Tourism Grant Program FAQ

This program is supported by a grant from the Municipality of Anchorage.

1. Who can apply for the Tourism Grant Program's COVID-19 relief funds?

- Must be an existing business or nonprofit organization with a significant reliance on leisure and business travel (70% or more of annual gross receipts dependent upon visitors traveling to Anchorage from outside the municipality, based on 2019 receipts).
- Must have loss of income greater than 40% in 2021 from January through August compared to the same period in 2019 due to the reduction in out-of-community visitors as customers, cancellation of meetings and conventions, etc. due to COVID-19.
- Must have annual gross receipts in 2019 of at least \$25,000. Businesses with less than \$25,000 in annual revenue in 2019 may be eligible if the year-over-year loss from 2019 to 2021 was \$10,000 or more.
- Must have a business based in or offering product primarily within the Municipality of Anchorage.
- Must be able to provide a Social Security Number (SSN) or Employer Identification Number (EIN).
- Must have a current and valid business license as verified from the State of Alaska Division of Corporations.

2. What will I need to apply?

- Applicants must be an owner of the business or nonprofit organization or an authorized agent.
- No documentation is necessary to apply, but applicants may be required to provide verification of information prior to final determination of eligibility.
- Payments will only be made to the business entity or its legal DBA.
- Grant recipients will be required to submit a W-9 in order to receive a grant.

3. How do I apply?

Fill out the application <u>here</u>.

4. How do I know if my business is eligible?

- In order to apply, you will need a current and valid business license as verified from the State of Alaska Division of Corporations;
- Your business must have been in operation prior to June 1, 2019.
- Your business or nonprofit organization must have significant reliance on leisure and business travel from outside the municipality of Anchorage (70% or more of your company's annual gross receipts dependent upon visitors traveling to Anchorage from outside the municipality, based on 2019 receipts);
- Must have loss of income greater than 40% in 2021 from January through August compared to the same period in 2019 due to the reduction in out-of-community visitors as customers, cancellation of meetings and conventions, etc. due to COVID-19;

- Must have annual gross receipts in 2019 of at least \$25,000. Businesses with less than \$25,000 in annual revenue in 2019 may be eligible if the business has experienced a decrease in gross receipts of more than \$10,000 when comparing January through August 2019 and January through August 2021.
- Must have a business based in or offering product primarily within the Municipality of Anchorage.

5. Can I apply if I have received other relief funds or MOA grants?

- There is no prohibition on receiving federal or state relief funds, e.g. PPP, EIDL, AK CARES, etc. Applicants are responsible for verifying eligibility rules for other relief programs. This program is open to all qualifying businesses, regardless of whether they have applied for or have obtained any other state or federal COVID-19-related assistance.
- Businesses that have received grants through the Municipality of Anchorage's Hospitality Grant programs tiers A, B, or C are eligible, provided they derive at least 70% of the business from visitors outside of the municipality of Anchorage. Federal programs like the Restaurant Revitalization Fund are also available to bars, restaurants, and food service providers; eligible applicants in other lines of business may be given first priority.
- Any grant already received and/or loan amounts that are eligible for forgiveness must be included as revenues when calculating overall revenue for 2021. In other words, if the revenues from other relief programs prevent your business from meeting the 40% loss-in-revenue threshold, you are not eligible for this program.
- Businesses that already received a Tourism Grant in Round 1 or 2 are encouraged to apply. However, eligible applicants who have not received funds through round 1 or round 2 of the Tourism Grant Program will be given first priority.

6. Does my business have to be located in Anchorage?

Your business or nonprofit organization must have a location within the Municipality of Anchorage, including but not limited to the Anchorage Bowl, Eagle River, Chugiak, Birchwood, Peters Creek, Eklutna, Girdwood, Indian, and Bird. Your location may be an office, store, restaurant, or other physical location. Businesses should be able to demonstrate that the majority of their office staff, product offerings, or owned assets (or a combination of the above) are housed within the Municipality of Anchorage. Home-based businesses are eligible.

7. Are restaurants and bars eligible?

Businesses that have received grants through the Municipality of Anchorage's Hospitality Grant programs tiers A, B, or C are eligible, provided they derive at least 70% of business from visitors coming from outside of the Municipality of Anchorage. Federal programs like the Restaurant Revitalization Fund are also available to these businesses, so eligible applicants in other lines of business may be given first priority.

8. Are seasonal and mobile businesses eligible?

Yes, seasonal and mobile businesses are eligible if they can show they have a location in Anchorage and meet other eligibility criteria.

9. Can I apply for Round 3 if I received a grant in Round 1 or 2?

Yes. Businesses that received a Tourism Grant in Round 1 or 2 are encouraged to apply. The eligibility requirements have changed, so carefully review the requirements. Any grant already received and/or loan amounts that are eligible for forgiveness must be included as revenues when calculating overall revenue for 2021. In other words, if the revenues from other relief programs prevent your business from meeting the 40% loss-in-revenue threshold, you would not eligible for this program.

Priority will be given to eligible applicants who have not received a grant through this program in a prior round.

10. What if I applied in round 1 or 2, but did not receive a grant? Do I need to apply again?

Businesses that applied for Round 1 or 2 of this Tourism Grant Program but did not qualify should reapply if they meet the guidelines for Round 3. A new application is required regardless of whether you applied in a previous round or not.

11. I don't have a current business license, but can prove I was in operation in 2019 and 2020, can I apply?

No. A valid business license is a requirement for eligibility.

12. Does membership status at Visit Anchorage factor into my eligibility?

No. Membership or non-membership with Visit Anchorage is not a consideration for this program.

13. Which tier does my business qualify for?

This program's four tiers are built by size of business, based on gross receipts in 2019. In the application, select the tier that applies to your business:

Small Business Tier - Gross receipts in 2019 less than \$100,000 - Grant of \$5,000

Tier A - Gross receipts in 2019 from \$100,000 to \$249,999 – Grant of \$10,000

Tier B - Gross receipts in 2019 from \$250,000 to \$999,999 – Grant of \$25,000

Tier C - Gross receipts in 2019 of \$1,000,000 or more – Grant of \$50,000

Note that you may be asked to furnish proof as part of the process, and you may be asked to provide details on income or losses should this grant be audited.

14. How can I use this money?

COVID has hit the tourism industry hard. We hope this funding can help offset some of the losses incurred due to the pandemic and preserve your business and the tourism industry until a full recovery.

There is no date by which funds must be spent, and no restriction on how the money is spent to offset some of the economic effects from the pandemic for your business.

15. If my company's revenue comes from other companies that are in tourism, am I eligible?

This grant program is intended to provide relief to companies deriving gross receipts directly from visitors. If your business derives revenue by serving companies in tourism, rather than from visitors directly, you may apply in round 3. Note that priority will be given to businesses deriving gross receipts directly from visitors.

16. What happens if there are more applicants than awards available?

If more eligible applicants apply than grants available, a random selection from the pool of eligible applicants will be used to determine awardees.

17. What happens if there is money remaining after all eligible applicants are awarded grants?

In the event there are grant funds remaining after all applicants approved in round 3 have received a grant, the remaining funds will be distributed proportionally to all approved applicants in round 3.

18. If I receive a grant, do I have to claim this grant on my taxes?

Yes, you will receive a 1099G.

19. If I am awarded a grant, when will I be notified?

Notifications for grant recipients may begin two weeks after the application period closes, but it will partly depend on the volume of applications.

20. If I am awarded a grant, when can I expect the funds to arrive?

If you are awarded a grant, you will need to provide mailing information or other details in order to receive funds. The timing largely depends on receipt of this information.

21. Will my name be made public as part of the award process?

Yes, the Municipality of Anchorage will name the recipients of the Tourism Relief grants.

22. Do I need to file a grant report with the Municipality of Anchorage detailing the use of the grant funds?

No, you do not need to file a grant report. This is a grant made possible through dollars given to the Municipality of Anchorage as part of the federal American Rescue Plan Act, so you may be asked to provide proof of cancelations or loss of income should this grant be audited.

23. How can I get help with my application or ask questions about the process?

Please email grant@Anchorage.net.

24. What if my application is incomplete?

Applicants are responsible for the accuracy and completeness of their information. The deadline to apply is October 6. If your application is incomplete or there are questions about the information it contains, administrators will attempt contact you prior to October 9. After that, any incomplete or inaccurate applications may be deemed ineligible.

25. Are there other relief resources available for me and my business?

There are other federal, state, and local relief programs for businesses and individuals. These resources have more information on other programs that may be of help.

U.S. Travel Association resources https://www.ustravel.org/toolkit/travel-industry-relief-resources

State of Alaska https://www.commerce.alaska.gov/web/EconomicRecoveryResourcesforBusiness.aspx

Municipality of Anchorage COVID-19 relief programs <u>https://covid-response-moa-muniorg.hub.arcgis.com/pages/grant-programs</u>