

## **Pandemic Recovery Grant Questions and Answers**

Q. What is the deadline for submitting an application for Pandemic Recovery Grants for Small Businesses and Nonprofits, and how long does it take to complete an application?

A. The application closes at 11:59pm on Wednesday, May 31st and no applications will be accepted after that date/time. There are 31 questions, some of which are requests for explanation. The time taken to complete applications submitted so far has ranged from 4 minutes to 55 minutes. Applications cannot be submitted until all questions are answered, so please allow sufficient time to complete and submit before the deadline.

Q. The State of Washington's Constitution prohibits the gifting of public funds ([WA Constitution](#) Article VIII, section 7 [p. 86]). Aren't these Pandemic Recovery Grants considered a gift of public funds?

A. According to an [April 3, 2020 memo](#) written by the Attorney General of Washington, "...when government carries out its fundamental purposes with public funds, it does not violate article VIII, section 7.... Given the unprecedented health crisis that Washington faces, loans or grants are likely permissible if a local government can establish a clear nexus between such programs and either protecting the local economy or promoting compliance with public health guidelines" (p. 2).

Q. How do I demonstrate that my organization was impacted by the pandemic?

A. You will need to provide evidence that you suffered from pandemic-related loss of income or pandemic-related increased expenses that have not previously been reimbursed through another federal, state, or local assistance program (no "double-dipping"). Evidence could be Profit & Loss statements, Tax Returns, or something else, but it will be up to you to show that the grant funds you are requesting are because of pandemic-related impact to your business or nonprofit.

Q. What if I want to use the grant funds for expenses incurred prior to March 3, 2021?

A. Expenses incurred prior to March 3, 2021 are ineligible for ARPA funding. On page 11 of the [Coronavirus State and Local Recovery Funds \(SLFRF\) Final Rule](#), it states: "...SLFRF funds may only be used for costs incurred within a specific time period, beginning March 3, 2021...." The Final Rule provides the guidance and parameters for the business grant program, and the program must be compliant with the guidance and parameters. The Cares Act covered an earlier period of the pandemic

Q. When will I need to provide the required documentation to the City?

A. In most cases, documentation will be collected during the interview. The application does not require any information to be uploaded when you submit, but you will be asked to bring evidence to the interview that demonstrates the negative impact of the pandemic on your business or nonprofit.

Q. How will my interview be scheduled, where will it be held, and what questions will be asked during the interview?

A. You provide information in the application indicating what days/times are best for us to schedule your interview. You will receive an email between now and early June with a suggested meeting time. The email will include instructions for what to bring, and a list of the questions you will be asked. The interview is meant to be a structured but informal conversation during which you have the opportunity to demonstrate to the City how you were impacted by the pandemic, and what you are planning to use the funds for.

Q. What if the category of expense reflected on my application is not an eligible expense, but I have other expenses in other categories that may qualify? Do I lose out on this grant funding opportunity if I specified the wrong category or expense in the application?

A. You will not be automatically excluded from receiving grant funding if you note an ineligible expense on your application but you show pandemic-related loss and identify an eligible expense during the interview. Decisions on eligibility will be made using the information provided in both the application and interview combined.

Q. Will grant funds be reimbursement of money already spent, or payment in advance for invoices not yet paid, and how will the City know what we spend the funds on?

A. Whether for reimbursement or payment in advance, applicants will need to demonstrate to the City what the funds will be used for and provide evidence. If reimbursement is requested, you will be asked to give the City a copy of the invoice or statement, along with a copy of a cancelled check or electronic funds transfer or other form of payment. If the funds request is for an invoice that has not been paid yet, you will need to provide evidence after the payment is made. If the funds are not used for the stated purpose, they will be subject to repayment to the City.

Q. What if our nonprofit is a fiscal sponsor for another organization or allows it to operate under our 501c3 umbrella? Can the sub-organization submit its own, separate, application?

A. According to the Final Rule, nonprofits must be either a 501c3 or a 501c19 organization. If the suborganization is not a separate 501c3 or 501c19 and does not have a separate UBI (Unique Business Identifier), the City would not consider it eligible for this funding opportunity. Please consult your legal or tax professional if you have further questions.

Q. Many of the expenses our business/nonprofit incurred are listed under ineligible expenses. Can we still get grant funding?

A. The City cannot provide funds for ineligible expenses under the federal rules and guidance provided in the [SLFRF Final Rule](#). In addition to demonstrating your business or nonprofit suffered economic loss related to the pandemic, you will need to identify expense(s) that fall within the eligible uses category in order to be considered for grant funding.