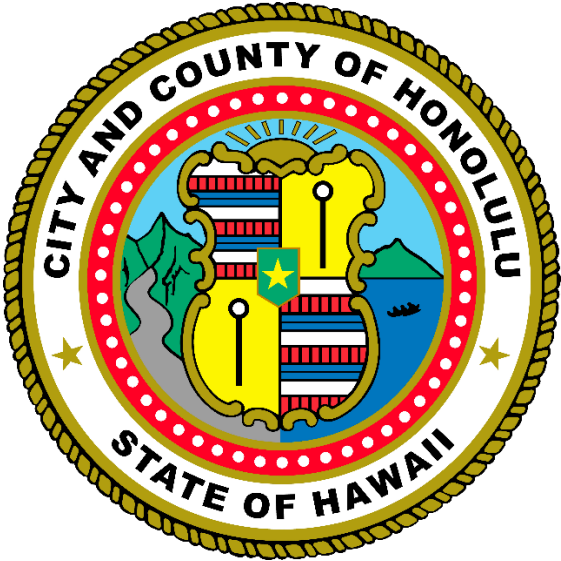


City and County of Honolulu



COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

COVID-19 Related
 2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

Schedule of Events

<p>Deadline for Requests for Clarification</p> <p>The City is not be obligated to respond to requests for clarification received after the deadline.</p> <p>Questions must be made in writing and transmitted to bfs purchasing@honolulu.gov.</p> <p>All responses to questions that were submitted timely will be posted via written addenda. Depending on the volume of questions received, the City may issue addenda periodically up until the Deadline to Issue Addenda to address questions timely.</p>	<p>Date: August 10, 2023</p>
<p>Deadline to Issue Addenda</p> <p>Oral interpretations, clarifications, and changes will be without legal effect. Only interpretations, clarifications, and changes provided by the City as formal written addenda to the solicitation shall be binding.</p>	<p>Date: August 23, 2023</p>
<p>Deadline for Tranche 2 Application Submission</p> <p>Application submissions via email are prohibited and will not be accepted.</p>	<p>Date: September 8, 2023 11:30 p.m. HST</p>
<p>Notification of Award or Rejection</p>	<p>Estimated –September-October 2023</p>

Program Overview

Background

Between May and December 2020, the City and County of Honolulu (the “City”) allocated funds awarded from the Coronavirus Relief Fund under the CARES Act to the Small Business Relief and Recovery (“SBRR”) Fund. The SBRR Fund awarded grants to aid small businesses and non-profits with operational expenses incurred during closures under State and City COVID-19 emergency orders. Qualified small businesses and non-profits were eligible to receive up to fifteen thousand dollars (\$15,000) as working capital to cover day-to-day operating expenses such as rent/lease payments, mortgage payments, utility expenses, payroll and benefits costs, costs for personal protection equipment and other COVID-19 precautions, and other ordinary business not covered by other federally supported programs or an insurance claim. As many as

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

450 non-profits qualified for assistance from the SBRR Fund and collectively received \$5,629,644 in grants.

The City recognizes that many non-profits provide vital services and benefits to residents and their communities, and rely upon grants, donations and other charitable support to provide those services. Many operate on a cost-reimbursement basis and without a margin, and therefore, are not as resilient as for-profit commercial businesses. The City's discussions with both Aloha United Way and the Hawaii Community Foundation confirmed that while non-profits had access to revenue streams to continue serving their communities, non-profits were hard hit and struggled to overcome financial hardships due to the pandemic. Therefore, in response to the continuing financial impacts experienced by many non-profits, the City will award additional assistance to non-profits that can demonstrate economic harm related to the COVID-19 pandemic.

About the Program

The City established a Non-Profit Recovery Program ("Program") to provide grants to nonprofits that can demonstrate a need for financial assistance to overcome the negative economic harm and temporary loss of revenue due to the COVID-19 pandemic. The Program is funded by an award to the City from the Coronavirus State and Local Fiscal Recovery Funds provisions of Section 9901 of Title IX, Subtitle M ("CSLFRF") of the American Rescue Plan Act of 2021 ("ARPA"), federal award number(s) SLFRP2643 and/or SLFRP2789. The U.S. Department of Treasury ("U.S. Treasury") adopted the Final Rule, effective April 1, 2022, which implements the CSLFRF; both the CSLFRF provisions of ARPA and the Final Rule recognize the non-profit sector as an industry class negatively impacted by the COVID-19 pandemic.

The Hawaii Alliance for Non-profit Organizations conducted a Hawaii Sector Pulse Survey in September of 2021, and Aloha United Way surveyed O'ahu non-profits in June of 2022, the results of which reflect that:

- Between 54% and 57% of non-profits surveyed experienced an increase in revenue during the pandemic;
- Approximately 17% of non-profits experienced no change in revenue during the pandemic; and
- Between 26% and 29% of non-profits experienced a loss in revenue during the pandemic.

This Program aims to assist the last group of non-profits who truly experienced economic harm due to the COVID-19 pandemic. Examples of economic harm include, but is not limited to:

- Loss in revenues due to a decline in charitable donations and gifts due to COVID-19 restrictions cancelling or otherwise impairing participation in significant fundraising events.

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

- An increase in operating costs due to staffing inefficiencies because COVID-19 restrictions may have decreased the ratio of staff to clients in a program, and such losses exceed the relief provided through the federal payroll protection program (PPP).
- A loss in revenues due to closures as a result of COVID-19 infections in the workplace not otherwise recovered through a business interruption insurance claim.
- An operating loss due to carrying costs of a facility that was unused, or under-utilized due to COVID-19 capacity restrictions during the pandemic, where facility-based program revenues ordinarily covered these carrying costs.

Expanded Tranche 2 Eligibility Requirements; Carryover Tranche 1 Applications

The City is launching Tranche 2 with expanded eligibility requirements for grants from the Program to broadly reach 501(c)(3) and 501(c)(19) non-profit organizations that suffered revenue losses due to the COVID-19 public health emergency. In Tranche 1, 501(c)(3) non-profit organizations applying for Program grants had to establish net losses in both the 2020 and 2021 tax years. In Tranche 2, 501(c)(3) and 501(c)(19) non-profit organizations that suffered net losses due to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or both, may apply for grants from the Program, provided, however, that the other eligibility requirements are met.

The City encourages non-profits that suffered net losses due to the COVID-19 public health emergency and did not submit an application in Tranche 1 to apply.

Tranche 1 Application Carryovers: For 501(c)(3) non-profit organizations that submitted applications in Tranche 1 must not submit a new application. Tranche 1 applicants that commenced but did not complete their applications, are encouraged to revisit the application portal to complete their applications for consideration. Completed Tranche 1 applications that met all of qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will be re-evaluated under the eligibility requirements of Tranche 2.

Funding Availability

The City is allocating up to fifteen-million dollars (\$15,000,000) in CSLFRF funds for this tranche. Grants awarded under the Program are based upon the availability of funds, compliance with program guidelines, submission of all required information and supporting documentation. Eligible non-profits demonstrating a need for financial assistance because of the negative financial harm suffered as a result of the pandemic may receive up to one-hundred thousand dollars (\$100,000). Relief will be limited to O‘ahu-related operations of the non-profit.

Grants will be awarded to qualified non-profits with *complete* applications on a first-come, first served basis, until the funding is exhausted. **Only complete applications with the required**

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

supporting documentation will be considered for determining the non-profits' qualification for a grant under the Program.

City Reserved Rights

The City reserves the unqualified right, in its sole and absolute discretion at any time: (1) to amend or terminate this program with no recourse for any proposing applicant; (2) to choose or reject any or all applications received in response to this program; (3) to modify the application deadlines, including accepting and/or processing applications in tranches; (4) initiate additional awards from this solicitation should additional funding become available; (5) to request, at any time, additional information of the applicants as deemed necessary and appropriate by the City; (6) to conduct further due diligence with applicants or any third party; (7) to modify the City's objectives or the scope of the program; (8) to modify program requirements, general terms and conditions, or eligible activities; (9) to disqualify any proposing applicant on the basis of any real or perceived conflict of interest that is disclosed or revealed by materials submitted or by any data available to the City, (10) to outsource administration of this program to a qualified service provider, and (11) to publish information regarding the Program's outcomes, results and success stories, including but not limited to, the identities of grant recipients and the grant amounts awarded. In the event it is discovered on credible information that a grant beneficiary has utilized grant funds for a purpose outside of the eligible activities described herein, City reserves the right to seek a refund of grant award.

Program Eligibility Requirements

Eligibility Requirements to Apply for a Grant

To be eligible for a grant under the Program, the non-profit must meet certain criteria established herein by the City and the guidelines set forth by the U.S. Treasury for utilizing CSLFRF funds. The non-profit must also demonstrate the need for economic support resulting from financial hardship caused by the COVID-19 public health emergency.

For the purposes of this grant under Tranche 2, an applicant that experiences a financial hardship due to the COVID-19 public health emergency, must demonstrate, at a minimum, a net loss in either the 2020 tax year or the 2021 tax year, or both, as annually reported to the Internal Revenue Service. "Net loss" means that the total expenses exceeded total revenues in either year, relative to their O'ahu operations. Organizations must also provide a narrative describing how the net loss was attributable to the COVID-19 public health emergency. Eligibility for the grant will be based upon the net losses attributable to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or in both tax years as the case may be, for O'ahu operations only. The total award payment under this Program shall not exceed \$100,000.00.

The non-profit applicant must meet the following minimum requirements to be considered for grant funding:

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

- The Applicant must be a 501(c)(3) or a 501(c)(19) non-profit organization on O‘ahu and provide direct assistance, services, and/or benefits to O‘ahu residents.
- The Applicant must have been established long enough to have complete tax filings for tax years ending in 2019, 2020, and 2021. The phrase “tax year” refers to either the calendar year or the tax year stated in Item A of its Form 990 or Form 990-EZ. For Applicants that file Form 990-N (postcard), the “tax year” should coincide with the dates stated in their Form 990-Ns under “Tax Year Start Date” and “Tax Year End Date”.
- The Applicant must be able to document and substantiate that it has experienced an economic loss due to the COVID-19 pandemic and its associated impacts.
- The Applicant must submit only one application and all the required supporting documentation described in the Application Process section below.
- The Applicant must describe how its organization advances equity in the application.
- The Applicant must be in compliance and good standing with all State and City laws, rules and regulations.

Eligible Uses of the Grant Award

The purposes of this Program are two-fold: First, the grants will assist in mitigating the financial hardship caused by declines in revenues and/or increases in operating expenses due to the COVID-19 pandemic, which resulted in economic losses to the non-profit that would not have occurred but for the pandemic. Second, the grants aim to assist impacted non-profit organizations to become stronger and more resilient so they can continue to provide much needed services to the communities on O‘ahu.

Non-profit grantees may exercise their discretion to utilize the grant awards in a manner consistent with achieving their mission goals and purposes. Such uses include but are not limited to paying operational expenses, launching new or maintaining existing programs, or to provide new or ongoing services to the communities.

Ineligible Uses of the Grant Award

Grant awards may not be used for the following activities:

- Rainy day funds or financial reserves.
- Funding of executive compensation and bonuses, or workforce pay bonuses.
- Capital campaign contributions, or capital expenditures, upgrades or improvements, including but not limited to land purchases and new construction.
- Lobbying activities.
- Reimbursement to donors for donated or gifted items or services.

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

For purposes of this Program, the grantees will be required to submit a closing report after the grant funds are expended, but no later than June 30, 2024.

ARPA Equity Requirements

The ARPA requires the use of “equity” in the provision of certain relief funds. “Equity” is defined as:

“...the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.”

The City requires the non-profit applicant to identify equity issues and describe its organization’s efforts to promote equitable outcomes in responding to the identified equity issues through its programs and services. Program eligibility requires all applicants to *complete* the equity questions, but responses will *not* disqualify an applicant or be scored relative to the grant award.

The CSLFRF and the guiding documents published by the U.S. Treasury require CSLFRF monies be used for eligible purposes, identify uses that respond to inequities among impacted and disproportionately impacted communities, and ensure transparency regarding how CSLFRF monies are applied. For purposes of this Program, the grantees will be required to submit a closing report after the grant funds are expended but no later than June 30, 2024, and describe how equity principles were incorporated in the use of the grant funds. For example, the closing report can identify grant-funded programs or services that promoted equitable recovery by providing additional services to populations that have been historically underserved and/or disproportionately impacted by COVID-19. The City reserves the right to utilize the data from the closing report at its discretion, including but not limited to the publication of Program data on its public ARPA/CSLFRF dashboard or press releases.

Grant Terms

The Final Rule, the Uniform Guidance at 2 C.F.R. Part 200 and other guiding documents from the U.S. Treasury require the City to monitor compliance, maintain records and provide certain reporting in the use of CSLFRF monies. Therefore, notice is given that if a grant is awarded under this Program, the receipt of such grant is conditional upon the non-profit’s agreement to comply with the following grant terms:

- The grantee will not use the grant in a manner that conflicts with or contravenes the purpose of the ARPA (e.g., uses of funds that undermine COVID-19 mitigation practices

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

in line with guidance and recommendations from the Centers for Disease Control and Prevention).

- The grantee will expend all funds received under this Program to support its organization's mission and goals.
- Once the grant award is fully expended, the grantee will submit a closing report describing (1) how the grant funds were used (i.e., operational expenses, programs or services to the communities, etc.), (2) what equity principles were incorporated in the use of the grant funds; and (3) how the grant funds contributed towards improving and strengthening the grantee's resiliency in fulfilling its mission goals.
- The grantee will maintain all records relating to the economic losses claimed as a result of the pandemic for five (5) years from the date of the grant is awarded.
- The grantee will promptly allow the inspection of all records relating to the claimed economic losses due to the pandemic and the use of the grant funds upon the City's request, and shall cooperate with any audit conducted by the City and/or the U.S. Treasury.
- The grantee consents to immediately forfeit and/or return the funds upon the City's written request if the City determines that any portion of the grant is misused or was obtained by fraud or misrepresentation.

Application Process

As the administrator of the Program, the City's Department of Community Services (DCS) will review grant applications for completeness, assess whether the applicant meets the eligibility guidelines, determine the grant amount based on the application submission, and issue grant awards to qualified applicants. Only electronically submitted applications will be accepted. For more information regarding the application portal, interested Applicants may visit:

<https://www.oneoahu.org/nonprofitreliefprogram>

All questions and any responses to clarification requests shall be provided by the City in writing. Oral interpretations, clarifications, and changes will be without legal effect. Only interpretations, clarifications, and changes provided by the City as formal written addenda to the solicitation shall be binding.

Application, Generally

Non-profit organizations may have only one application open at any one time. If more than one application is submitted and open, only the first one submitted will be considered. For the purposes of Tranche 2, applications determined incomplete will be rejected and that application will be closed.

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

Tranche 1 Application Carryovers

If an application was submitted but rejected in Tranche 1 due to missing required attachments or information, the original application will be available for editing and re-submission with the required missing information and/or documents. Applications can be accessed via the application portal at <https://www.oneoahu.org/nonprofitreliefprogram>.

Completed applications with the requisite documentation that were submitted in Tranche 1 but denied on the basis that the application did not reflect a net loss for both 2020 and 2021 tax years will be re-evaluated for grant eligibility under the updated net loss criteria in Tranche 2. Do not submit a new application or resubmit the Tranche 1 application.

Applications that were approved and paid in Tranche 1 but due to updated program requirements are eligible to receive a larger relief payment, will not be required to resubmit the application. Any adjustments will be calculated and adjusted up to the amount of the loss or \$100,000.00, whichever is lesser.

Required Information on the Application

Applications submitted in any other manner than as prescribed will not be accepted by the City. All costs to prepare and submit an application shall be at the applicant's expense. The non-profit Applicant must provide the following information in the Application:

- Organization information including details regarding the services provided, and the number of O'ahu clients served.
- Identify total revenues, total expenses and resulting net loss attributable to assistance, services, and/or benefits provided to O'ahu clients.
- A narrative demonstrating a need for financial assistance that explicitly details the direct negative economic harm caused by the COVID-19 public health emergency. Adequate detail should be provided to link the direct negative impact on the organization to the COVID-19 (Example - COVID-19 gathering size restrictions impaired the ability to generate adequate facility use revenues to cover the carrying cost of the facility).
- Identify the types and amounts of funding received from all government and/or privately sponsored COVID-19 relief programs, or from any insurance policy for business interruption or losses claimed in 2020 and/or 2021 due to the COVID-19 pandemic.
- The financial assistance under the Program –
 - Cannot exceed the sum of the net loss suffered in 2020 and 2021 to its operations on O'ahu due to COVID-19 pandemic.
 - Must exclude all expenditures that were covered or reimbursed under any government and/or privately sponsored COVID-19 relief program, such as the

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

Paycheck Protection Program, Economic Injury Disaster Loan emergency advance program, other CARES or ARPA sourced funding.

- Must exclude all expenditures that were covered or reimbursed under any insurance policy for business interruption or losses claimed in 2020 and/or 2021 due to the COVID-19 pandemic.
- Must exclude all expenditures that were paid or reimbursed as direct or indirect fees or costs in the administration of any program funded by a grant, subaward, subrecipient agreement, service contract or similar agreements.
- If the Applicant has operations in other counties or States, and the financial statements and Form 990s consolidate revenues and expenditures for all operations, the Applicant must:
 - Disaggregate revenues and expenses related only to its O‘ahu operations from revenues and expenses related to its operations in other counties or States; and
 - Provide its best estimate of its annual results and lost revenue for its O‘ahu operations.
- Complete the Equity portion of the Application. Completing this section is required for data collection purposes only and will not be considered in the award process.
- Sign a declaration attesting that the information provided in the application is true, accurate and complete.
- Sign an acknowledgement form, acknowledging that the organization understands the terms of the grant and agrees to comply with them.

Required Documents

The non-profit must submit with its application the following supporting documents:

- Internal Revenue Service Tax Exemption letter.
- Statement of Hawaii Attorney General Charitable Organization Registration, Current Filing or Exemption. A screenshot of the Attorney General’s Charitable Registration listing with the applicant’s name on the State’s website is also acceptable. See <https://charity.ehawaii.gov/charity/welcome.html>.
- Current list of board members and affiliations.
- Current non-profit organization by-laws.
- Current IRS Form W-9.
- The Applicant’s 2019, 2020 and 2021 IRS Form 990 or Form 990-EZ tax returns.
- **If the 2021 IRS Form 990 or 990 EZ is not available, then the applicant must provide its financial statements, and its best estimate of its annual results with a**

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

signed attestation on the accuracy of the estimates provided. The Applicant may also provide adjusted financial reports, attested as to their accuracy, for the periods requested to reflect the impact of COVID-19 on its organization.

- **If the Applicant filed IRS Form 990-N for tax years 2019, 2020 and 2021, then the Applicant must provide a copy of the completed Form 990-N, its financial statements for each tax year, and its best estimate of its annual results with a signed attestation on the accuracy of the estimates provided. The Applicant may also provide adjusted financial reports, attested as to their accuracy, for the periods requested to better reflect the impact of COVID-19 on its organization.**
- If the Applicant's financial statements and/or Form 990/990-EZs aggregate all revenues and expenditures for its Statewide or national operations, then the Applicant must disaggregate the data and provide its best estimate of its annual results for its O'ahu operations. The Applicant must provide a signed attestation on the accuracy of the disaggregated estimates provided.
- Authorization from the non-profit board that the person applying for the Program grant is authorized to apply for grants on behalf of the organization if the person is not designated in the by-laws.

Application Period

Funds will be awarded based upon a completed application on a first come, first served basis until either all available funds have been exhausted or the demand for relief has been met.

The City anticipates opening this round of funding in July 2023 through September 2023 with approx. \$15,000,000 available.

If there are funds remaining after the final scheduled offering, the City will evaluate unmet demands at that time to determine whether further openings will be made available. Notices for funding availability for additional tranches will be published when those funds are ready to be made available.

Grant Review and Approval Process

Administrative Review

DCS will manage the three series of Program offerings through its online portal. DCS will review the electronically submitted applications and supporting documents for completeness of the submission, eligibility under the Program guidelines, and determine the amount the non-profit is qualified to receive.

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

Grant Award Determination

Under the Final Rule, use of CSLFRF funds must be reasonably related and proportional to the extent of the negative financial harm experienced due to the COVID-19 pandemic. The award amount may be less than the amount requested by the Applicant if:

- It appears that some or all of the award is duplicative of sums received from sources that covered or reimbursed Applicant for certain expenditures.
- It appears that the amount requested exceeds the economic or revenue loss reflected in the IRS Form 990/990-EZ and/or the financial records submitted.

Status of Submitted Applications

The City intends to notify applicants via e-mail:

1. To confirm receipt of their complete application;
2. If further information is needed to process their application;
3. If their application has been rejected; or
4. If their application has been approved for award.

Grant Award Requirements:

The following ***are not required to submit an application***, but upon notification of an award, the Applicant will be required to:

- Register in the City’s Vendor Self Services System (VSS):
<https://vss.honolulu.gov/VSSPSRV1/AltSelfService>. Registration is required in order for the City to make payment to the grantee.

Instructions on how to register on VSS:

<https://vss.honolulu.gov/VSSPSRV1/advantage/AMSIImages/vsshowtoregister.pdf>.

For assistance with registration on VSS, applicants may email

bfspurchasing@honolulu.gov.

- Provide a current, “Compliant” Certificate of Vendor Compliance from Hawaii Compliance Express*. Information may be found at <https://vendors.ehawaii.gov/hce/contact.html>. The City reserves the right, in its sole discretion, to waive this requirement on a case by case basis.
- Provide a current Certificate of Good Standing from the Department of Commerce and Consumer Affairs (DCCA)*. Information may be found at <https://cca.hawaii.gov/breg/>.

COVID-19 Related
2023 Non-Profit Recovery Grant Program
Program Guidelines
Tranche 2

- Provide a Unique Entity Identifier (UEI) number obtained at <https://sam.gov/content/home>*

* The CITY reserves the right to reject an Applicant if the *Grant Award Requirements* are not completed within the time as specified in the City's request. It is recommended that Applicants obtain full compliance in advance of the award, as some requirements may take months to complete.

Contact Information

For questions and clarifications regarding the Non-Profit Recovery Grant Program, please submit formal requests to:

bfspurchasing@honolulu.gov

All questions and clarifications shall be submitted via email and sent by the Deadline to Request for Clarifications in the Schedule of Events. The City is not be obligated to respond to requests for clarification received after the deadline. All responses to questions received will be posted online via written addenda at the following website(s):

<https://www.oneoahu.org/nonprofitreliefprogram>

<https://hands.ehawaii.gov/hands/>
(Click "Bidding Opportunities")

Depending on the volume of questions received, the City may issue addenda periodically up until the Deadline to Issue Addenda to address questions in a timely manner. Applicants are advised to read the posted questions and answers prior to submitting a question. A response to your inquiry may already be provided.