

# **COVID-19 BUSINESS ASSISTANCE AVAILABLE**

## **RESTAURANT REVITALIZATION FUND GRANTS**

A new \$28.6 billion grant program to be administered by the SBA. An eligible business may receive a tax-free federal grant equal to the amount of its pandemic-related revenue loss. \$5 billion is set aside for restaurants and food/drinking establishments that had less than \$500,000 of revenue in 2019.

**Who Can Apply:** Most restaurants and bars that lost revenue in 2020 compared to 2019 will be eligible to apply for RRF grants.

- **Eligible:** Restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, brewpub, tasting room, taproom, licensed facility or premise of a beverage alcohol producer where the public may taste, sample, or purchase products, or other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink.
- **Ineligible:** Publicly traded companies; owners that operate more than 20 restaurants/bars; restaurants/bars owned by a state or local government.

**Eligible Expenses:** The RRF grants are only able to be used on specific, allowable expenses. These expenses include:

- Payroll costs
- Payments of principal or interest on any mortgage obligation
- Rent payments, including rent under a lease agreement
- Utilities
- Maintenance, including construction to accommodate outdoor seating/dining
- Supplies, including PPE and cleaning materials
- Certain covered supplier costs
- Operational expenses
- Paid Sick Leave
- Normal food and beverage inventory
- Other expenses that the SBA determines to be essential to maintaining operations

**Interaction with PPP and Other Relief Programs:** Restaurants and other food/drinking establishments who have received or will receive a first draw **and/or** second draw PPP loan will still be eligible to apply for this grant program. Funds must be used to cover losses above and beyond what the PPP loan(s) covered. Entities cannot have applied for nor received a Shuttered Venue Operators Grant (SVOG).

**How and When to Apply:** The SBA has not yet released program guidelines, nor has a launch date for the program been set. More information is forthcoming.

## **PAYCHECK PROTECTION PLAN (FIRST DRAW LOANS)**

SBA has reopened the Paycheck Protection Program (PPP) for First Draw Loans. First Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

**Full Forgiveness Terms:** First Draw PPP Loans made to eligible borrowers qualify for full loan forgiveness if during the 8- to 24-week covered period following loan disbursement:

- Employee and compensation levels are maintained;
- The loan proceeds are spent on payroll costs and other eligible expenses; and
- At least 60 percent of the proceeds are spent on payroll costs.

**Who Can Apply:** Eligible small entities, that together with their affiliates (if applicable), have 500 or fewer employees—including nonprofits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors—can apply. Entities with more than 500 employees in certain industries that meet SBA’s alternative size standard or SBA’s size standards for those particular industries can also apply.

**Reapplying and Loan Increases:** Existing PPP borrowers that did not receive loan forgiveness by December 27, 2020 may: (1) reapply for a First Draw PPP Loan if they previously returned some or all of their First Draw PPP Loan funds, or (2) under certain circumstances, request to modify their First Draw PPP Loan amount if they previously did not accept the full amount for which they are eligible.

**How and When to Apply:** Borrowers can apply for a First Draw PPP Loan until May 31, 2021, through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, eligible non-bank lender, or Farm Credit System institution that is participating in PPP. All new First Draw PPP Loans will have the same terms regardless of lender or borrower.

More information is available at <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

## **PAYCHECK PROTECTION PLAN (SECOND DRAW LOANS)**

The Paycheck Protection Program (PPP) now allows certain eligible borrowers that previously received a PPP loan to apply for a Second Draw PPP Loan with the same general loan terms as their First Draw PPP Loan. Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

**Full Forgiveness Terms:** Second Draw PPP Loans made to eligible borrowers qualify for full loan forgiveness if during the 8- to 24-week covered period following loan disbursement:

- Employee and compensation levels are maintained in the same manner as required for the First Draw PPP loan;
- The loan proceeds are spent on payroll costs and other eligible expenses; and
- At least 60 percent of the proceeds are spent on payroll costs.

**Targeted Eligibility:** A borrower is generally eligible for a Second Draw PPP Loan if the borrower: Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses; has no more than 300 employees; and can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

**Maximum Loan Amount and Increased Assistance for Accommodation and Food Services Businesses:** For most borrowers, the maximum loan amount of a Second Draw PPP Loan is 2.5x average monthly 2019 or 2020 payroll costs up to \$2 million. For borrowers in the Accommodation and Food Services sector, the maximum loan amount for a Second Draw PPP Loan is 3.5x average monthly 2019 or 2020 payroll costs up to \$2 million.

**How and When to Apply:** Borrowers can apply for a Second Draw PPP Loan until May 31, 2021, through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, eligible non-bank lender, or Farm Credit System institution that is participating in PPP. All Second Draw PPP Loans will have the same terms regardless of lender or borrower.

More information is available at <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

## **NY FORWARD LOAN FUND (NYFLF)**

- NYFLF is an economic recovery loan program aimed at supporting New York State small businesses, nonprofits and small residential landlords survive the economic impacts of the COVID-19 pandemic.
- Effective immediately, small businesses and non-profits that received a PPP loan of \$500,000 or less or EIDL loans of \$150,000 or less can be eligible for a NYFLF loan.
- An Eligible Small Business must:
  - Employ \*50\* or fewer full-time equivalent (FTE) employees
  - Have gross revenues of less than \*\$5 million\* per year
  - Must not have received a U.S. Small Business Administration Paycheck Protection Program of greater than \$500,000 or an Economic Injury Disaster Loan (EIDL) for COVID-19 of greater than \$150,000
  - Have suffered a direct economic hardship as a result of COVID-19 related social distancing policies and stay-at-home order that have materially impacts their operations
  - Been in business for at least 1 year as of the date of the application
  - Be located in the State of New York

- More information is available online at <https://www.connect2capital.com/partners/new-york-forward-loan-fund/>

## **LAKE CHAMPLAIN-LAKE GEORGE REGIONAL PLANNING BOARD COVID-19 PROGRAM**

- The Lake Champlain-Lake George Regional Planning Board is offering low interest loan for businesses impacted by the COVID-19 outbreak.
- Eligible uses of funds include working capital, equipment purchase and facility upgrades related to COVID-19. Loans are available from \$25,000-\$150,000 with a fixed rate of 1.9% interest rate. The first 12 months are interest-only and loan term can be up to 84 months. There is no application fee to apply.
- For more information visit <https://lclgrp.org/revolving-loan-fund/>

## **AEDC DISASTER MICROLOAN FUND**

- AEDC is offering 5% fixed loans for all micro and small businesses. Deferred principle and interest for up to 6 months then regular principle and interest due monthly. Loans in the amount of \$5,000 (higher loan amounts requested may require more extensive underwriting considerations).
- For more information email Steve Garneau, [sgarneau@aedconline.com](mailto:sgarneau@aedconline.com)

**NOTE: additional assistance is available by contacting the Small Business Development Center at 518-324-7232 or visiting their website at [www.nysbdc.org](http://www.nysbdc.org). SBDC provides expert management and technical assistance to start-up and existing businesses.**