

## CARES Act Relief Funds – Small Business Application Instructions

### STATE OF NEW MEXICO SMALL BUSINESS CONTINUITY GRANT APPLICATION PERIOD OPENS SEPTEMBER 22 2020 AND CLOSES DECEMBER 4, 2020

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

The State of New Mexico is providing Coronavirus Aid Relief funds to reimburse costs for expense due to COVID-19.

**\*\*\*IMPORTANT: PLEASE READ ALL OF THE CORONAVIRUS RELIEF FUND GUIDANCE FOR STATE, TERRITORIAL, LOCAL, AND TRIBAL GOVERNMENTS INFORMATION.**

**APPLICATIONS ARE FINAL UPON SUBMISSION, THEREFORE, ADDITIONAL INFORMATION WILL NOT BE REQUESTED OR CONSIDERED EXCEPT FOR THE DOCUMENTS LISTED BELOW.**

#### Who can apply?

- This grant is available to qualifying small businesses with 100 or fewer full-time equivalent employees in Hobbs, New Mexico as long as funding remains for the program. The grant proceeds must be spent on eligible “business continuity” expenses. In addition, you may qualify for additional funding for “business redesign” expenses necessary to adopt COVID Safe Practices, and eligible expenses for both portions of this grant program outlined below.
- To be eligible, your company must be headquartered in Hobbs, New Mexico and either have been forced to close or severely curtail business operations as a result of closure orders from the state and have an annual revenue of \$5 million or less prior to the impact of COVID-19. The business must have also had a start date of March 1, 2019 or prior. Businesses that started after this date may be considered but still should be able to determine loss of income. (expenditure reimbursement only)
- **QUALIFIED APPLICANTS WILL BE AWARDED ONE GRANT AT THE CITY COMMISSION MEETING AS FOLLOWS:**  
**Applicants may receive up to \$ 5,000 per application, not to exceed \$20,000 in the aggregate per entity.**  
**Amount requested \_\_\_\_\_ (under thresholds only)**  
**NOTE: If awarded, expenditures will be on a reimbursement basis up to award amount**
- Related Party – If a City of Hobbs employee owned business or related party business qualifies for an award, the award must be approved and disclosed to the City Commission

#### Who is not eligible to apply?

- Businesses headquartered outside the City of Hobbs, New Mexico
- Businesses exceeding 100 full-time equivalent employees
- Businesses with annual revenue exceeding \$5 million
- Businesses that started after March 1, 2019 may be considered but should be able to determine loss of income
- Businesses that were not forced to close or had severely curtailed business operations as a result of closure orders from the state

### What documents are required?

- Completed application form (submitted online)

All documentation listed below are required upon execution of the grant award:

- City of Hobbs Business Registration
- Certificate of good standing – NM Secretary of State (if applicable)
- Copy of 941 for June 30, 2020
- Copy of your payroll to include March 1, 2020
- Most recent payroll at time of application
- Documentation of March and April 2019 total gross receipts (Copy of CRS-1 March/April 2019)
- Documentation of March and April 2020 total gross receipts (Copy of CRS-1 March/April 2020)
- Most recent taxes documenting net taxable income (Copy of Schedule C, 1120, 990, K-1 or audited Financial Statement – whichever entity applies)
- Unemployment insurance tax documentation for the fourth quarter of 2019 (Copy of 4<sup>th</sup> quarter 2019 SUTA wage and employee amounts)
- Completed W9 Form
- Voided Check from applicant business
- Related Party Disclosure Form
- Mortgage/Rental Agreement (Current)

### What expenses will be covered?

Business Continuity:

- Non-owner employee payroll
- Rent
- Scheduled mortgage payments
- Insurance
- Utilities
- Marketing
- Inventory Spoilage

Business Redesign:

- Reconfiguring physical space
- Installing plexi glass barriers
- Purchasing web-conferencing or other technology to facilitate work-at-home
- PPE for employees
- Temporary structures to mitigate the spread of Covid-19
- Permanent structures to mitigate the spread of Covid-19

For internal control purposes of CARES Act SBA Relief funds, the organization must provide valid proof of expenditures, receipts and cancelled checks. Cash transactions by the organization (eg: cash currency payments to individuals) will not be considered valid. All invoices, receipts and cancelled checks must be legible. The Finance Department may ask the organization to provide a W-9 for a vendor, cleared check, invoice, bank statement or other documentation to determine whether or not the transaction is valid for CARES Act SBA Relief funds.

For questions regarding this application, please email \_\_\_\_\_. After submitting the application, you will be notified of your award amount and will be allowed to proceed with submitting eligible documentation. Please allow 10 business days for processing after the submission deadline.

*Applicants must be aware that applying for this grant may result in not being eligible to apply for other federal grants.*

Funds will be provided on a reimbursement basis. (Grantees must submit clear copies of invoices and proof of payment. This is required for federal audit purposes.) (Documentation regarding payroll expenses will be required.)

LEGAL NOTICE: By clicking "submit" on the online application form, I certify that the information provided in this application is true and that the expenses will not be reimbursed through other CARES Act funds. I understand this grant is for expenses incurred between March 1, 2020 and December 30, 2020 as specified above.

I understand that knowingly making a false statement to obtain this grant or providing expenditures that do not qualify may result in the applicant refunding all reimbursed expenditures to the Department of Finance & Administration.

**IMPORTANT NOTE: PLEASE ANSWER ALL QUESTIONS. FAILURE TO DO SO WILL DELAY THE PROCESSING OF YOUR APPLICATION AND MAY FURTHER RESULT IN YOUR APPLICATION BEING DENIED IF INFORMATION REQUESTED IS NOT PROVIDED TO THE CITY OF HOBBS IN A TIMELY MANNER.**

## **Checklist of Documents**

- 1. Copy of City of Hobbs Business Registration**
- 2. Copy of Certificate of Good Standing and Compliance with State of New Mexico (if applicable)**
- 3. Copy of June 30, 2020 IRS Form 941**
- 4. Copy of NM Taxation and Revenue Department CRS -1 March 2019**
- 5. Copy of NM Taxation and Revenue Department CRS-1 April 2019**
- 6. Copy of NM Taxation and Revenue Department CRS-1 March 2020**
- 7. Copy of NM Taxation and Revenue Department CRS-1 April 2020**
- 8. Copy of either IRS form Schedule C, 1120, 990, K-1 or audited financial statement for calendar year 2019 (whichever entity applies)**
- 9. Copy of report for SUTA wage and employee amounts 4<sup>th</sup> quarter December 2019**
- 10. Related Party Disclosure Form**
- 11. Completed W-9 Form**
- 12. Mortgage or Rental Agreement**