]*

*[Note: if your business is less than 7 years old, only include numbers for years you were in operation]*

Does your business meet this >35% monthly revenue loss threshold for 2020? If yes, please specify which month(s) and provide the monthly revenue numbers, both for 2020 and your prior average for 2015 - 19.

*Our average sales in the month of May for the period 2015-2019 was $122,000. However in 2020 our May sales were only $77,000, a reduction of 37% from the historical average.*

What was your annual gross revenue for 2020?

*$2,100,000*

What was your average annual gross revenue for 2015 – 2019?

*Your answer…. $2,300,000*

Have you received any other recovery funding since March 2020? PPP Loan/Grant or Maine Economic Recovery Grant (late 2020), or CARES Act funds disbursed by DMR (early 2021)? If yes, how much other recovery funding have you already received?

*Yes. PPP loan in 2020 for $46,000- fully forgiven in 2021 and I received CARES Act funds from DMR of $26,105*

Did these prior recovery funds fully compensate you for your annual revenue losses in 2020, compared to your average annual revenue for prior years (2015 – 2019)?

*no\*\**

\*\*If No, what is the remaining amount of your annual revenue losses in 2020 (compared to your average annual revenue for prior years from above), that has not yet been compensated by prior recovery funds?

*$127,895*

Disclosure and Confidentiality Statement

*(Acknowledgement in MTI’s Online Application Portal)*

MTI’s obligations regarding the confidentiality of Applicant’s Application and associated documents are controlled by 5 MRS section 15302-A which requires that certain information in MTI’s possession must be available for public inspection after an application for financial assistance is received, including, but not limited to: names and addresses of Applicants, including principals; the amounts, types and general terms of financial assistance; general description of projects and businesses benefiting from the assistance; and the number of jobs projected in connection with a project.

Certain records at MTI are designated confidential by section 15302-A and will not be available to the public for inspection, including: records requested to be treated as confidential, which if disclosed, would constitute an invasion of an individual's privacy, such as: personal tax returns, financial statements, or assessments of creditworthiness or financial condition; records obtained by MTI in connection with any monitoring or servicing on an existing project, or any other records or information the release of which MTI has determined could cause a business competitive detriment.

**If an Applicant desires that certain information remain confidential, the Applicant must clearly identify what information or documents it wishes to remain confidential. The Applicant must also explain, in writing, the basis for such a request**. Where the Applicant asserts that the basis for the confidentiality request is that release of the information could cause a business or competitive disadvantage, or loss of a competitive advantage, the Applicant must provide MTI with sufficient information to independently determine the likelihood of such a detriment. Applicants may wish to consult their attorney or MTI staff as to the scope of public disclosure and confidentiality as it relates to MTI and Applicants.

MTI does not discriminate in the administration of any of its programs or in its employment practices on the basis of race, color, national origin, age, gender, religion, physical or mental disability, political affiliation, marital status or sexual orientation. MTI is an equal opportunity employer, provider and lender.

For full details, see [MTI’s Disclosure and Confidentiality Statement](https://www.mainetechnology.org/wp-content/uploads/2015/05/Confidentiality-Agreement.pdf). Please review the list of all Board members, Technology Board members and staff listed on the [MTI website](https://www.mainetechnology.org/who-is-mti/).

**If there are any MTI Board members, Technology Board members or staff from whom we should withhold your application, please note those individuals below for entry in your online application.**

**By signing this application, I certify that all information contained herein is complete and accurate to the best of my knowledge. I agree to accept responsibility for the conduct of the project, and I agree to provide all required progress reports, if an award is made.**

This sample Word document template represents ½ the application. Once completed and saved on your computer and when the other docs listed in the instructions are ready, the applicant should go online to answer basic questions about the business directly into the MTI database. Once completed there, the applicant will be prompted to upload the Word document as well as financials and the signed copy of the agreement and the W9 form. Once submitted, you will receive an email confirmation from MTI that the application was received.