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Advisory #25
City of Bozeman Coronavirus Small Business Local Relief Fund

The Coronavirus Small Business Local Relief Fund is aimed at helping small businesses in Bozeman stabilize and recover in 2021. The fund is especially interested in helping those businesses who are:

- Impacted by COVID-19 health restrictions (reduced hours, reduced occupancy, or otherwise can demonstrate negative impacts because of health restrictions).
- Dependent on in-person customers and have seen revenue decline due to COVID-19.
- In need of stabilization of operations, improvement of business efficiency, and/or assistance with business recovery.

Eligibility Criteria Only one business is eligible per owner for either a grant or a microloan. Holding companies held by the business owner are not eligible for grants but may apply for a microloan. These listed criteria are required.

- Business is physically located within the Bozeman city limits. See this site to verify <https://gisweb.bozeman.net/Html5Viewer/?viewer=maps>
- Is a single owner business, or has 20 employees or less based on FTE.
- Established before July 1, 2019. (purchased/ownership change of a preexisting business qualify)
- Not in bankruptcy.
- In Good standing with City. “Good standing” means:
 - o not delinquent in payment of City assessments or other City-imposed fees; and
 - o has a current business license, if required; and
 - o In compliance with City zoning and building codes
- In compliance with all applicable federal, state, or local health department COVID-19 directive, rule, or order.
- Qualified to do business in Montana. (registered and active with MT Secretary of State, see <https://biz.sosmt.gov/search/business>)

Grants

1. Single Owner Business - No Employees: up to \$5,000 Grants: Eligible businesses apply for a grant to have up to 2 months of lease and utility payments covered. Documented costs required. Target audience: Single Owner-No Employee businesses who can demonstrate impacts because of COVID health restrictions, and/or are dependent on in-person clients and can demonstrate loss of business activity.

2. Small Businesses with Employees: up to \$10,000 Grants: Eligible businesses (with 20 or fewer employees based on FTE) apply for a grant to have up to 2 months of lease and utility payments covered. Target audience: small businesses with employees who can demonstrate impacts because of COVID health restrictions, and/or are dependent on in-person clients and can demonstrate loss of business activity. Microloans Micro-loans for Small Businesses: Eligible businesses apply for a loan up to \$30,000 at 3% for 5 years. No fees or closing cost. No prepayment penalty. No payments for 1-month (deferred). Business must provide a planned use of funds and demonstrate an ability to repay the loan. Use of Funds

- Working capital and wages
- Equipment and inventory
- Lease and utility payments.

Application Process

Both grants and loans will use the Prospera Business Network website at prosperamt.org. Go to the menu bar for "Business Recovery". We will be offering multiple rounds of grants and loans with a limited number of applicants accepted for each round. This will provide for a quick turn-around on funding decisions. The first round will open on Wednesday, January 20, 2021. Funding rounds will be on a first-come / first-served basis as funding is limited. See the Prospera Business Recovery website for details on the grant and microloan program and a checklist of the items needed to apply for a grant or microloan. Notice: Businesses that apply for and receive funding may have the name of the business and funding amount disclosed as public information.