

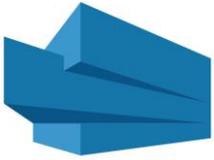
Applicant Question Summary for the Austin Small Business Relief Programs

Austin Small Business Relief Grant

1. (NEW FAQ) Do you need to be an accredited organization or business with the BBB?
 - a. Being an accredited organization or business with the Better Business Bureau is not an eligibility requirement.
2. (NEW FAQ) If a business event was scheduled between March 1, 2020 and July 7, 2020, what documentation may be submitted for reimbursement?
 - a. Such expenses may include, but not be limited to, the following:
 - i. Deposits on venue or equipment rental
 - ii. Wages, salaries, or contractor fees
 - iii. Inventory, merchandise, or services purchased in association with events
3. (NEW FAQ) Can a business list their social security number if they do not have an EIN number?
 - a. Yes, if a business does not have an EIN, they may provide their SSN.
4. How would musicians document loss? (example lack of bookings)
 - a. Losses may be demonstrated by Profit and Loss statements and tax information. Additional documentation may include any demonstration of lost revenues, including event cancellation notices. However, reimbursement covers expenses paid and/or incurred during the March 1 – July 7th time period, such as rent, payroll, equipment, inventory, contractor fees, or other expenses. It does not reimburse potential losses from events, although if tickets have been sold and then refunded, the refund costs may be an eligible expense.
5. (NEW FAQ) What documentation can an organization provide to document payroll?
 - a. Please refer to the Payroll Records Overview linked here [INSERT LINK]
6. (NEW FAQ) Should a business include revenue before or after taxes?
 - a. For application purposes revenue refers to gross revenue, before taxes, cost of goods, payroll, and other expenses are removed.
7. Is a business eligible that has been closed from April 2020 - June 2020?
 - a. A business must demonstrate at least two years continuous operations as of March 1, 2020.
8. (NEW FAQ) If a business does not have a commercial space, and is a home-based business, is the residential rent or mortgage an eligible expense?

- a. Home-based businesses that meet all eligibility criteria are eligible to apply. However, residential rent and mortgages are not eligible expenses for reimbursement.
9. Due to COVID, I didn't renew my lease, can I use my P. O. Box hard address? (i.e. UPS location address)?
 - a. Home-based businesses are eligible to apply if the residential address is located within one of the City of Austin Council Districts. However, residential rent or mortgage payments are not eligible for reimbursement.
10. (NEW FAQ) Is a Sole Proprietorship that has filed their business taxes along with their personal taxes required to submit their full tax report or can they submit a Form 1040-Schedule C?
 - a. A Schedule C is acceptable documentation
11. (NEW FAQ) If a company's two years of continuous operation falls within the timeline for reimbursement (March 1st – July 24th), would they still qualify? Or would their two year "anniversary" have to be before March 1st?
 - a. A business must have been continuous for at least two years minimum as of March 1, 2020.
12. Can small landlords apply for relief to offset payments from tenants that aren't paying rent
 - a. Landlords that are organized as an eligible business type, meet the program eligibility criteria, and can provide required documentation are encouraged to apply. Eligible expenses for reimbursement are located [here](#).
13. (NEW FAQ) What is required for Registration w/ the Secretary of State or County Clerk? If it is a copy of my DBA, I cannot seem to find mine. Is there a way that I can download it?
 - a. You can download a copy of your Registration information at this website: <https://mycpa.cpa.state.tx.us/coa/>
14. As far as payroll, I have no record of payroll since jobs were cancelled due to the pandemic. Do I enter 0?
 - a. Payroll counts and documentation are required for an applicant as of March 1, 2020. Please use your payroll information from March 1st, 2020.
15. We are a startup here in Austin, I was looking over the requirements for the grant. We meet all requirements except for "Business has been in continuous operation for at least 2 years/" "We received our EIN on 10/25/2018 we began prior to that April 2018 but that is still short of the two years. Thus we shouldn't apply as we don't meet the qualifications, correct?
 - a. The business is not eligible to apply

16. I am trying to figure out if the 25 people requirement is just for the City. I am headquartered in the City. I have 20 people working in the City limits but another 25 people in Williamson County. Does that make us ineligible?
 - a. Businesses must have fewer than 25 FTEs for their organization as of March 1, 2020. Full-time employees count as 1 FTE. Part-time employees count as 0.5 FTEs. Independent contractors do not count toward the FTE threshold. All employees for an organization are counted toward the applicant's FTE count, regardless of employee location.
17. I have an LLC, I am self-employed, my business is about retail sales, and can I apply for this grant?!
 - a. Sole proprietors with registered businesses, such as LLCs, that are at least two (2) years old and headquartered in a City of Austin Council District are eligible to apply for this grant. Individuals without a registered business are not eligible.
18. We are applying for the Austin Small Business Relief Grant. The owner files business taxes with her own taxes. Therefore, the business does not have its own return, it is just a Schedule C form that is part of Deanna's return. Do we need to present the entire tax return or can we just present the Schedule C?
 - a. Schedule C is an acceptable documentation.
19. (NEW FAQ) If an applicant has no payroll record as of March 1, 2020 because the business only has one employee (i.e., themselves) – what should they be entering in that required supplemental documentation field within the application (Question #39)?
 - a. Sole proprietorships with only one staff person (i.e., the owner) should enter that they have one employee and reflect this in a statement of payroll record. Please see the Payroll Records Sample linked above.
20. What line item on my tax return from 2019 is annual revenues reflected? I'm trying to answer Question #15.
 - a. Businesses must provide their gross annual revenues to answer this application question. The Better Business Bureau will review provided tax documentation and contact applicants if additional clarification is required.
21. I'd like to ask what form of documentation is needed for payroll. I am the owner and only employee.
 - a. Sole proprietorships with only one staff person (i.e., the owner) should enter that they have one employee and reflect this in a statement of payroll record. Please see the Payroll Records Sample linked here above.
22. I am filling out the form for the small business grant relief and in terms of the documentation I need to support claims of economic loss I mainly have emails letting



- me know that events were canceled. None of the emails detail the amount I would have been paid for the event and in many cases the event that was canceled was a market and I'm unable to guess how much revenue would have been generated at the event had it not been canceled. Further a big portion of my income has been from workshops. I have just 1 email documenting the cancellation of a workshop but I've lost out on revenue from probably 5-6 workshops since the pandemic has gone on. Are screen shots of the emails announcing event cancellations enough or, do I also need to provide the dollar amount I was scheduled to be paid for each event?
- a. While many aspects of events may be eligible for reimbursement, potential losses from events are not. If tickets have been sold and then refunded, the refund costs may be an eligible expense. Other eligible expenses may include, but not be limited to, the following:
 - i. Deposits on venue or equipment rental
 - ii. Wages, salaries, or contractor fees
 - iii. Inventory, merchandise, or services purchased in association with events
 - iv. Documentation of lost vendor/contractor fees, including cancelled invoices, agreement terms, and verification of event cancellations (screenshots of cancellations are adequate proof).
 - v. Submit any additional documentation with your application to BBB and they will help determine expense eligibility.
23. How will the amounts be awarded?
- a. Grant awards are based on an applicant's eligible documentation submitted, receipts, invoices, etc.
24. Are the grant funds allocated based on the ranking system distributed on a first come, first served basis or will the determination come after the July 24th application closure?)
- a. Every application will be evaluated against a scoring matrix that includes criteria for need, vulnerability, and equity. For distribution of funds, 50% of the program funding will be allocated to applicants that score the highest according to this matrix. The remaining 50% of funds will be awarded by random lottery among eligible applicants. Organizations with board members of historically marginalized communities are especially encouraged to apply.
25. Do I need to be registered as a woman owned business?
- a. It is not necessary to register as a woman- or minority-owned business
26. What tax documentation is required?
- a. 2018 and/or 2019 Federal Income tax return

27. (NEW FAQ) Can an application be resubmitted via the online portal or through BBB?
 - a. Once an application is submitted, Better Business Bureau will review the application documentation for completeness and notify the applicant within 10 business days if additional information is needed. If additional documentation is required, BBB will re-open the application and allow an applicant to edit. In all other cases, submitted applications can not be edited.
28. If a business owner purchased an existing company in March 2020, do they qualify?
 - a. If the applicant can document that the business was in continuous operation for 2-years prior to March 1, 2020 they would be eligible.
29. How will the total grant award of my grant be determined?
 - a. Total award is based on the documentation of expenses eligible for reimbursement not to exceed \$40,000 for the Small Business Relief Fund.
30. What are 2- Year Continuous Operation Requirements (ie if I started in October of 2018 do I qualify?)
 - a. Businesses eligible for the Austin Small Business Relief Grant must have been in continuous operation for two years prior to March 1, 2020 providing goods and services to the public.
31. What would be the best documentation for salary reductions? Could it be letters that were sent to each employee or does it have to be a payroll report demonstrating reductions for each employee?
 - a. For the purpose of establishing economic loss due to COVID-19, it is sufficient to provide documentation that outlines the negative impacts suffered by the business. Letters, payroll records and other documentation to document economic loss are appropriate.
32. My business location is in Austin but the LLC mailing address is City of Westlake. Would I qualify?
 - a. Businesses that can prove a physical location in Austin, Texas, city limits are eligible.
33. If owners aren't on payroll are the owners included in FTE count?
 - a. An owner who is not on payroll does not count toward the 25 FTE eligibility threshold, as they are not an employee
34. (NEW FAQ) Does a sole proprietor need to file a DBA or certificate of formation to be eligible for this grant?
 - a. A DBA, Certificate of Formation, or Article of Incorporation must be submitted along with this grant. If a sole proprietor's tax records demonstrate that they meet other eligibility requirements, then they can submit proof of application for a DBA from the County even if that application was made after July 7th, 2020. You can apply for a DBA through Travis County at this website:

<https://countyclerk.traviscountytexas.gov/recording/assumed-name-certificates-dbas.html>

35. Can landlords apply for relief to offset payments from tenants that aren't paying rent
 - a. Landlords that are organized as an eligible business type, meet the program eligibility criteria, and can provide required documentation are encouraged to apply. Eligible expenses for reimbursement are located here.
36. What is meant by participate in technical assistance and from whom?
 - a. Additional technical assistance to support businesses during this difficult period may be provided by Community Champion organizations after July 24th. These services may include support on planning, financing, and business repositioning.
37. If the owners were not paid a salary in order to pay staff, is that considered reimbursable?
 - a. Owner draws taken between March 1st and July 7th, 2020, may be treated as payroll expenditures for reimbursement. Deferred salaries or owner draws are not eligible for reimbursement.
38. When you say inventory is eligible what do you mean by that, specifically? Like new inventory purchased?
 - a. Inventory or operational expenditures purchased between March 1st and July 7th are eligible for reimbursement, including COGS and new inventory purchased. Reimbursement items claimed must be accompanied by receipts, invoices, or other proofs of purchase.
39. If we received the EIDL but have not spent the money (are hoping not to spend it), can we still receive the grant? Or do we need to spend the EIDL funds first?
 - a. Receiving EIDL funding does not disqualify applicants from the Small Business Relief Grant program, even if you have not yet spent your loan funds. If you receive/expend Small Business Relief Grant funding before you receive/expend an EIDL, PPP, or other federal loans authorized by the CARES Act, you will not be able to “double-count” reimbursements made through the Small Business Relief Grant when documenting your use of federal funds.
40. When calculating payroll do we use adjusted gross pay? I have tipped employees.
 - a. Use Adjusted gross pay.

41. Can I differentiate between payment from sales that occurred in the prior to March but that were collected in March or April? When demonstrating economic loss, would it be advisable to use POS sales reports for 2019 vs 2020?
 - a. You can use these methods, among others, to demonstrate economic loss related to COVID. This should have no bearing on your reimbursements as lost projected sales are not a reimbursable expense.
42. If a sale was made the previous year and collection of payment occurred during March, but was not part of March sales, can we differentiate this on the application?
 - a. If your business paid for a purchase between March 1st and July 7th, this expenditure is a reimbursable expense. If your business was paid for a purchase in March, this would not be an expenditure and so could not be reimbursed.
43. Can funds be used to cover principal + interest on mortgages, or just interest?
 - a. If commercial mortgage payments were made between March 1st and July 7th, or incurred but deferred for that period, they are eligible for reimbursement. This includes any commercial mortgage payment made or deferred, including the principal and interest portions.
44. Should we NOT include any expenses over \$40K?
 - a. Only \$40,000 of expenditures may be reimbursed per business applicant. You may include a larger request to ensure your business received the full grant value even if some of the expenditures are ineligible.
45. There is no place to include operational expenses on the worksheet.
 - a. Please add the value of operational expenses to the “Inventory” tab total and upload any associated receipts or documentation.
46. Does marketing for services offered count as eligible for reimbursement? We have had to dramatically pivot our business model, so making people aware of our changes has been vital to our survival.
 - a. Marketing expenditures may count as an operational expense and be reimbursed; please add to the “Inventory” total.
47. The application asks for a P&L. Is that for year-to-date or last-12-months?
 - a. Either is acceptable.
48. Is there a limit on the number of pages within a single uploadable document?
 - a. There is no limit.

49. If we did get a PPP loan, we just subtract that amount from the salary reports I've uploaded or do I just use the dates prior to the PPP loan?
- a. If you paid some salary during the period between March 1st and July 7th using PPP funds, that salary would not be an eligible expense. Subtracting that value from the total payroll value for the period would yield eligible payroll reimbursement values.
50. Several people I talked to said I could use the Social Security number but the application doesn't let me type it in.
- a. If you use a Social Security Number instead of an EIN, please enter your Social Security Number without hyphens.
51. Does (this grant) function like other SBA loans that have to be used to pay back the PPP Loan first?
- a. This program is a grant based on reimbursement of funds expended between March 1st and July 7th, 2020. It does not require any specific use of funds after they have been reimbursed. It does not require any action be taken regarding PPP or EIDL loans.
52. I haven't purchased PPE supplies yet as we are closed but I have estimated costs of what is needed. Can I include these expenses in my grant request?
- a. Only expenditures already made can be reimbursed. If you will be using grant funds from your reimbursement toward PPE supplies, please note this in Question #27.