



# City of Fernley

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## The City of Fernley COVID-19 Small Business Economic Assistance Program

**PURPOSE:** To assist the City's business community in recovering from the fiscal impacts of the COVID-19 pandemic by providing economic support during the COVID-19 public health emergency.

**CARES Act:** Under the federal Coronavirus Aid, Relief and Economic Security Act (the CARES Act), the Coronavirus Relief Fund may be used to reimburse local governments in response to the COVID-19 public health emergency. The federal awarding agency is the U.S. Department of Treasury. The Inspector General of the United States Department of the Treasury conducts monitoring and oversight of the receipt, disbursement and use of these funds. Federal CARES Act funding is being distributed to local Nevada governments with populations of less than 500,000 to assist with unanticipated expenditures created by the COVID-19 pandemic. These funds will help in recuperation efforts, as they can be used for expenses incurred from March 1 through December 30, 2020.

**PROGRAM:** Under the CARES Act, a small business grants program may be established by local governments to help mitigate the losses that small businesses have incurred as a direct result of the COVID-19 emergency public health declarations and stay-at-home orders. Therefore, to help keep businesses running, the Fernley City Council has approved a portion of CARES Act funding be distributed to eligible businesses in the City of Fernley. A total of \$250,000 has been allocated to small businesses and each eligible business will have the opportunity to receive \$5,000 in CARES Act funds.

The program will provide assistance to City of Fernley small businesses that have been negatively impacted by business closure or a reduction in operations due to the COVID-19 public health emergency. Cities have the discretion to determine what payments are necessary by establishing the parameters regarding need, eligibility, required documentation and other requirements. However, payments must comply with Section 5001 of the CARES Act and 601(d) of the Social Security Act.

GUIDELINES: These funds are for pandemic related expenses only. Expenses must be associated with the COVID-19 public health emergency and must be related to direct impacts of a business interruption (business closure or severe reduction in operations). The expense must have been incurred as a result between March 1, 2020 and December 30, 2020 and may not be for preparation of a future pandemic or outbreak.

REQUIREMENTS:

- A Federal form W-9 is required from all applicants prior to any disbursement as these funds are taxable as income per IRS regulations.
- All eligibility documentation must be received by the City prior to disbursement.
- Applications, agreements, invoices and receipts are required to be submitted to prove eligibility and they must be legible. Expense lists, copies of checks, check registers and bank statements alone do not suffice and will not be considered.

ELIGIBILITY:

- The business must be a local, Fernley, business
- The business must qualify as a “small business” per federal "size standards" found in Title 13 of the Code of Federal Regulations (CFR), Part 121
- Applies to businesses that were required to be closed due to the COVID-19 public health emergency or those that remained open, but had a severe reduction in operations
- Must be in good standing with Federal, State and City business licensing and/or taxes
- Brick and Mortar businesses/traditional street side businesses must have been open for business at least 12 months prior to the COVID-19 stay-at-home order or on March 17, 2019
- Businesses who have received other State, Federal or local COVID-19 related financial assistance (EIDL & PPP) are required to prove or show the expenses covered by the other financial assistance
- Home-based businesses do not qualify for this grant (businesses that are not brick and mortar businesses/traditional street side businesses)
- This grant is open to the first fifty (50) eligible applicants

EXAMPLES OF ELIGIBLE COSTS:

- Rent or mortgage on a commercial property; proof of late rents
- Utilities (water, sewer, power, gas)
- Business insurance
- State/City licenses
- Personal protective equipment; sanitizing and social distancing costs; equipment installed for safety and social distancing measures
- Proof of reduction in operations

EXAMPLES OF INELIGIBLE COSTS:

- Costs un-related to the COVID-19 public health emergency and pandemic
- Payment of real estate taxes
- Costs covered by other COVID-19 State, Federal or local assistance
- Costs covered by insurance or loans
- Ordinary and usual supplies, inventory, equipment
- Capital projects, building additions, etc.