

**CITY OF HOMER COVID-19
FISHERMEN ECONOMIC RELIEF GRANT (FERG) PROGRAM POLICY
GRANT PROCEDURES AND CRITERIA**

Purpose

The Fishermen Economic Relief Grant (FERG) Program is designed to provide financial relief grants to Homer-based commercial fishing vessel owners/commercial fishing permit holders and crew members who certify they have suffered a loss of revenue due and/or increased expenses due to the novel coronavirus (Covid-19) pandemic. The City of Homer, using Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, has allocated \$1,300,000 to be distributed through this grant program.

Commercial vessel owners can apply for up to \$8,000 in Cares Act relief funds on behalf of a commercial fishing business/operation based on eligible expenses in the following categories:

- Up to \$2,000 for vessel owners;
- Up to \$1,000 for commercial fishing permit holders;
(Vessel owners who hold a permit is entitled to up to \$3,000 in relief funds based on eligible expenses.)
- Up to \$1,000 per crew member (for up to 5 individual crew members)

Eligibility Criteria

1. Must provide proof of ownership of the named commercial fishing vessel, USCG Documentation, or in the case of a small boat fishermen a current State of Alaska Division of Motor Vehicle registration.
2. Applicant must provide State of Alaska Commercial Fishing Entry Commission 2020 Vessel License receipt.
3. Must be a commercial fishing vessel that is currently active in catching fish, verified by either a fish ticket that shows that the vessel had a fish delivery in the qualifying year or as in the case of a fishing tender show proof of a contract with a fish buyer/processor for 2020.
4. Provide proof that the named vessel has moored in Homer Harbor between January 1, 2020 and September 30, 2020.
5. Vessel owner must be an Alaska Resident who maintains a primary residence on the Kenai Peninsula and spends the majority of the year as a resident of the Kenai Peninsula Borough. This will be confirmed with either PFD records or voter registration.

6. The vessel owner on behalf of the vessel's crew/permit holder must agree that the vessel was/is negatively impacted by the COVID-19 pandemic and disclose, certify and document how the vessel has experienced or continues to experience economic hardship as a result of the COVID-19 pandemic between March 1, 2020 and December 30, 2020.
7. Applicants must provide a budget itemizing uses of FERG grant funds and agree to provide documentation in the event the program/grant recipient is audited.
8. A vessel owner may only apply one time for this grant.

Grant funds are eligible for:

1. Vessel mortgage or lease agreement in force for the 2020 fishing season (ship mortgage or vessel loan must have been in full force before March 1, 2020).
2. Vessel moorage, dunnage, or storage payments.
3. Vessel owner/permit holder wages, commissions, income, or net earnings (earnings cannot exceed 2019 tax return Schedule C earnings from self-employment)
4. Crew shares of up to \$1,000 for up to five crew members for lost earnings in the 2020 season (earnings cannot exceed 2019 earnings as reported on 1099's)
5. Electricity, gas, heating oil, vessel fuel, water, transportation, launch fees, telephone access, or internet access.
6. Personal protective equipment required for employees or business operations.
7. Equipment necessary for adapting to amended business operations during or after the COVID-19 public health emergency.

Grant funds ineligible for:

1. Any expense considered ineligible under the State of Alaska CARES Act grant program or would not be considered an eligible business expense by IRS rules.
2. Any expense covered by another CARES Act grant or other economic relief program.
3. Political contributions.
4. Bonuses to owners or employees.
5. Wages/percentages to any member of owner's family who is not a bona fide employee/crew member.
6. Charitable contributions.
7. Gifts or parties.
8. Earnings to owner/crew members/permit holder that exceed earnings for the same period in 2019.
9. Pay down or pay off debt by more than required in underlying debt instrument

Process

1. The vessel owner must fill out the application available online at the City of Homer website or paper application available from the Clerk's office and provide a W-9 form from the Internal Revenue Service.
2. If applying for crew member economic relief, the vessel owner must provide names, Fish and Game Commercial Crewmember License numbers and W-9 forms for up to five crew members.
3. Upon completion of application review and verification that the applicant meets the eligibility requirements, a grant payment for eligible expenses up to \$8,000 shall be disbursed. Payments shall be dispersed to eligible applicants and their crew members on a rolling basis in a defined application period.
4. All applications received by the deadline will go through a review and verification process to insure applicants meet the eligibility requirements.
5. Applicants who submit incomplete applications will be notified by email. Applications may be amended before the deadline.
6. Applicants whose requests are denied will be notified via email. A grantee who is denied may appeal in writing to the City Manager no later than 5 PM the 10th calendar day after the applicant receives notice from the City.
7. Information provided in the FERG application will be kept confidential to the extent authorized by law.
8. Grant funds received must be fully expended by December 30, 2020. If funds have not been expended, they must be returned via check to the City of Homer. Funds must be used in accordance with the guidelines of this program.
9. An IRS 1099 Misc. income form will be issued by January 31, 2021.
10. It is incumbent upon recipients to determine whether:
 - a. Proceeds from the grant are taxable, or
 - b. The receipt of a grant under this program might preclude eligibility for any other grant or aid programs.

Reporting

Grantees are required to expend grant funds in accordance to the budget they provide as part of the FERG application itemizing how grant funds are to be used to reimburse eligible expenses associated with COVID-19 and incurred or reasonably expected to be incurred from March 1, 2020 to December 30, 2020. Grant funds must be either fully expended or any unused portion returned to the City of Homer by December 30, 2020.

Grants received under this program are subject to audit and may be randomly selected to produce documentation for program evaluation. This may include the completion of a reporting form provided by the City documenting how the funds were used. Grantees are required to maintain records and receipts for grant expenditures for a period of six years and make them available upon request.