



## City of Palmer

231 W Evergreen Ave, Palmer, AK 99645

Phone: 907-745-3271 Fax: 907-745-0930

Email: [grantsadmin@palmerak.org](mailto:grantsadmin@palmerak.org)

## Small Business & Nonprofit Relief and Recovery Grant

### FREQUENTLY ASKED QUESTIONS

#### Who is eligible?

- For profit or nonprofit businesses with a Palmer business license as of March 1, 2020
- Maintain a physical location in the city of Palmer (Bricks & Mortar)
- Has less than 50 Employees for non-competitive grant program and 75 for competitive grant program
- Not a publicly traded company
- Is not a chain store or business
- Suffered a loss of income or incurred expenses as a result of the public health emergency

#### What Can the Funds be used for?

The funds must be solely utilized for expenditures that occur between March 1, 2020 and December 30, 2020 and fall under the following categories:

- Payroll
- Operating expenses
- Business lease or rent
- Business telework equipment cost
- Inventory acquisition or replacement
- Personal protective equipment purchases
- Facility readiness to include social distancing preparedness, business modifications, etc.

#### Are these loans or grants?

They are grants.

**How long will the program operate?**

For Small Business and Non-competitive Nonprofits, the application period will begin July 20, 2020 and end August 14, 2020 or until the dedicated funds have been distributed, whichever comes first. The Grant committee will meet every Friday and send out checks on the following Tuesday for those organizations meeting grant eligibility and requirements. For Competitive Nonprofits, the application period will begin July 20, 2020 and end July 31, 2020. Grant award amount and recipients will be announced by August 7, 2020.

**How much Money is allocated to the Business and Nonprofit business non-competitive grant program?**

\$3,350,000

**How much money is allocated to the Nonprofit business competitive grant program?**

\$400,000

**What is the size of the grant for a business?**

- \$2,500 for a business with 2019 revenues of \$50,000 or less
- \$5,000 for a business with 2019 revenues of \$50,001 to \$250,000
- \$7,500 for a business with 2019 revenues of \$250,001 to \$500,000
- \$10,000 for a business with 2019 revenues greater than \$500,001

**What is the size of the grant for non-competitive nonprofit?**

- \$2,500 for businesses with 2019 revenues of \$50,000 or less
- \$5,000 for businesses with 2019 revenues of \$50,001 to \$250,000
- \$7,500 for businesses with 2019 revenues of \$250,001 to \$500,000
- \$10,000 for businesses with 2019 revenues greater than \$500,001 or may participate in a competitive grant program

**Is there a deadline for a grant recipient to spend the money?**

Yes, the grant funds received must be fully expended by Dec. 30, 2020.

**Will the names of grant recipients be public record?**

Yes, the names and amounts of the grants are public record.

**Will the City of Palmer mail out checks or send the funds electronically to bank accounts?**

The City will mail out checks.

**What other documentation will I need to supply with the application?**

An IRS Form W-9 must be submitted with the application.

**Are the grant funds subject to federal income taxes?**

The City advises applicants to contact their tax preparer for professional advice.

**Will receipt of this grant make me ineligible for other grant programs?**

If you are going to apply for other federal or state grant or loan programs, the City advises applicants to check the eligibility rules for those programs.

**How many employees do I need to have to qualify for this grant?**

The Small Business & Non-profit grant is designed to bring financial stabilization to owner-operated and small businesses. The entity may employ between 0-50 employees, excluding the owner or part-owners. Employees are defined as full-time, part-time, temporary, or seasonal as of March 1, 2020.

(For the Competitive non-profit grant, non-profit entities may employ between 0-75 employees)

**Business applicants' 2019 gross sales will be used to determine eligibility and the amount of grant funds awarded. What if a business did not report sales for every quarter in 2019?**

For a newly established business, the City will take whatever gross sales were reported for 2019 and the first quarter 2020 and estimate an annual total.

**What if my business is not required to file sales tax returns with the city?**

The City will accept a copy of the most recent federal income tax return. The applicant can choose to request that a review committee member come to their office to review the documents rather than submit them at City Hall.

**Can a business that is behind in its sales taxes qualify for the City grant?**

Yes, so long as the business is not under a tax lien issued by the City. Businesses that have entered a payment plan with the city and are adhering to that plan would be eligible for a grant.

**Is a franchisee eligible for this grant?**

Yes. The business must be locally owned, have a bricks and mortar location of operation in City limits, meet the employment criteria, and expend the dollars in accordance with the grant.

**What Businesses are ineligible for a CARES Grant?**

Churches, itinerant vendors, employers with 50 or more employees, and publicly traded companies.

**What is a Church?**

A nonprofit organization principally engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting.

**Who can I contact for assistance with the application?**

If you need assistance with assessing your eligibility or compiling the needed documents for your application, we advise that you consult with your financial or legal advisors. For general questions about the program, please contact us at 907-745-3271.

**What reporting requirements do I have?**

Grant recipients are required to maintain records of all eligible expended funds. The City of Palmer may require an itemized statement of grant expenditures.

**If I have multiple locations in the City of Palmer, can I apply for each location?**

Yes. If each location has a separate City of Palmer business license and is considered a separate legal entity.

**Is my application or financials public records?**

It is the City's intent, to the extent allowed by law, that the review committee's work and discussions, and the applications themselves, will not be available to the public. The names of businesses that receive the grants and the amount each receives will be considered a public record.

**If I consign in another retail shop am I eligible for a grant?**

No. To be eligible to receive a grant you must own or lease a physical location in the City of Palmer.