



Federal Home Loan Bank
NEW YORK

Small Business Recovery Grant (SBRG)

2023 Program Guidelines

November 2023

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Introduction

The Federal Home Loan Bank of New York (FHLBNY) is offering \$5 million in grant funding under the 2023 Small Business Recovery Grant (SBRG) Program. The SBRG Program provides grant funds to benefit FHLBNY members' small business and non-profit customers.

This program is intended to support the financial security and health of organizations that have faced economic challenges due to the rate environment, inflation, supply-chain constraints, and/or rising energy costs. Eligible recipients will receive a grant of up to \$10,000 each. The SBRG Program is to be administered by the participating members of the FHLBNY. The FHLBNY encourages participating members to identify those customers who may be at most risk of being unable to meet their obligations to their employees due to loss of revenue or unanticipated and extraordinary expenses, and who are least likely to have access to other sources of emergency funds.

The program must be administered in accordance with these Program Guidelines. The member is solely responsible for collecting, verifying, and retaining the documentation that supports the eligibility of the applicants, in compliance with the Program Guidelines. The member is not required to submit supporting documentation to the FHLBNY.

The SBRG Program is active starting at 8:30 a.m. ET on November 13, 2023, and will remain available until the funds are exhausted, or until December 22, 2023, whichever occurs first.

Funding Allocation

The SBRG Program is a voluntary program of the FHLBNY, funded by a new allocation of \$5 million for 2023. The recipients must be located within the FHLBNY's District: New York, New Jersey, Puerto Rico and the U.S. Virgin Islands.

In the event that SBRG funding demand exceeds the amount of available SBRG program funds, a waiting list will be created and members shall be added to the waiting list based on the order in which their application was received. In its sole discretion and subject to the availability of funds, the FHLBNY may allocate SBRG Program funds to members on the waiting list. The FHLBNY shall notify members on the waiting list with updates on the availability of additional SBRG Program funds, round closure and new rounds, among other information.

Member Participation

Participation in the program is available to all members located within the FHLBNY's District: New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands.

In an effort to give more members access to grant funding under the Program, participating members may disburse up to \$50,000 in SBRG funds to eligible recipients. Members are to complete one application that lists all eligible grant recipients and submit the single application to DisasterRecovery@fhlbny.com. Applications are considered on a first-come, first-served basis. Only one application per member may be submitted.

Prior to submission of the application by a member, the member must find, qualify, and certify eligibility for up to 20 small business or nonprofit recipients for an amount not to exceed the member maximum of \$50,000. Members may participate in the program by submitting the [SBRG Application & Certification Form](#), which includes the required member Certification. The Certification must be executed by two senior officers of the member, agreeing to the requirements in these Program Guidelines.

All grant funds must be passed through to eligible recipients; no funds may be retained by the member or used for fees or compensation.

Batch Application and Funding Processes

The SBRG Program process is designed to ensure rapid deployment of funds to eligible recipients, while also allowing participating members the time to make sound, thoroughly documented decisions about their use of program funds.

The [SBRG Application & Certification Form](#) and these Program Guidelines are provided to our membership prior to the launch of the SBRG Program to allow members time to find, qualify and certify eligible recipients to participate.

Members interested in deploying funds through the SBRG Program are advised to complete and submit the Application, and ensure the required member Certification included within the application form is signed.

On the date of the program launch, November 13, 2023, authorized individuals from participating members may submit their [SBRG Application & Certification Form](#) via e-mail to DisasterRecovery@fhlbny.com for a one-time batch request of SBRG Program funds.

Applications can be submitted for any dollar amount up to \$50,000; however, you are required to adhere to specified minimum and maximum grant amounts per recipient. The recipient maximum is \$10,000 per small business or non-profit and the recipient minimum is \$2,500 per small business or non-profit. Grants requested under the minimum amount will not be processed. The entire requested grant amount must be passed through to the recipient. Applications will be processed on a first-come, first-served basis. Members will be notified via email when their applications have been processed.

The member must identify eligible recipients, collect and validate all required documentation for each recipient, and then fully complete the [SBRG Application & Certification Form](#). The application must be submitted via e-mail to DisasterRecovery@fhlbny.com. The sum of the requests for eligible recipients must be equal to or less than the dollar amount of the member maximum of \$50,000.

The FHLBNY reviews the submitted [SBRG Application & Certification Forms](#) within a reasonable amount of time. The FHLBNY will notify the member via email if a request will be processed in full or if there is any deficiency in the request. Deficiencies include missing or incomplete information for one or more recipients or incorrect or missing information in the certification portion of the form. Members who are notified of any deficiencies must correct such issues within 7 business days. This could entail removing one or more beneficiaries from their [SBRG Application & Certification Form](#) if necessary. No funds will be disbursed by the FHLBNY until the [SBRG Application & Certification Form](#) is received in full, and deemed complete and accurate. Once deficiencies are corrected and the [SBRG Application & Certification Form](#) is resubmitted, the application will move to the bottom of the list, adhering to the first-come, first-served manner.

A member is solely responsible for managing its recipient pipeline. A commitment of funds must not be made to a recipient until the member receives a formal approval from FHLBNY. The FHLBNY has the sole discretion to deny all or any portion of the recipients listed in the [SBRG Application & Certification Form](#) for any reason, including the lack of funds available under this voluntary grant program. Nothing contained in these Program Guidelines, or the [SBRG Application & Certification Form](#), will be construed as an agreement or commitment on the part of the FHLBNY to provide a grant to the member or the recipient.

After the [SBRG Application & Certification Form](#) is approved, the FHLBNY will deposit grant funds into the member's Overnight Investment Account with the FHLBNY. The member must distribute grant funds to the recipient within 30 Calendar Days after receiving the funds. Members may email DisasterRecovery@fhlbny.com for more updates on remaining grant fund figures.

Eligible Recipients and Uses of Funds

Eligible Recipients

A small businesses or non-profit organization (“recipient”) is eligible to receive SBRG Program funds if it meets the following criteria:

1. Its primary place of business or operations is located in New York, New Jersey, Puerto Rico or the U.S. Virgin Islands.
2. It meets the appropriate definition for size:
 - a. Small businesses are defined according to Small Business Association (SBA) guidelines. Based on the type of business, size standards will be determined by annual receipts or number of employees. The “Table of Small Business Size Standards” can be found on the SBA’s website using the following link: <https://www.sba.gov/federal-contracting/contracting-guide/size-standards>.
 - b. A non-profit organization must have a current 501(c)(3) designation or equivalent and an annual operating budget of less than \$20 million.
3. It is a verified startup or existing entity currently operating or requires the grant funds to resume operations under a reasonable plan.

The member must, at the request of the FHLBNY, be able to provide evidence supporting the decision of eligibility. The member will certify the recipient’s eligibility and accuracy. The member will only need to report the Small Business Name, Address, and the intended use of funds within the [SBRG Application & Certification Form](#).

Uses of Funds

A recipient may receive a grant of up to \$10,000, as determined by the member. Grant funds may be used for reasonable and necessary expenses. Examples of eligible uses of funds include:

1. Purchasing or constructing buildings or facilities, footprint expansion or land acquisition.
2. Working capital for inventory, machinery, equipment, business compliance, licensing renewal, utilities, business capacity, legal, financial services, rent, insurance, business taxes, supplies or most business-related items or farming operations.
3. For the purpose of covering debt servicing or restructuring costs.
4. Payments on existing or new debt so the organization can support its employees and/or its continued operations.
5. For the purpose of sustainable retrograding or installing climate resilient infrastructure.
6. For the purpose of meeting payroll, covering hiring costs, or for job creation or retention.

The [SBRG Application & Certification Form](#) requires the member to identify the dollar amount of grant funding requested for each recipient, as well as the expected use of funds for each recipient, as shown below.

Grant Recipient Details					
Qualification Type *	Business Name *	Description of the Business *	Amount Requested *	Purpose / Use of Funds *	Purpose - Other Description
Small business	Company 123	Art Supplier	\$ 10,000.00	Job creation / retention	Loan Purpose Description

Program Documents

The following documents can be found on the FHLBNY’s website (www.fhlbny.com) under the Community tab, then Small Business Recovery Grant Program:

- [SBRG Program Overview](#)
- SBRG Program Guidelines
- [SBRG Application & Certification Form](#)

Note: Supporting documentation will not be collected by the FHLBNY; however, the member is required to retain supporting documentation.

The [SBRG Application & Certification Form](#) must be submitted to the FHLBNY by an authorized representative of the participating member using the DisasterRecovery@FHLBNY.com email address. This ensures centralized and consistent recordkeeping and monitoring.

Withdrawals and Recovery of Funds

After the receipt of grant funds, if a member receives information that all or some of the grant amount will not be used for the intended purpose by one or more recipients, the member is required to notify the FHLBNY immediately in writing via the DisasterRecovery@FHLBNY.com email address. It is the member’s sole responsibility to recover any misused funds.

In the event the FHLBNY discovers that 1) the recipient does not meet the requirements of the SBRG Program Guidelines, or 2) the member provided false, misleading or incomplete information, the FHLBNY may recover the funds from the member’s Overnight Investment Account with the FHLBNY.

Tax and Other Government Reporting

The member shall be solely responsible for any tax or other government reporting obligations with regard to the disbursements of the grant to the eligible recipients.

Document Retention Requirements

All documentation used in making decisions regarding eligibility must be retained by the member for a period of seven (7) years from the application date.