



## FREQUENTLY ASKED QUESTIONS

### Eligibility

#### 1. Who is eligible to apply for this grant program?

Any locally owned for-profit small business that is registered to operate within the City of Alexandria and which has experienced revenue loss of 25% or greater due directly to COVID-19. Applicants must meet all the following criteria to be eligible:

- Located within the City of Alexandria corporate limits
- Active Business License with the City of Alexandria
- In operation as of March 1, 2019
- For-profit entity
- Business is in “Good Standing” with the City of Alexandria meaning they are current on all tax payments
- Business intends to remain in operation in Alexandria beyond December 31, 2020
- Business employs a minimum of 2 and maximum of 100 W-2 employees as of December 31, 2019
- Business must demonstrate a 25% or greater decline in Gross revenue due directly from COVID-19.

#### 2. Who is not eligible to apply for this program?

Any business or entity that does not meet all of the eligibility criteria. This program is not open to nonprofit organizations or sole proprietors. The following businesses are excluded from applying to the program:

- Grocery Stores and Pharmacies
- Gas Stations
- Banks and Financial Institutions
- Corporate-owned locations, branches, or subsidiaries and franchise businesses unless they are locally owned and operated

#### 3. Why are nonprofit organizations excluded from the program?

Current available funding has been prioritized to support small businesses that have been negatively impacted by COVID-19. Program criteria were established to prioritize those small businesses that provide the maximum economic and employment impact to the community, given limited funding conditions. As and if additional funds become available the eligibility criteria may change to further support economic recovery throughout Alexandria.

**4. Why are sole proprietors excluded from this program?**

The current available funding has been prioritized to support small businesses with long-term, sustainable employment opportunities. As and if additional funds become available the eligibility criteria may change to further support economic recovery throughout Alexandria.

**5. My business is not licensed with the City of Alexandria, will I be eligible to apply for a grant?**

No, only businesses that have a current business license with the City of Alexandria and which meet all the remaining criteria will be eligible for a grant.

**6. Why must a business be in operation as of March 1, 2019 to be eligible?**

To ensure the impact of COVID-19 is measured in a uniform way, and to account for seasonal fluctuations in business activity, the program requires a comparison of year-over-year Gross revenue. The period of the health emergency started in March 2020 therefore a business must have been in operation in March 2019 to provide the year-over-year comparison.

**7. A business must be in “Good Standing”, what does this mean?**

A business is considered in “Good Standing” if they were current on all tax payments with the City of Alexandria. However, this excludes any deferred current year business taxes or tax filings under the City’s temporary moratorium between February 1 and June 30, 2020.

**8. How will the 25% or greater loss of Gross revenue be calculated?**

Businesses are required to provide their monthly Gross Revenue (i.e., revenue/sales before any expenses) for March, April, and May of 2019 AND 2020.

Gross Revenues from March, April and May of 2020 will be compared to Gross Revenues from the same months in 2019. To be eligible, a business need only have experienced a 25% or greater decline in Gross Revenue for one of the three months (when compared to the same month during 2019) to meet the revenue loss eligibility criteria.

**9. Why were Gross Revenues used to calculate revenue decline and not something like net profit?**

Gross revenue, or sales, is a set factor and the best measurement of a company’s business activity. A measurement like net income can vary based on the cost of goods or a business’s decisions related to expenses. Comparing year-over-year Gross revenue allows for the accurate measurement of COVID-19’s impact on business activity.

**10. Why are only W-2 employees being considered in the employee count? What about 1099 contractors?**

The criteria were established to prioritize those small businesses that provide the maximum economic and employment impact to the community, given limited funding conditions. The current available funding has been prioritized to support small businesses who provide full or part time permanent employment. As and if additional funds become available the eligibility criteria may change to further support the economic recovery throughout Alexandria.

**11. Can both full and part-time W-2 employees be included in the employee headcount?**

Yes, each W-2 employee counts as one (1) employee regardless of how many hours per week they work.

**12. Is there a specific date I should use for counting my employee headcount?**

Yes, the employee headcount should be as of December 31, 2019. Applicants will be asked to submit a copy of IRS Form 941 for the 4th Quarter of CY2019 for the business which will be used to verify the number of W-2 employees.

**13. Does the business owner(s) count towards the employee headcount?**

Yes. Up to one business owner may be included in the total employee headcount even if they are not on the payroll (i.e., not a W-2 employee) to help them qualify for the grant. If, however, counting the business owner as an employee would make the business ineligible by having too many employees, the business owner will not be counted.

**14. If my business is in bankruptcy proceedings will I be ineligible?**

Yes.

**15. Is my business still eligible if I have applied for grants, loans, or other support from federal disaster programs or other sources?**

Yes, eligible businesses that have applied for grants through programs like the federal Economic Injury Disaster Loan (EIDL) or Paycheck Protection Program (PPP), or other non-governmental sources may apply to this program. Funds received through the EIDL and PPP program do not count as revenue on the company's balance sheet for purpose of the Alexandria B2B Grant program.

## Application Process

**1. Will I need a computer to apply?**

Yes, you will need access to a computer with internet connection since this application must be completed online. If you do not have digital copies of your tax returns and financial

documents, you will also need access to a scanner. The application cannot be saved and continued later.

**2. Can I mail, email or fax my application or drop it off somewhere?**

No, applications will only be received via online submission.

**3. When can I apply and when is the deadline for applications?**

The application will be available online at 8:00AM EDT on June 4, 2020 and will remain open through 5:00PM EDT on June 8, 2020.

**4. Where can I find the online application?**

The application will be available at <https://alexandriaecon.org/alx-b2b/application/>.

**5. What additional information will I need to submit with my application?**

When completing the online application, you will need to upload the following documents:

- Federal Employer Identification Number (FEIN) or Social Security Number (SSN) associated with the business
- City of Alexandria Business Professional Occupancy License Account Number
- IRS Form 941 for the 4th Quarter of CY2019
- Detailed monthly Profit and Loss statement for March, April and May 2019 AND March, April, and May 2020 (alternatively, in place of a detailed P&L statement, detailed bank statements for these same time periods may be submitted)
- For businesses with a commercial lease, the expiration date of the current lease.

**6. Will the application be available in multiple languages?**

No, the application must be submitted in English. Copies of the application in Spanish, Amharic, and Arabic are available for download prior to the application period at <https://alexandriaecon.org/alx-b2b/application/>.

**7. Will I get confirmation that my application has been received?**

Yes, an email confirmation will be sent to the applicant once the application has been submitted.

**8. How long with the review process take?**

The review process will begin immediately following the closure of the application period at 5:00PM EDT on June 8, 2020. It is estimated to take 2-3 weeks to review all applications and make grant determinations. The goal of the program is to begin transferring grant funds to businesses in early July.

It is anticipated that there will be more applications than funds currently available. A high volume of applications may delay the review process. AEDP will announce any changes to the review and approval schedule on the ALX B2B Grant Program webpage <https://alexandriaecon.org/alx-b2b/>.

**9. How can I check on the status of my application?**

All applicants will be notified when their application is submitted and when final grant decisions are made. AEDP will provide general program updates on our website ([www.alexandriaecon.org](http://www.alexandriaecon.org)) and through email news alerts as needed.

**10. Who will have access to my business information?**

All information obtained as part of this program is deemed confidential and protected subject to Sections 2.2-3705.6 and 58.1-3 of the Code of Virginia and will not be shared with others beyond the administration of this grant program. Staff from the Alexandria Economic Development Partnership are managing this program. Select staff assigned to review applications will have access to the information provided by the business. Additionally, staff from the City of Alexandria’s Finance Department will also be participating in the review of information submitted by businesses. Finally, AEDP has hired a third-party firm to assist with the review of the applicant’s financial and tax information.

**11. Will my personal and business information be kept confidential?**

Yes, all information obtained as part of this program is deemed confidential and protected subject to Sections 2.2-3705.6 and 58.1-3 of the Code of Virginia and will not be shared with others beyond the administration of this grant program.

## Grant Funds

**1. How much funding can my business receive?**

There are three tiers of grants based on the total number of verified employees:

<u>Employee Count</u>	<u>Grant Amount</u>
2-24	\$10,000
25-49	\$15,000
50-100	\$20,000

**2. What can the funds be used for?**

ALX B2B Grants must be used to offset costs and/or investments related to reopening or rescaling a business. Acceptable uses for the grant include the purchase of:

- Personal Protective Equipment (PPE) used to stop the spread of COVID-19
- Other equipment and supplies to promote health and safety
- Technology to facilitate e-commerce and/or virtual business operations (technology purchased on or after January 1, 2020 may qualify for reimbursement)

- Professional services related to the design and construction/alteration of the business's built environment necessary to promote physical and social distancing, as well as the actual costs for alterations
- Rent or mortgage costs required to be made in order to reopen/restart.

**3. Are there any limitations on how the funds can be used?**

Grant funds are intended to be used to make investments to help a business reopen and rescale. Prohibited uses include but are not limited to payroll expenses, debt payments, and local, state, or federal taxes.

**4. Is this a one-time payment?**

Yes, the funds will be transferred in a lump sum payment.

**5. Will I need to pay the money back?**

No, this is a grant, not a loan, so you will not need to pay back the funds if you comply with all of the terms and conditions of the grant.