



FREQUENTLY ASKED QUESTIONS FOR ROUND 2

Eligibility

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

For Round Two, applicants must meet all of the following criteria to be eligible:

- 25% negative revenue impact attributable to the COVID-19 health emergency
- Active Business License with the City of Alexandria
- Physical location within the City of Alexandria corporate limits
- In operation as of March 14, 2020
- For-profit small business OR any entity (for-profit or nonprofit) that provides full-day or part-day childcare services to children 0-13 years of age and is licensed or regulated by a local ordinance or the Virginia Department of Social Services
- Business is current on all local business taxes or is on a payment plan with the City
- Not currently involved in business bankruptcy proceedings
- Business intends to remain operating in Alexandria beyond December 31, 2020
- Business employs between 0-100 employees and/or contractors
- Business is locally owned and operated

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

Any business or entity that does not meet all of the eligibility criteria is ineligible. This program is not open to nonprofit organizations except for nonprofit childcare providers. Home-based businesses are not eligible except for childcare providers operating in a home. Any business that was awarded a B2B grant in Round One may not apply/receive a grant in Round Two. 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. What are the major changes to the eligibility from Round One to Round Two?

Through Round 1 outreach and feedback, the B2B team learned a lot about how many businesses are structured in the City and created expanded criteria for a Round 2. Major changes to the eligibility criteria include:

CRITERIA	ROUND 1	ROUND 2	WHY THE CHANGE?
Establishment Date	In operation as of March 1, 2019	In operation as of March 14, 2020	Opens the program to businesses established within 12 months of the pandemic
For-profit businesses only	Must be a for-profit entity	For-profit small business and any for-profit or nonprofit childcare providers	Childcare providers are critical to economic recovery efforts
Employees	Must have payroll (W-2) employees	1099 workers may be counted in employee headcount	Many businesses utilize 1099 contractors to perform core business functions
Self-Employed Independent Contractors	N/A	Open to self-employed independent contractors	Many IC's work in the personal services industry

4. Why are most 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.

The B2B program was opened to nonprofit childcare providers (for-profit providers were already eligible) in recognition of the vital role childcare plays in helping workers return to places of employment throughout the region.

5. Are Self-Employed Independent Contractors allowed to apply?

Yes. Self-employed independent contractors with no employees are eligible to apply in Round Two.

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

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 unless they are a family day home child care provider that is exempt from having a business license. If a business has submitted a Business License application to the City of Alexandria prior to the start of the application period – September 30th at 8:00AM – they may apply for a grant even if the license has not yet been granted by the City of Alexandria.

7. Why must a business be in operation as of March 14, 2020 to be eligible?

The City Manager declared a local state of emergency in response to the Coronavirus Pandemic on March 14, 2020. This program aims to provide financial assistance to businesses that have been negatively impacted by the health and economic emergencies related to the pandemic. Therefore, to qualify, a business must have been in operation prior to the City's local state of emergency.

8. What if my business is not current with the City of Alexandria on local business taxes?

All applicants must be current on their local business taxes or on a formal payment plan with the City of Alexandria to be eligible for the program.

9. How will the 25% or greater loss of Gross Revenue be calculated?

By comparing current year Gross Revenue to a prior period depending on when the business began operating in Alexandria. Businesses are required to provide detailed monthly Profit and Loss Statements or alternatively, in place of detailed Profit & Loss Statements, detailed bank statements may be submitted. 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 prior period) to meet the revenue loss eligibility criteria.

If your business was operating prior to June 1, 2019:

- 3 consecutive months between March 2020 through August 2020 AND
- The same 3 consecutive months for 2019

If your business began operating between June 1, 2019 and March 14, 2020:

- 3 consecutive months between March 2020 through August 2020 AND
- First three months' of business operation

10. 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.

11. If the Gross Revenue loss is close to 25% will it be rounded up so a business qualifies for the program?

If an applicant's Gross Revenue loss is 24.5-24.9%, it will be rounded to 25% to qualify for the program.

12. Are there any limitations on the types of employees I can include in the employee count? What about 1099 contractors?

No. Applicants may include payroll (W-2) employees and 1099 contractors in their employee headcount.

13. Can both full and part-time employees be included in the employee headcount?

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

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

Yes, the employee headcount should be as of June 30, 2020.

Applicants with W-2 employees may be asked to provide the business's June 2020 payroll report to verify the employee headcount.

Applicants that hire 1099 contractors may be asked to submit June 2020 contractor invoices and proof of payment to verify the employee headcount.

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

Yes. Up to one business owner may be included in the total employee headcount 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.

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

Yes.

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

Yes, eligible businesses that have applied for grants through programs like the federal Economic Injury Disaster Loan (EIDL), Paycheck Protection Program (PPP), or RebuildVA 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.

18. Is my business eligible if I received a B2B Grant in Round One?

No. Businesses that received a grant in Round One are not eligible for a grant in Round 2.

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 or a scanning app on a cell phone. 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 September 30th, 2020 and will remain open through 12:00PM EDT on October 4th, 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 provide the following information/documents:

- Federal Employer Identification Number (FEIN) or Social Security Number (SSN) associated with the business
- City of Alexandria Business License Account Number
- Detailed monthly Profit and Loss statement or alternatively, in place of a detailed P&L statement, detailed bank statements for the following periods depending on when the business began operating in Alexandria:
 - If your business was operating prior to June 2019:
 - 3 consecutive months between March 2020 through August 2020 AND
 - The same 3 consecutive months for 2019
 - If your business began operating between June 1, 2019 and March 14, 2020:
 - 3 consecutive months between March 2020 through August 2020 AND
 - First three months' of business operation
- 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. A sample version of the application in Spanish, Amharic, and Arabic may be downloaded for review 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 automated email confirmation will be sent to the applicant once the application has been submitted. If you do not receive the email please contact AEDP by email at info@alexandriaecon.org.

8. How long with the review process take?

The review process will begin immediately following the closure of the application period at 12:00PM EDT on October 5th, 2020. It is estimated to take 2-4 weeks to review all applications and make grant determinations. The goal of the program is to begin transferring grant funds to businesses in late October/early November.

There may be more applications than funds currently available high volume of applications may delay the review process. AEDP will announce any changes to the review and approval schedule and provide general updates by email as needed.

9. How do I contact AEDP if I have a question(s) about the application or need assistance with completing the application?

AEDP customer service representatives are available by phone at 703-739-3820 (translation services are available).

Questions may also be emailed to info@alexandriaecon.org.

10. 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 by email.

11. 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, Department of Community & Human Services, and the Alexandria Health 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.

12. 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 four tiers of grants based on the total number of verified employees:

Grant Amount Per Employee Count

\$5,000	Self-Employed Independent Contractors (zero employees)
\$10,000	2-24
\$15,000	25-49
\$20,000	50-100

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
- 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
- Initial cleaning and disinfection services prior to reopening
- 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. When do the funds need to be spent by?

Grant funds must be spent prior to **December 31, 2020**, however, allowable expenses made on or after March 14, 2020 qualify for reimbursement.

5. Is this a one-time payment?

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

6. 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.