

Purpose

The Government of Metropolitan Nashville and Davidson County, Tennessee seeks to establish and provide for the administration of the Nashville Small Business Recovery Program to support local economic development by maintain small business operations and creating/retaining employment in Metropolitan Nashville. The purpose of the fund is to ensure that Nashville’s small businesses have the adequate support to recover from the impacts of the 2020 COVID-19 global pandemic.

The fund will be administered by the Mayor’s Office through the selection of a subrecipient (3rd party vendor). Awards for the program will adhere to the guidelines as defined by the federal, state, and local laws or regulations. This program shall sunset on or before December 31, 2023.

Business Eligibility:

- Small business owners with 1 FTE including the owner to than 50 full-time equivalents – 35hrs
- Other requirements include:
 - Businesses must have physical location and postal address in Nashville/Davidson County
 - Business must provide proof COVID-19 has impacted operations
 - Farmer’s market vendors, food truck operators, caterers are eligible and Creative industries are also eligible (music and film) – applicants must do business in Nashville/Davidson County and also provide a Nashville/Davidson County address
 - The business must demonstrate 12 months of operations as of 9/30/20 in Nashville/Davidson County to be eligible.
 - Gross annual revenues less than \$1,000,000
 - Valid State and/or County registration as a business is required
 - Must be in compliance with all federal, state, and local regulations
 - May not have more than 2 business locations in Davidson County
 - Businesses must be currently open and active
 - Business must be independently owned, non-franchise, and non-chain business.

Program Requirements

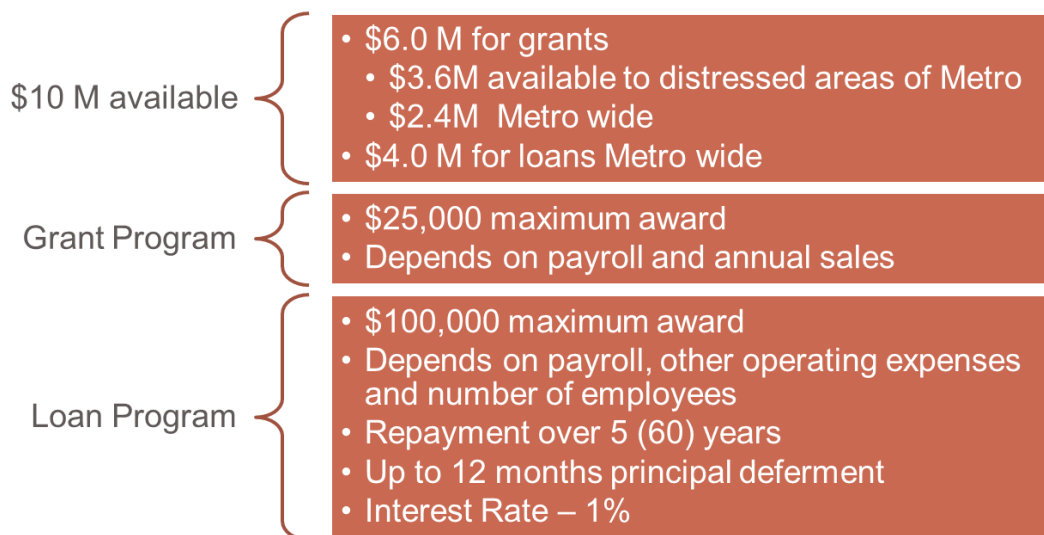


Exhibit A

Nashville Small Business Recovery Fund (NSBRF)

NSBRF: \$10 million

- Grant awards will be calculated based on a business's annual gross receipts for (see below for more information). Grant amounts and calculations are subject to change by Metro Nashville:
- Annual gross receipts: \$10,000 - \$50,000: Award is up to \$5,000 / business
- Annual gross receipts: \$50,001 – \$100,000: Award is up to \$10,000 / business
- Annual gross receipts: \$100,001 – \$1,000,000: Award will be capped at 10% of gross receipts (maximum grant is \$35,000)
- Loans awards cannot exceed \$100,000 and will be based on underwriting.
- Job creation/retention will be required for grants and loans

Marketing

Multiple virtual information sessions will be held. No less than 4 info sessions.

Information sessions will be held in English in Spanish

An informational PowerPoint will be uploaded to the City's website along with recorded informational session in English and Spanish

Funding Process

All applications will be electronic and submitted via a portal. Mailed or emailed applications will not be accepted. Staff and the vendor will make arrangements if the applicant communities with staff/vendor. The application will be available in English and Spanish

The application period will open on March 1, 2022 and close on March 18, 2022 at 11:59pm.

Applications will be reviewed from March 19, 2022 to April 30, 2022. Applicants

All applicants will be informed by April 30, 2022.

Eligible applications will be placed in a lottery

- There will be separate lotteries: one for loan and one for grant funding
- There will be two grant funding lotteries: one for the distressed/underserved areas, and one Metro-wide

The lottery will produce a list of businesses selected for funding

Third party administrator will work with businesses to verify financial information, underwrite application, and if criteria are met, provide funding.

Funding is estimated to be available in the Spring of 2022

Eligible Uses

- The grants must be used for COVID-19 related losses or expenses incurred between March 1, 2020 and March 31, 2022. These include:
- Payroll costs
- Commercial rent or mortgage payments for Metro Nashville based property (but not any rent or mortgage prepayments)
- Insurance costs
- Utility costs
- Costs of personal protection equipment (PPE) necessary to protect worker and consumer health and safety
- Heating, ventilation, and air conditioning (HVAC) costs
- Other machinery or equipment costs related to operating a business
- Supplies and materials necessary for compliance with COVID-19 health and safety protocols
- Other documented COVID-19 costs as approved by Metro Nashville

Ineligible Businesses

- All Non-Profits, Churches and other religious institutions that do not provide education programs and/or job training.
- Businesses primarily engaged in political or lobbying activities
- Businesses that received awards from the SBA Restaurant Revitalization Grant Program or PPP
- Landlords and passive real estate businesses
- Illegal businesses or enterprises and adult entertainment businesses
- Other industry or business types as specified by Metro Nashville
- Grants awarded under the program may not be used to re-pay or pay down any portion of a loan obtained through a federal COVID-19 relief package for business assistance or any other TN business assistance programs.

Documents Needed to apply to the programs:

- W-9
- Documents supporting number of employees and payroll (like an IRS 941 form)
- Registration with Secretary of State
- Registered with Davidson County
- Profit and loss statement from previous years (2020, 2019, and/or 2018)
- Tax statements from previous year including sales and use tax
- Proof of business location and operations
- Schedule of ownership
- Proof of business organization

Information provided to Metro for program management

- Zipcode and council district for applicant and awardee
- Demographic information on the business owner
- Annual business revenue data
- Type of award- loan or grant, award status, size of each award, avg. award size
- Awards in distressed areas and non-distressed areas

Exhibit A

Nashville Small Business Recovery Fund (NSBRF)

NSBRF: \$10 million

Distressed Areas of Nashville/Davidson County

Criteria:

1. Low to Moderate Income (LMI) Census Tracts in Davidson County
2. Opportunity Zones in Davidson County
3. NMTC eligible Qualified Census tracts in Davidson County
4. Census tracts with a poverty rate greater than 30%
5. Census tracts where the median family income is at or less than 60% of the Metro area median family income
6. Census tracts where the unemployment rate is greater than 1.5x the national average
7. Census tracts where the population change from 2020 to 2010 is less than 6%

Economic distress factors

