



SUPPORTING
SMALL BUSINESS

AUGUST 13, 2020



Arizona small businesses have demonstrated incredible commitment and resolve to do their part in minimizing the spread of COVID-19. Helping small businesses through this emergency and protecting lives and livelihoods remains a critical priority in the State's response.

While nearly every business has been impacted by the emergency, certain businesses have been hit especially hard because their operations have a high-risk of spreading COVID-19. On June 27, Governor Ducey issued Executive Order 2020-43 "Pausing Arizona's Reopening" that paused the operations of high-risk businesses, specifically gyms, fitness centers, bars and nightclubs, waterparks and tubing, and movie theaters to minimize the spread of COVID-19. On August 10, the Arizona Department of Health Services announced public health recommendations for the safe reopening of these paused businesses, but the hardship continues for most of the impacted businesses.



EXPANDING ASSISTANCE FOR HIGH-RISK BUSINESSES

To help the most vulnerable businesses meet their financial obligations, Governor Ducey is partnering with Local First Arizona and dedicating \$10 million to create an *Arizona Small Business Rent and Mortgage Relief Grant*. The program will provide rent and mortgage assistance to small Arizona businesses that were required to pause operations by Executive Order 2020-43. The program will provide grants for up to two months of rent and mortgage payments due by small businesses. The maximum award will be \$25,000. Grants will be prioritized for businesses that are most in need of the funding to meet their rent or mortgage obligations and do not have access to other financial support.

Local First Arizona has assisted businesses and administered COVID-19-related grant programs since March, and has helped more than 675 Arizona small businesses obtain critical grant funding during the emergency. The partnership leverages the grant making experience and small business expertise at Local First Arizona to quickly and prudently help small business owners meet their rent and mortgage obligations.



OPENING OPPORTUNITIES FOR ADDITIONAL FINANCIAL ASSISTANCE

Governor Ducey will continue to work with county and city governments to support small businesses. The *Small Business Rent and Mortgage Relief Grant* through Local First Arizona may be expanded by any city or county government with funds available to dedicate to the program. Interested governments may dedicate funds to the program that would then be granted to eligible small businesses within their jurisdictions.



GAPS IN SMALL BUSINESS FINANCIAL ASSISTANCE

The *Small Business Rent and Mortgage Relief Grants* supplement federal, state, and local programs and policies that have assisted small businesses in keeping their doors open through the emergency. Many businesses who received Paycheck Protection Program loans quickly expended their funds on payroll and utilities as the emergency extended beyond the funding window for the forgivable loans. The new Grant program will be available to grantees who may continue to face hardship despite leveraging other programs.

The program supports small-business landlords who face mortgage payments themselves that are supported by rent from their tenants.



SUPPORTING ARIZONA BUSINESS AND INDUSTRY

In addition to *Small Business Rent and Mortgage Relief Grants*, Governor Ducey and the Arizona Commerce Authority (ACA) have provided training and resources for businesses and workers impacted by COVID-19. These resources include:

- Financial Assistance: ACA has compiled the federal, state, and local COVID-19 financial assistance programs, as well as information on relief specific to particular sectors, such as agriculture, on [one easy to understand page](#).
- Small business coaching and assistance: The [ACA's small businesses team](#) provides answers and support to entrepreneurs in need. Small businesses can request assistance on the ACA website.
- Small Business Boot Camp: ACA has recorded webinars over 17 weeks with strategies and resources to navigate the challenges of COVID-19 and return stronger. Registration for future webinars and recordings of previous sessions are available [here](#).
- Workforce tools and resources: [The ACA COVID-19 workforce portal](#) helps workers looking for new employment opportunities and resources like child care.
- Helping manufacturers adapt: The ACA has helped Arizona manufacturers pivot their operations to produce personal protective equipment critical for keeping Arizonans safe during the COVID-19 emergency. Details for interested manufacturers available [here](#)
- Other programs and resources can be found at www.azcommerce.com/covid-19



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