

Amador City Small Business Relief Program

The Amador City Council recognizes and appreciates the dedication and importance of its hardworking business community. When times are good we all thrive, and the symbiotic relationship between the City and its businesses is real and palpable. But when the chips are down due to circumstances beyond our control, the City and its businesses share the pain equally. There is a direct link between the strength & vitality of its businesses and the health and well-being of the City's residents.

In response to the economic effects the COVID-19 pandemic has exacted on its business community, the City has developed a grass-roots program to provide financial assistance to suffering businesses during these times of uncertainty. The **Amador City Small Business Relief Program** is a collaboration between the City of Amador and the Amador City Business Community Association which solicits donations and contributions and distributes them in the form of forgivable no- interest, no-payment loans to struggling businesses that meet the program's goals and eligibility criteria.

The program's goal is simple and straight-forward: to identify and assist financially, to the extent possible, Amador small businesses that have been materially affected by mandatory stay-at-home orders issued during the COVID-19 pandemic.

How the Program Works

The Amador City Business Community Association, the program's fiscal sponsor, accepts tax-deductible financial contributions from individuals, groups, stakeholders and others, and then grants those funds to the City for distribution through its Small Business Relief Program. The City will solicit and process applications from Amador City businesses which meet the eligibility criteria, and will offer no-interest, no-payment loans to qualifying businesses. Loans will be forgiven in their entirety for businesses which demonstrate and certify that loan proceeds have been utilized for legitimate business purposes within six months of loan origination.

What are the eligibility criteria?

Eligible businesses must:

- Have a physical commercial business presence within the City of Amador
- Have been in possession of a valid Amador City business license on or before March 1, 2020
- Not have been delinquent or in arrears on any City, County or special district tax, assessment, fee, or fee for service as of March 1, 2020. Examples include fees for sewer or water service, property taxes, etc.
- Provide evidence that it has and continues to abide by applicable federal, state and local stay-at-home orders or directives
- Provide evidence of economic hardship as a direct result of applicable federal, state and local stay-at-home orders or directives
- Not be engaged in illegal activity of any kind, manner or form

Which businesses are *not* eligible for the program?

Businesses not eligible to apply for the program include:

- Businesses that are considered "essential", were allowed to remain open, and as a result were relatively less affected by the stay-at-home orders
- Home-based businesses or home occupations
- Non-profit organizations
- Lending and investment institutions
- Insurance companies
- Franchises and chain stores
- Individuals operating multilevel or network marketing businesses
- Individuals working on gig platforms (e.g. Airbnb, Uber, Lyft, Instacart, etc.)

How will loans be made?

Loans will be offered to qualifying businesses on a priority basis according to demonstrated economic impact, as funds allow. In general, highest priority will be given to businesses which were forced to close and were either prohibited from or were unable to conduct business through alternative means. Next are businesses that were allowed to remain open but only by implementing significantly modified operations. Finally, all other qualifying businesses will be considered.

Loans will be made in several rounds as fundraising goals are met and funds become available, beginning with those businesses most affected. That said, the goal of the program is to raise enough money to assist *all* eligible businesses, so fundraising will continue in an effort to meet that goal.

When does the program begin and where do I apply?

The goal of the program is to *quickly* place badly needed financial assistance into the hands of businesses that need it the most. Fundraising has already begun and will continue as long as the program is deemed to be viable.

Beginning **Thursday, June 18, 2020** the City will accept applications from qualifying businesses. Qualifying businesses should visit the City's website to access the application form [Small Business Relief Application](#) or contact the City at (209) 267-0682 for a copy of the application. Applications for the first round of funding will be accepted until 5:00 pm on Friday, June 19, 2020. However, applications for subsequent rounds of funding will be accepted until funds are exhausted or until the City Council determines that the program has achieved its goals and is no longer necessary.

First round funding announcements are expected on Monday, June 29th.

FAQs

Is any other paperwork required?

Yes. Once a business has been determined eligible for funding, the owner will be asked to execute a promissory note and submit a completed IRS Form W-9.

What can the loan proceeds be used for?

The program is intended to provide immediate support to businesses whose cash flow has been interrupted or curtailed by federal, state, or local stay-at-home orders or directives. Businesses are expected to utilize loan proceeds for day-to-day operating expenses such as employee salaries and benefits, rent, utilities, inventory, etc. Other appropriate uses for loan proceeds include costs

and expenses associated with transitioning to e-commerce, curbside pickup, delivery, or other alternate means of conducting business. Non-business or personal use of loan proceeds is not allowed.

How does loan forgiveness work?

The City will offer no-interest, no-payment loans for six months. Loans will be forgiven in their entirety for businesses which demonstrate and certify that loan proceeds have been utilized for legitimate business purposes within six months of loan origination.

Why are loans offered on a priority basis?

Some businesses have been affected more than others by the stay-at-home orders. The goal of the priority system is to place financial assistance first into the hands of businesses affected the most, which in general includes businesses that were ordered to close but had few options for conducting business while closed. Businesses that were affected but had greater ability to conduct business by employing alternative business practices are likely to be lower on the priority list. That said, the goal of the program is to raise enough money to assist *all* eligible businesses.

Can I apply for more than one business?

No. Loans will be offered to only one qualifying business per applicant, and each qualifying business will be offered only one loan. An applicant who owns more than one business should determine which of their businesses in is most need of the loan, and only apply for that business.

How much money can I expect to receive?

Loans of a qualifying amount based upon number of applications per qualifying business will be offered. Loans will be offered as long as funding is available however, so more than one round of funding may occur.

Where do I go for more information?

For more information about the program, visit the City's website any time <https://amador-city.com/> or call the City at (209) 267-0682 during regular business hours.