

Updates regarding the PPP, Shuttered Venue Grant, Restaurant Grant, EIDL

➤ Paycheck Protection Program extended to May 31

- Application deadline for both the 1st draw and 2nd draw PPP is **May 31**.
- Contact the SBDC if anyone needs assistance or has questions: 928-717-7232 or yc.edu/sbdc
- SBA website: <https://www.sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program>
- **Clarity on loan forgiveness and covered periods between 1st and 2nd draw PPP:**

The covered periods for a 1st Draw PPP and a 2nd Draw PPP cannot overlap in order for both loans to be forgiven. The borrower must use all the proceeds from the 1st draw PPP for eligible expenses before any 2nd draw PPP funds can be disbursed.

The borrower chooses their 1st Draw covered period as either 8 weeks or 24 weeks. If they choose 24 weeks, and they did not apply for 1st Draw PPP until January or February this year, they may not have enough time to fully use all the funds before the May 31 deadline. Borrowers who did apply and use their 1st Draw PPP funds in 2020 can still apply for 2nd Draw PPP before the May 31 deadline. Both loans will be forgiven provided 60% of the funds for each disbursement is used for payroll expenses.

➤ Shuttered Venue Operators Grant

The Shuttered Venue Operators Grant program was established to provide economic relief to one of the industries hardest-hit by the pandemic. As a reminder, these grants are for live venue operators or promoters, theatrical producers, live performing arts organization operators, museum operators, motion picture theater operators, and talent representatives including those owned by state or local governments or community colleges. This includes non-profits and for profits. Eligible entities may qualify for grants equal to 45% of their gross earned revenue up to a maximum of \$10 million.

- **SVOG application portal has not yet re-opened due to technical difficulties.**
- [Click here for the latest FAQ document](#) dated 4/8/2021
- **Portal to apply:** <https://www.svograntportal.sba.gov/s/>
 - Must register in System of Award Management (SAM.gov) database first before applying (<https://sam.gov/SAM/>)
 - SBDC can assist with this if needed.
- If awarded a PPP loan and an SVOG, the eligible entity's SVOG will be reduced by their total PPP loan amount.
- The PPP must be approved prior to the SVOG a
- Entities will not be eligible for a PPP *AFTER* receiving an SVOG.

To prepare in advance of the SVOG application portal opening, potential applicants should:

- Get registered in the federal government's "System for Award Management" (<https://sam.gov/SAM/>) as this is required for an entity to receive an SVOG. Registration is free.

Source: U.S. Small Business Administration AZ District Office, Treasury.gov

- Reference the preliminary application checklist via the links below and eligibility requirements for more specific details.
<https://www.sba.gov/document/support-shuttered-venue-operators-grant-preliminary-application-checklist>
<https://www.sba.gov/document/support-shuttered-venue-operators-grant-eligibility-requirements>

➤ Restaurant Relief Grant

The RRF will offer \$28.6 billion in grants to hard-hit restaurants and bars, with restaurants able to apply for grants based on lost revenue. More details are available at this link for [the SBA Restaurant Revitalization Fund](#).

Eligible businesses:

- Restaurants
- Food stands, food trucks, food carts
- Caterers
- Bars, saloons, lounges, taverns
- Snack and nonalcoholic beverage bars
- Bakeries (onsite sales to the public comprise at least 33% of gross receipts)
- Brewpubs, tasting rooms, taprooms (onsite sales to the public comprise at least 33% of gross receipts)
- Breweries and/or microbreweries (onsite sales to the public comprise at least 33% of gross receipts)
- Wineries and distilleries (onsite sales to the public comprise at least 33% of gross receipts)
- Inns (onsite sales of food and beverage to the public comprise at least 33% of gross receipts)
- Licensed facilities or premises of a beverage alcohol producer where the public may taste, sample, or purchase products

No need to register in SAM.gov before applying. Just have 2019 financials ready and available when portal opens.

[Link to sample application form](#). Use this to prepare for the portal opening.

No date set to apply. See link below to US Chamber site about this:

<https://www.uschamber.com/co/run/business-financing/restaurant-revitalization-fund-grants-guide>

➤ EIDL Deferment and Increases

U.S. Small Business Administration announced extended deferment periods for all disaster loans, including the COVID-19 Economic Injury Disaster Loan (EIDL) program, until 2022.

- All SBA disaster loans made in calendar year 2020, including COVID-19 EIDL, will have a first payment due date extended from 12-months to 24-months from the date of the note.
- All SBA disaster loans made in calendar year 2021, including COVID-19 EIDL, will have a first payment due date extended from 12-months to 18-months from the date of the note.
- **Loans approved prior to April 7, 2021 for less than \$500,000 are likely eligible for an increase** based on new maximum amounts announced March 24, 2021. SBA is now reaching out directly to loan borrowers via email to provide more details about how businesses can request an increase. Borrowers should expect to receive emails from **@sba.gov or @updates.sba.gov addresses**.
- If an applicant accepted a loan for less than the full amount originally offered, the applicant will have up to two years after the date of the loan promissory note to request additional funds. Applicants may continue to request additional funds even after the application deadline of December 31, 2021.
- Existing SBA disaster loans approved prior to 2020 in regular servicing status as of March 1, 2020, received an automatic deferment of principal and interest payments through December 31, 2020. This initial deferment period was subsequently extended through March 31, 2021. An additional 12-month deferment of principal and interest payments will be automatically granted to these borrowers.
- Borrowers will resume their regular payment schedule with the payment immediately preceding March 31, 2022, unless the borrower voluntarily continues to make payments while on deferment. It is important to note that the interest will continue to accrue on the outstanding balance of the loan throughout the duration of the deferment.

Apply for the EIDL at <https://covid19relief.sba.gov/#/>
Deadline is December 31, 2021.