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Wolf: \$145M in hospitality relief headed to all Pa. counties

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Gov. Tom Wolf addresses members of the media during a December news conference.

Pennsylvania is putting a lot on the table for its starving hospitality industry.

Gov. Tom Wolf announced Wednesday the state's 67 counties will share \$145 million in funding through the COVID-19 Hospitality Industry Recovery Program. Funds will be provided through block grants and disbursed by Feb. 28. Amounts will be based on population in each county.

Hospitality covers a wide swath of operations, but consists largely of the categories: food and beverage, travel and tourism, lodging and recreation.



If the \$145 million were split equally among all counties, each would receive about \$2.16 million. Counties in Southwestern Pennsylvania, however, will be above or below that level. Allegheny, Westmoreland and Washington counties will receive more money than Fayette and Greene counties.

Allegheny had an estimated 2019 population of 1.22 million, while Westmoreland had 350,611, Washington had 207,346, Fayette had 130,441 and Greene had 36,506, according to the U.S. Census Bureau.

Bob Shark, executive director of the Fay-Penn Economic Development Council – Fayette County's Certified Economic Development Organization – was pleased by the relief announcement as well. He said, "Our hospitality industry has been fighting through some bad times for the past year.

"I appreciate what Gov. Wolf has done to keep us safe from COVID-19, but this grant program is also a welcome step back from the economic abyss our restaurants and hotels are facing. Fay-Penn is working with our Fayette County officials to get the funding into the hands of our businesses as quickly as possible."

Greene County commissioner Blair Zimmerman echoed those sentiments, saying, “Anything that will help the hotel industry and restaurants is a good thing.”

Funding in each county will be handled through one or more designated Certified Economic Development Organization or Community Development Financial Institution. Those groups must begin taking applications from businesses by March 15, then process them.

Dennis Davin, secretary of the Department of Community and Economic Development, said at a late-afternoon news briefing that funds have to be allocated to businesses by July 31.

Asked whether that would be too late for some entities that are currently struggling, he replied: “That is an end date. We want to get money out well beforehand. We want to get it to the neediest businesses.”

Restaurants and bars have been pounded across the state, as mitigation efforts to control the coronavirus spread have led to two shutdowns – three months last spring, early in the pandemic, and for three weeks during the holiday season, when infections were peaking.

Those establishments also have operated under indoor dining restrictions, including number of patrons allowed and times when alcohol may be served.

Lost business has meant lost revenue, and, in some instances, permanent closure.

Zimmerman, a member of the county’s tourism board, said the county “lost a lot of revenue over the last year” from missed tourism opportunities.

He said early Wednesday afternoon Greene had not selected a CEDO out of five available.

“The commonwealth’s hospitality industry is critical to the lives and livelihoods of so many Pennsylvanians, and it’s undeniable that it has been disproportionately impacted by the pandemic,” Wolf said in a prepared statement. “After months of calling for support ... I am pleased the General Assembly has allocated millions to protect and preserve this industry.”

Yesterday was the deadline to apply to the program, and Washington County finance director Josh Hatfield finished well under the wire by submitting the application Wednesday.

Diana Irey Vaughan, Washington County commissioners chairwoman, was gratified by the relief news out of Harrisburg.

“We’re really glad to hear the hospitality industry, which has been hit really hard during the pandemic, is getting some relief,” she said.

Grants will be distributed in \$5,000 increments with a \$50,000 maximum.

A business will be eligible for funding if, according to the state, it fulfills a number of requirements. They include: having a North American Industry Classification System designation; having fewer than 300 full-time equivalent employees; having a maximum tangible net worth of \$15 million; and that it was operating on Feb. 15, 2020, is still in operation and does not intend to shut down within one year of the application date.