CARES Agriculture Adaptability and Recovery Program Request for Applications



Administration Division

The Nevada Department of Agriculture (NDA) is releasing a Request for Applications (RFA) for the Nevada Agriculture Adaptability & Recovery Program (NAARP). On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116- 136, CARES Act), which provides funding to states to address the various impacts arising from the pandemic. Thanks to these funds, NAARP was created to help relieve the stress food and agriculture businesses face in responding to the COVID-19 crisis through business adaptations and diversifications to ensure a safe and adequate food supply. Applicants must demonstrate how financial assistance is needed in response to impacts to their operation in adapting to operating during the COVID-19 public health emergency.

Eligible applicants

- Agriculture employers or producers based in the state of Nevada Note: Small agriculture businesses located within 15 miles of the Nevada border in neighboring states can apply if they can demonstrate they exclusively serve Nevada communities.
- Farmers markets and food hubs, as direct to consumer retailers
- Nevada USDA-approved meat harvesting and processing facilities
- Nevada breweries, wineries, and distilleries that use at least 51% Nevada grown product

Additional requirements

- Registered to do business and in good standing with the Nevada Secretary of State
- May not be debarred or suspended from receiving federal or state funds
- May not have declared bankruptcy since March 2020 or plan to declare bankruptcy within the next 90 days. (If your business declared bankruptcy within the past year, prior to the COVID-19 pandemic, an explanation may be attached to the application for additional consideration of eligibility.)

Note that the COVID-19 assistance categories outlined in this RFA may have additional qualifiers that restrict who can apply from the eligible applicants list in that assistance category.

Program funding limitations

Funding cannot exceed \$15,000 in combined assistance to any individual producer/business applying for assistance during the 2020 calendar year. If additional funds are available, this cap may be increased, and further requests accepted.

All funding assistance will be conditional upon the applicant demonstrating expenses are reasonable for the size and scope of the operation/business.

405 South 21st St. Sparks, NV 89431 4780 East Idaho St. Elko, NV 89801

Distribution of funds

Funds will be distributed upon the recipient's submission of documentation necessary to demonstrate the recipient's eligible use of financial assistance for reimbursement of COVID-19 related business expenses.

The NDA reserves the right to adjust the parameters of eligible expenditures for reimbursement and release updated request for applications and forms as needed in response to evolving conditions for the food and agriculture industry due to the COVID-19 public health emergency.

If an eligible applicant is unable to incur COVID-19 related expenses up front for reimbursement via this application, they may contact NDA staff at <u>NVtrade@agri.nv.gov</u> to discuss options for receiving financial assistance to make eligible purchases. Individuals seeking this accommodation should include the following information in the email request:

- Brief (1-2 paragraph) explanation of your situation and request for accommodation
- List of eligible expense(s) and justification per the RFA and application
- Attach quotes of eligible costs

If request is granted, NDA staff will work with the individual to finalize the process and provide payment for expenses. Recipients through this manner will have 30 days from payment receipt to make eligible purchases and provide NDA with a copy of receipts. If funds are not spent on the eligible expenses as agreed upon within this timeframe, the recipient will be required to return funds to the NDA.

Response due date

Applications will be accepted on a rolling basis and be processed on a first-come, first-serve basis until December 1, 2020 at 5:00 p.m. PST, or until all funds are expended, whichever comes first. See the application format and submission instructions outlined in this document for further detail.

Applicants may submit more than one application during the submission window if needed for justifiable expenses until they have hit their business cap.

Eligible COVID-19 assistance categories

(Category descriptions provided in the next section)

- Agribusiness COVID-19 relief assistance
- Housing assistance for impacts to traditional on-farm occupancy or need to provide temporary occupancy
- Fee reimbursement for new farmers markets developed in response to disruption in supply chains and markets due to pandemic
- Supplies and equipment to safely operate during the COVID-19 pandemic.

For further clarification on the allowable uses of these funds, please see the U.S. Department of Treasury's <u>Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal</u> <u>Governments</u> and <u>Coronavirus Relief Fund Frequently Asked Questions</u>. These documents provide guidance to the NDA for how these funds can be utilized to support the industry.

Agribusiness COVID-19 relief assistance

Financial assistance is available to small businesses to reimburse the costs of business interruption caused by required closures, decreased customer demand as a result of the COVID-19 public health emergency or required COVID-19 related business adaptations. Eligible agribusinesses may submit applications for COVID-19 expenses that do not fall under the other categories of this request for applications, but should consider if the request is practical, can be supported by back-up documentation, can provide sufficient evidence for validating costs were COVID-19 related, and meet the criteria of this application.

Does your agribusiness qualify as small?

Visit the U.S. Small Business Administration <u>website</u> on size standards for instructions on how size is determined. A size standard is stated in number of employees or average annual receipts (including subsidiaries and affiliates) and the standard varies by industry. Utilize their online <u>Size Standards Tool</u> or reference the SBA <u>table of small business size standards</u> for your industry.

Eligible cost test and reimbursement

If responses for the incurred cost are <u>true for all statements below</u>, the agribusiness may submit an application to NDA for consideration along with all required paperwork and/or receipts to support the expense. If approved, NDA will reimburse applicant for value requested and documented on eligible expenses up to the \$15,000 funding cap for this RFA.

- 1. The expense occurs between March 1, 2020 and December 30, 2020.
- 2. The expense is necessary to business operations and directly connected to the COVID-19 emergency.
- The expense has not been funded by another COVID-19 assistance programs through federal or state funds. This includes programs such as U.S. Small Business Administration's <u>Payroll Protection Program</u> (PPP) and the U.S. Department of Agriculture's <u>Coronavirus Food Assistance Program</u> (CFAP)
- 4. The expense would not exist without COVID-19 OR would be for a "substantially different" purpose

Eligible agribusiness costs may include, but are not limited to:

- Maintaining compliance with Centers for Disease Control (CDC) and Department of Health and Human Services recommendations. Documentation required includes citing recommendations and how expense was necessary under these guidelines.
- Payroll expenses (including overtime) for new or transitioned employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency in your business. Documentation required includes individual(s) employed, hours worked, description of duties specific to COVID and proof of payment.
 - For example: meat processors paying overtime to expand their capacity during the COVID-19 public health emergency and maintain the supply chain.
 Documentation required in addition to payroll documentation includes demonstrating the additional capacity needed in response to COVID-19.

- Costs an agribusiness had to invest in substantially different functions due entirely to the COVID-19 public health emergency. Note that a business function does not become a "substantially different use" merely because it is provided from a different location. Additionally, start-up expenses to diversify your business model during COVID-19 for new products or services that do not directly address food security during the pandemic would not be eligible. Documentation must provide evidence of the different function from historical business activities along with a justification.
 - For example: modifying bulk packing and shipping intended for processing, to individual direct to consumer packaging.
- Expenses incurred to publicize the resumption of business activities and steps taken to ensure a safe experience during the COVID-19 pandemic as long as documentation can be provided that these promotional expenses are outside normal budgeted amounts for promotion for the year. Documentation required includes evidence of COVID-19 related promotional expenses.
- Costs associated with additional storage needs and delays in processing due to COVID-19 related disruptions in the food supply chain.

Housing assistance guidelines

Housing assistance is available for the difference between traditional on-farm occupancy and temporary occupancy or modifications to on-farm housing required because of the pandemic to increase employee safety.

Housing assistance rates

- Temporary Modifications to On-Farm Housing: Materials and supplies purchased by a producer on or after March 1, 2020 to complete temporary modifications to on-farm housing, including existing or temporary housing,
 - are eligible for reimbursement of supplies/materials per occupancy unit that is occupied, based upon receipts.
 - For example: supplies/materials needed to modify common use facilities, such as dormitory-style housing or common use cooking and eating facilities, to increase social distancing and public health.
- Temporary On-Farm Alternative Housing: Producers who rent or otherwise secure temporary on-farm alternative housing (e.g., modular office units, trailers, RVs, tents, etc.) can receive assistance for each occupancy unit that is occupied, based upon receipts. This includes portable toilets and handwashing stations required for alternative units without built in sanitation systems.
- Hotel/Motel Assistance: Producers who secure hotel/motel housing for workers can receive assistance of up to the standard government rates.

Fee reimbursement for new farmers markets

Financial assistance to reimburse event permit fees for new farmers markets developing in response to COVID-19 as a new market for food distribution for Nevada agriculture producers.

• Market managers who obtain event permits from their local jurisdiction between March 30, 2020 and November 30, 2020 may submit a copy of receipt of payment for reimbursement of cost. Additionally, they must provide documentation that this is a new farmers market, previously not in existence and developed in response to the pandemic, and that at least 51% of farmers market vendors will sell Nevada food products to qualify.

Supplies and equipment to safely operate

Financial assistance to reimburse eligible expenses that serve to protect employees and customers in various eligible agribusiness situations in response to the COVID-19 public health emergency.

Examples of eligible supplies and equipment include, but are not limited to:

- Sanitation supplies to clean "high touch" surfaces
- Employee and/or customer handwashing stations (water catching buckets, water dispensers, paper towels, soap etc.)
- Personal Protective Equipment (cloth face coverings, face shields, gloves, etc.)
- Tables to create space between workers and customers at counters, registers, or display areas
- Rope, fencing, tape, chalk, or flags to create walkways and borders to identify designated picking areas or a specific flow of traffic through your fields, access areas, farmers market, etc.
- Signage to communicate proper handwashing, social distancing, and safety instructions for employees or customers
- Increasing field sanitation stations (portable restrooms, handwashing stations, covered garbage containers for used paper towels) during the pandemic

Reimbursement Rates

Payments are limited to the actual amount spent to purchase eligible items. These purchases must be documented with copies of receipts or paid invoices that you include with your application.

Fraud, waste, and abuse

- Anyone who becomes aware of the existence (or apparent existence) of fraud, waste, or abuse related to these CARES Act funds should immediately report this information to the NDA.
- Fraud, waste, and abuse include, but are not limited to, embezzlement, misuse, or misappropriation of aid funds or property, and false statements, whether by organizations or individuals. Examples are:
 - Theft of funds for personal use
 - Theft of owned property or property acquired or leased under this financial assistance
 - o Submitting false financial data or receipts in applications submitted to the NDA

• Any violations of the law, State policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken.

The NDA reserves the right to conduct audits on the program, including the right to confirm payroll records.

Application and format requirements

The <u>application</u> must be submitted in the format provided in the application template. Applicants must submit a clearly identified application, typed, and electronically signed, along with supporting documentation.

Applications not submitted in the manner prescribed in this announcement will not be considered for funding under this announcement.

The <u>application</u> is a fillable PDF form. NDA recommends downloading the application and opening it with Adobe Acrobat Pro DC or Adobe Reader DC (get free download <u>here</u>) desktop applications to ensure full functionality of the form. Additionally, applicants will need to electronically sign the application using a digital ID before submitting it to NDA NDA. Learn more about creating a digital ID to electronically sign PDFs <u>here</u>. NDA will also accept a photo of a physically signed document in place of signing with a digital ID. For this method, print the completed application, physically sign the application in blue ink, take a photo of the signed document and submit the photo via email along with your completed application and supporting documentation.

If you are unable to type in your responses on the form or sign the application, please email <u>NVtrade@agri.nv.gov</u> with your contact information for technical assistance.

Application checklist:

- Completed application, typed and signed.
- Supporting documents as outlined in the application and this RFA, including electronic copies of receipts/invoices (paper copies must be scanned as a PDF file and submitted as electronic documents). All attachment should have clearly titled file names to be easily identifiable.
- Attach a copy of previous year's IRS W-9 Form: Request for Taxpayer Identification Number and Certification

If applicable, applications should also include:

- Form A: Agribusiness Covid-19 relief assistance
- Form B: Housing assistance
- New farmers market information attachment (1-2 page document outlining name, location, dates and times, list of food vendors with Nevada companies highlighted to demonstrate the minimum 51% Nevada produced threshold is met, website/social media page as applicable. Include a paragraph addressing how the market came into existence in response to COVID-19.)
- Supplies and equipment to safely operate justification attachment (1-2 page document with brief descriptions for each item submitted for reimbursement and how it is being

utilized in your business and allows you to safely operate during the pandemic.)

• Nevada breweries, wineries, and distilleries must include documentation that they use at least 51% Nevada grown product in their beverage business.

Application submission instructions

Email completed application packets to NVtrade@agri.nv.gov.

NDA will not accept applications submitted by mail, on disk, flash drive or by fax.

Nevada vendor registration requirement

If your application and receipts are accepted, to receive payment from the NDA, you must be a registered vendor with the State of Nevada. This process is free and will establish a vendor record in the accounting database. Register <u>online</u> with the Nevada State Controller's Office. This process can be done simultaneously with NDA reviewing the application, but payments cannot be made until a vendor number has been assigned. Questions can be directed to NVtrade@agri.nv.gov.