

## Client Alert

### **New York City Rolls Out Coronavirus-Related Small Business Financial Assistance Programs**

March 18, 2020

New York City has announced its first initiatives to assist small businesses impacted by the Coronavirus. Both programs are aimed at supporting businesses who have experienced a reduction in revenue. The applications for both programs will require businesses to provide documentation such as: point-of-sales reports, bank statements, quarterly sales tax filings, 2019 tax returns, or CPA-certified profit & loss statements.

#### **Employee Retention Program**

The first program is targeted at companies (including non-profits) with fewer than five employees and is intended to enable those companies to retain their employees (“**Employee Retention Program**”). New York City is offering to a grant to cover 40% of payroll costs for two months. The criteria for the Employee Retention Program are as follows:

- Be located within the five boroughs of New York City;
- Demonstrate that the COVID-19 outbreak caused at least a 25% decrease in revenue;
- Employ 1-4 employees in total across all locations;
- Have been in operation for at least 6 months; and
- Have no outstanding tax liens or legal judgements

Additional information and the application for the Employee Retention Program are available here: <https://www1.nyc.gov/nycbusiness/article/nyc-employee-retention-grant-program>.

#### **Business Continuity Program**

The second program is aimed at companies with 99 employees or less and is offering an interest-free loan for up to \$75,000 to help mitigate losses in profit (“**Business Continuity Program**”). The criteria for the Business Continuity Program are as follows:

- Be located within the five boroughs of New York City
- Demonstrate that the COVID-19 outbreak caused at least a 25% decrease in revenue
- Employ 99 employees or fewer in total across all locations
- Demonstrate ability to repay the loan
- Have no outstanding tax liens or legal judgements

The application for the Business Continuity program is not yet available, but you can sign up to be notified when the application is available here: <https://www.surveymonkey.com/r/N336ZYB>.

Morrison Cohen LLP has created the COVID-19 Resource Taskforce, a multidisciplinary taskforce comprised of attorneys with deep expertise in a broad range of legal areas, to assist clients navigating the challenging and uncertain business and legal environment caused by the COVID-19 pandemic. We encourage clients to utilize our capabilities by reaching out to their primary Morrison Cohen attorney contact, who will put you in touch with the appropriate Taskforce person. You may also reach out directly to Joe Moldovan and Alec Nealon, the Taskforce co-chairs:

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