



NEW MEXICO
FINANCE AUTHORITY
**BUSINESS RECOVERY
GRANT PROGRAM**

Business Recovery Grant Program for New Mexico Businesses



Presenters

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What is the Business Recovery Grant Program?

- ✓ Grant awards of up to \$100,000 for New Mexico businesses
- ✓ Application deadline: December 7, 2021
- ✓ Average grant award of \$50,000. The grant does not need to be paid back.
- ✓ Priority is given to those businesses that experienced the greatest revenue decline (on a percentage basis) from 2019 to 2020.
- ✓ Grants will be prioritized and awarded after December 7, 2021.

Eligibility Requirements

- ✓ Have at least one but fewer than 75 employees (full and part-time) per location, not including contract employees
- ✓ Operated with reduced staff or reduced staff hours during the pandemic, and be hiring back positions or increasing staff hours
- ✓ Experienced a decline in revenue from 2019 to 2020
- ✓ Have a rent, lease, or mortgage on their business property
- ✓ Operate in New Mexico
- ✓ Report wages to the NM Department of Workforce Solutions

Grant Award Information

How are the grant awards calculated?

Awards are based on number of Full Time Equivalent Employees (FTE) added after April 1, 2021. Awards are also based on the revenue loss from 2019 to 2020 and average wages.

What can the grant funds be used for?

Funds may only be used for reimbursement of rent, lease or mortgage payments made for the building occupied by the business. The grant amount will not exceed this amount.

How will funds be disbursed?

After the closing, 25% of the grant award will be disbursed. At the end of each subsequent quarter, a business may submit a reimbursement request. The amount disbursed will be based upon the actual number of net new FTEs added since April 1, 2021.

What is an FTE?

FTE means “Full Time Equivalent Employee,” which means an employee or employees that work 40 hours per week. For example:

- ✓ One employee working 40 hours per week
- ✓ Two employees each working 20 hours per week
- ✓ Two employees, one working 10 hours and one working 30 hours per week
- ✓ Ten employees, working some combination that adds up to 40 hours per week
- ✓ Any number of employees working hours that add up to 40 hours per week

Applicants will use their payroll records to find total number of hours worked by their employees to answer questions in the application related to FTEs.

Grant Amount = (Base Grant Amount + Wage Bonus) x (number of new FTEs)

The “**Base Grant**” is based upon the percentage of revenue decline:

<u>Revenue Decline</u>	<u>Base Grant per FTE</u>
Less than 20%:	\$10,000
At least 20%, but less than 40%:	\$12,000
At least 40%, but less than 60%	\$14,000
At least 60%, but less than 80%	\$16,000
80% or more	\$18,000

The “**Wage Bonus**” is based on the hourly wage of the new employees or increased hours:

- Average wage of new FTEs of more than \$13 per hour: \$1,000 bonus
- Average wage of new FTEs of more than \$17 per hour: \$2,000 bonus

Grant Calculation Example – how does it work?

- ❑ Ana's Cafe reduced staff during 2020 and experienced a 50% revenue decline from 2019 to 2020
- ❑ With business reopening, Ana will increase hours for her existing employees from 20 hours per week to 40 hours per week and will hire four new part-time employees at 20 hours per week.
 - 4 new employees (new at 20 hours/week) \$15 per hour 2 FTE
 - 2 existing employees (from 20 to 40 hours/week) \$35 per hour 1 FTE

Ana's Cafe Grant Amount: (\$14,000 + \$2,000) x 3 FTE = \$48,000

- ✓ With a 50% revenue decline, the base wage is **\$14,000** per new FTE
- ✓ Average wage is greater than \$17 per hour, resulting in a **\$2,000** wage bonus per new FTE
- ✓ **3** new FTEs to be added

Application Process

- ✓ Applicants will create a User Name and Password.
- ✓ Applicants can “save” the application to finish at a later time.
- ✓ Applicants should gather all their required documents before starting the application. All required documents need to be in an electronic format.
- ✓ Applicants will be notified if the application is incomplete or incorrect and will be given the opportunity to correct it.
- ✓ A grant calculator to estimate your grant amount is available at www.nmfinance.com/recovery
- ✓ **Application deadline: December 7, 2021**

Required Documents

- ✓ 2019 or 2020 business federal tax return (extensions not accepted)
- ✓ Copy of the rental, lease or mortgage agreement that evidences past, current and future payments due
- ✓ Evidence of revenue decline. Any one of the following:
 - Copies of CRS reports filed with the NM Taxation and Revenue Dept. for any quarter in 2019 and the corresponding quarter in 2020. Businesses that file monthly will need to submit six CRS reports: three monthly reports that make up the quarter they choose for 2019 and 2020, **OR**
 - Copies of the 2019 and 2020 federal business tax returns, **OR**
 - If a business doesn't have CRS reports or a 2020 tax return, call (505) 992-9696

Required Documents (cont.)

- ✓ Copy of the NM DWS ES903A for the quarter ended December 31, 2020 or March 31, 2021 to evidence the lowest number of employees
- ✓ Copy of the NM DWS ES903A for any quarter from March 31, 2019 to September 30, 2020 to evidence highest number of employees.
- ✓ Supplemental employment or payroll record for each NM DWS ES903A submitted that includes total hours for all employees for the quarter that corresponds to the respective NM DWS ES903A submitted. This information is from the payroll records of the business.
- ✓ Copy of the Driver's License (or Government-Issued Photo ID) for Authorized Officer.
- ✓ All documents must be uploaded as electronic files (PDF, JPG, other)

Application Demonstration

- ✓ Eligibility Quiz
- ✓ Grant Amount Calculator
- ✓ Setting Up an Account
- ✓ Starting and Completing Your Application

Things to Know

- ✓ Apply at NMFinance.com/recovery. The application deadline is **December 7, 2021**.
- ✓ Applicants may submit one application per business location.
- ✓ Submitted applications will be reviewed by NMFA. Applicants will be notified via email of any questions. Corrections need to be made directly through the application portal.
- ✓ Applicants may check the status of their applications by logging into their accounts.
- ✓ Applications will be prioritized after the application period closes. Prioritization is based upon the percentage decline of revenue from 2019 to 2020.

Questions?

Visit the Business Recovery Grants page on the NMFA website:

www.nmfinance.com/recovery

for Frequently Asked Questions, application tips, video tutorials,
and other resources to help applicants.

Additional Questions?

Email: Recovery@nmfa.net or call 505-992-9696