

3706-2-01

**Issuance of grants from the office of the ombudsman for the small business stationary source technical and environmental compliance assistance program under the air quality grant assistance program.**

The office of the ombudsman for the small business stationary source technical and environmental compliance assistance program (the "ombudsman") shall issue grants from the small business assistance fund pursuant to division (E) of section 3706.19 of the Revised Code under the following terms and conditions.

(A) The ombudsman, to provide financial assistance to eligible small businesses, has created the air quality grant assistance program, which shall:

- (1) Provide financial assistance through the issuance of grants to eligible small businesses throughout the state that are having difficulty complying with the "Clean Air Act Amendments of 1990."
- (2) Promote the conservation of the air as a natural resource and prevent or abate the pollution thereof.
- (3) Assist in removing financial obstacles to small business compliance with the "Clean Air Act Amendments of 1990" by taking any and all steps necessary to implement the air quality grant assistance programs, including leveraging of future small business assistance fund moneys.
- (4) Make grants to eligible small businesses of up to thirty per cent of the cost of a Clean Air Act compliance strategy that includes the financing of an air quality facility.

(B) As used in this rule:

- (1) "Air Pollution" means the presence in the ambient air of one or more air contaminants in sufficient quantity and of such characteristics and duration as to injure human health or welfare, plant or animal life, or property, or that unreasonably interferes with the comfortable enjoyment of life or property.
- (2) "Air Quality Facility" means an air quality facility as defined in division (G) of section 3706.01 of the Revised Code.
- (3) "Authority" means the Ohio air quality development authority as defined in section 3706.02 of the Revised Code.
- ~~(3)~~(4) "Clean Air Act Amendments" refers to the Clean Air Act Amendments of 1990, as promulgated in 104 Stat. 2399, 42 U.S.C. 7401, and the regulations

adopted thereunder.

~~(4)~~(5) "Eligible Small Business" means any individual, firm, partnership, association, or corporation, or any combination thereof operating a business having all of the following characteristics:

- (a) Principal place of business in the state;
- (b) Maintains offices or operating facilities in the state;
- (c) Employs one hundred or fewer employees; and
- (d) Having financial difficulty complying with the "Clean Air Act Amendments of 1990".

~~(5)~~(6) "Financial Difficulty" shall mean the necessity to comply with air pollution regulations, including the Clean Air Act Amendments.

(C) Each eligible small business seeking financial assistance from the ombudsman under the air quality grant assistance program shall:

(1) Apply for financial assistance under the air quality grant assistance program through submission of a grant application which, upon award of the grant by the ombudsman, shall become part of the grant agreement between the ombudsman and the eligible small business. Each grant agreement entered into by the eligible small business shall include those requirements necessary to carry out the purposes of the air quality grant assistance program and shall include provisions for the payment of eligible costs.

(2) Certify that:

- (a) It is an eligible small business;
- (b) The grant will be used exclusively to pay: ~~legal fees, closing fees, authority fees and other fees associated with the acquisition of air quality facilities that are necessary for the business to comply with the Clean Air Act Amendments; and~~

(i) Legal fees, closing fees, authority fees and other fees associated with the acquisition of air quality facilities that are necessary for the business to comply with the Clean Air Act amendments; and

- (ii) The principal portion of the loan incurred in connection with financing an air quality facility that is necessary for the small business to comply with the Clean Air Act amendments.
  - ~~(c) The grant funds are being requested are for expenses associated with solely as financial assistance related to the acquisition of the air pollution control an air quality facility.~~
- (D) The ombudsman may accept or reject a grant application or any portion thereof, based upon the ombudsman's evaluation of the eligible small business' request and the amount of small business assistance funds available. When evaluating the eligible small business, ~~The, the~~ the ombudsman shall give priority to the federal air quality compliance needs of the county where the small business is located and shall also consider any reports, statements, or plans applicable to the small business as the ombudsman considers appropriate.
- (E) Any grants or assistance made under the air quality grant assistance program shall be in the form and conditioned upon terms as the ombudsman deems appropriate, including but not limited to, ~~establishing the maximum grant amount:~~
  - (1) establishing the grant amount to cover legal fees, closing fees, closing cost, authority fees and other fees associated with the acquisition of air quality facilities, as provided in section (C)(2)(b)(ii) of this rule, and the maximum as up to thirty per cent but no more than thirty thousand dollars of the cost of an air quality facility as defined in division (G) of section 3706.01 of the Revised Code; and
  - (2) limiting the grant to air quality facilities financed in full through the authority and that qualifies for clean air resource center (CARC) financing.
- (F) Upon award of the grant request, or any portion thereof, the ombudsman shall set aside the grant amount within the small business assistance fund and reduce the amount of funds available for grant assistance by such amount.
- (G) The portion of the grant used for closing cost expenses shall be funded after the Clean Air Act compliance strategy loan closing.
- (H) The portion of the grant used for equipment cost related to the Clean Air Act compliance strategy shall be funded no later than six months after the air quality facility is installed and operational.
- ~~(G)~~(I) Grants made under the air quality grant assistance program and the small business assistance fund shall, in all instances, be in conjunction with the provisions of

section 3706.19 of the Revised Code provided that, at the time of grant approval, the combined amount of financial assistance provided under division (E) of section 3706.19 of the Revised Code is not more than one hundred per cent of the moneys credited to the small business assistance fund pursuant to division (K) of section 3745.11 of the Revised Code or other sources of assistance. The ombudsman shall give priority to the investment, liquidity, and cash flow needs of the small business assistance fund ~~in its decision~~ when deciding whether to approve a grant to an eligible small business.

~~(H)~~(J) The ombudsman shall take any and all steps necessary to implement the air quality grant assistance program.

~~(H)~~(K) The ombudsman shall, when leveraging future small business fund moneys, give priority to the repayment of such loans when considering future grants made under the air quality grant assistance program.

Effective: 01/23/2015

Five Year Review (FYR) Dates: 08/21/2014 and 01/23/2020

CERTIFIED ELECTRONICALLY

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Certification

01/13/2015

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Date

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