



FAQs for the Back-to-Business Illinois Hotel Jobs and Recovery Grant Program (B2B Hotels)

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General Questions:

What is the B2B Hotels Grant Program?

The Back-to-Business Hotels Grant Program (B2B Hotels) makes available \$75 million in recovery grants to hotels and lodging businesses which were greatly impacted by the COVID-19 pandemic. Through the program, applicants are eligible to receive grant funding up to \$1,500 per hotel room in the establishment. As part of the program's focus on supporting Illinois jobs, 80 percent of the grant funding is required to be spent on payroll costs for the upcoming year, with the remaining 20 percent for broad business expenses.

Who is eligible for the grant opportunity?

This grant is intended for lodging business (hotels, motels, etc.) that meet the following criteria:

- Must be an independently owned and operated for-profit corporation or limited liability corporation, partnership, or sole proprietorship authorized to conduct business in the State of Illinois, or a nonprofit operating in Illinois and registered as a 501c organization.
- Must have begun operations by March 12, 2020 and maintain active operations in Illinois at time of application.
- Must be operating as a hotel, including but not limited to inns, motels, tourist homes or courts, lodging houses, rooming houses, retreat centers, conference centers, and hunting lodges.
- Short-term vacation rentals such as those commonly listed via AirBnB or VRBO are not eligible.
- A detailed description of eligibility requirements can be found at Illinois.gov/B2B.

When is the application window?

Applications open on April 5, 2023 and will close on May 10, 2023 at 11:59pm Central Time. Prior to the application period opening, we encourage prospective grantees to review the available information and seek support through community navigators or NCRC's help desk at ncrccdfgrants@submittable.com.

Where does the funding come from?

The program is funded by the American Rescue Plan Act (ARPA) allocated to the State CURE Fund and appropriated by Public Act 102-0699 for the Illinois Hotel Jobs and Recovery Grant Program.

What languages is the application available in?

Program materials, the application, and technical assistance are available in the following languages: English, Spanish, Polish, Chinese, Korean, Arabic, Hindi, Tagalog, and Vietnamese.

Who is NCRC CDF?

In order to review a high volume of applications, the State of Illinois enlisted the support of NCRC CDF as a program administrator, which hosts the application portal, provides technical support, and helps review applications.

NCRC CDF is a non-profit community development financial institution and a mission-based lender working to help bridge the racial wealth divide in America's underserved communities. NCRC CDF invests in affordable housing development and provides access to capital and business support services to Black, Latino, and low- to moderate-income entrepreneurs nationwide.

Program Eligibility:

Are there limits or parameters on the size of the hotel/establishment?

No. The program is open to hotel/motel establishments of all sizes.

Do I still qualify for this grant if I received a PPP and/or EIDL loan or support through the Business Interruption Grant (BIG) or another round of Back to Business (B2B)? Yes.

I started my business in 2021. Does my business qualify for this grant?

No. To be eligible for a grant from this program a business must have started and been in operation by March 12, 2020.

My business was temporarily closed in 2020 and 2021, but is open now and was open prior to March 2020. Am I still eligible for this grant?

Yes. As long as the business is currently operational and the business was operational by March 12, 2020, a temporary closure does not affect the business' eligibility. Permanently closed businesses, however, are not eligible.

I own multiple businesses, can I apply for each business?

Yes. Applicants/owners may apply for multiple businesses as long as they meet eligibility criteria.

My business includes multiple establishments. Do I apply for each establishment separately?

Yes. For this program, you will be required to provide a separate application for each eligible hotel establishment, even if they are owned by the same corporate entity.

Do religious organizations qualify?

No. Businesses or organizations principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting, are not eligible for this program.

Do casino hotels qualify?

No. Businesses that derive at least 33% of revenues from gambling activities are not eligible.

Do hotels owned by a municipality or a convention center authority qualify?

No. Government-owned entities are not eligible.

Do I qualify for the Hotel Jobs and Recovery Program as a host/operator of a vacation or short-term rental unit (like Airbnb or VRBO)?

No. This grant program does not extend to hosts/operators of vacation or short-term rental units like those commonly listed on Airbnb or VRBO. You must pay Hotel Operators' Occupation Tax to be eligible.

Does listing on VRBO/Airbnb disqualify me from the program?

No. Short-term vacation rentals – which are commonly listed on Airbnb or VRBO – are not eligible. However, if you are an eligible business type, such as a motel or hunting lodge, that happens to have listings on those websites, you are still eligible.

My business is eligible for more than one of the following programs: B2B Arts, B2B Hotels, and B2B Restaurants. Can I apply for each one I am eligible for?

No. Applicants may only apply for one program and are only eligible to receive a grant from one of these programs.

Grant Awards Information:

How will the grant award amounts be determined?

- The grant award amount will be based on the number of rooms in the establishment.
- The grant program will provide hotels with up to \$1,500 per room.
- Entities who have received funding through a prior round of B2B or Business Interruption Grants (BIG) will have the amount received from those previous grant programs deducted from their total.

 If the total number of rooms across all applications exceeds the funds available at \$1,500 per room, the amount awarded per room will be adjusted to provide all applicants with funding.

What can I use this money for and when does it have to be spent?

- The funds must be spent within one year of receiving the award.
- 80 percent of funds must go toward payroll costs, including but not limited to wages, benefits, and employer contributions to employee healthcare costs.

Does the award need to be repaid?

No. Awards are state grants which do not need to be repaid.

How will applications be reviewed, and will all eligible applications receive funding?

DCEO has \$75 million available through the B2B Hotels program. All eligible businesses that meet the criteria and submit all of the program documentation will receive funding.

Is this grant taxable income?

Generally, yes, this would be considered taxable income. All awardees will receive a 1099 at the end of the tax year. However, qualifying grants are not subject to state business and occupation (B&O) tax, public utility tax, or retail sales tax.

What kind of reporting will be required as a recipient of these funds?

Awardees must submit a written attestation within one year of receiving the grant that at least 80% of the funds were used for payroll costs, including but not limited to wages, benefits, and employer contributions to employee healthcare costs.

Required Documentation for Application:

What information/documents are required for this application?

- 1. **Government Issued ID** | Driver License, Passport, or CityKey for business owner or authorized representative
- 2. **FEIN** | For the firm corporate entity (ITINs accepted)
- 3. Business Taxes OR Certificate of Registration from IDOR Business Authorization
 - a. For those providing a tax return, it must be from the most recent year. This may include:
 - i. IRS form 1040 (sole proprietors) and the following: Schedule C, Profit and Loss from Business
 - ii. IRS form 1065 Partnership Return (no K-1s required)
 - iii. IRS form 1120 Corporation Return (no schedules required)
 - iv. IRS form 1120S S Corporation Return (no K-1s required)

- b. For those providing the Certificate of Registration, this must be a current Illinois Department of Revenue Business Authorization Certificate of Registration
- c. While most applicants may choose which of these two documents to provide, for hotel establishments where identifying information about the establishment is not shown in a tax return (e.g. for a consolidated return), the applicant MUST provide the IDOR Certificate of Registration.

Do Individual Taxpayer Identification Number-operated businesses qualify?

Yes. Small business owners may apply using their Individual Taxpayer Identification Number (ITIN). Therefore, small business owners with tax IDs of nine digits and beginning with "9" are eligible for this grant program.

Can my government-issued ID be expired?

No. It must be valid and in current standing.

Logistics & Portal Questions:

Who do I contact for help?

You can reach our technical support help desk at <u>ncrccdfgrants@submittable.com</u>.

What hours will the Technical Support Center(s) be open?

Technical support will be available seven days a week from 8am to 8pm CT.

Can I view the application in any language besides English?

Downloadable translated PDFs of the application will be available in: Arabic, Chinese, Hindi, Polish, Korean, Spanish, Tagalog, and Vietnamese. These will act as a language and visual guide for filling out the application portal, which is in English. Support in other languages is also available.

Can the application be submitted in any language?

We will accept applications submitted in Arabic, Chinese, Hindi, Polish, Korean, Spanish, Tagalog, or Vietnamese.

Who is Submittable?

Submittable is a company that offers application services for grant programs. NCRC CDF has partnered with Submittable to manage the application process and distribute awards.

If you do not currently have a Submittable account, you will be prompted to register prior to accessing the form. Submittable recommends using Google Chrome, Mozilla Firefox, or Apple Safari as browsers.

Can I upload multiple files for each document upload?

Yes. Applicants can attach up to 15 files for each tax return, and up to 2 files for their valid government-issued photo ID, if applicable. All documentation must be provided in an electronic format for online upload, such as PDF/JPEG/DOC or other accepted format. We recommend preparing your file(s) in advance for easy upload during the application.

Can I take photos of the necessary documents with my phone and upload the images?

Yes, although direct file uploads are preferred.

Why do I have to verify my identity?

We are using Submittable's Fraud Prevention Tools to ensure grant funds go to legitimate businesses such as yours. These tools are widely used by service providers and financial institutions to verify a person's identity. The identity verification step is to be completed by the person filling out the application.

Does the business owner need to attest to the certifications and sign the application or can the business manager/accountant use their own name?

Any representative who is authorized to enter into legally binding agreements for the applicant may attest and sign the application.

Can I invite people to help/collaborate with me on my application?

Yes. To invite collaborators to your application, click the "Invite Collaborators" link located at the top right of the application once you are logged into Submittable and in the grant application. A Dialog box will appear, asking you to enter the email addresses of your collaborators. Enter those addresses, then click Invite. Invited collaborators will receive an email, letting them know you've invited them to collaborate on a draft application using Submittable. For details and guidance about this feature, please review information for submitters and for collaborations.

Can I apply on my smartphone or tablet?

Yes. The online application is mobile-friendly and available on multiple browsers. NCRC CDF recommends using Google Chrome, Mozilla Firefox, or Apple Safari as browsers, whether on your smartphone, tablet or computer to apply for this grant.

Can I save my application and come back later to complete and submit?

Yes. The application portal will automatically save your work. There is also a "save" button at the bottom of the page. Please make sure to note your account login and password so you are able to access your application later. However, you will not be able to edit or make corrections to your application after it is submitted. You will also not be able to create more than one application per business with the same account login. The grant application portal closes on May 10, 2023 at 11:59pm CT.

Does the application time out due to inactivity?

Submittable times out after 24 hours of inactivity, so you will be logged out. Progress on the application will be saved and you will not have to start a new application.

What if I have technical questions about the application portal?

You can view technical support guidance regarding the application platform here.

Can I request an edit on my application?

If your application has been submitted, it is no longer editable. Further, Submittable is not permitted to edit the content of your application. However, you can "withdraw" your application and resubmit a new application. Withdrawing your application allows you the ability to start from scratch and resubmit a new application. Withdrawing an application does not affect your eligibility to receive a grant, nor will it be a factor that will count against you.

Please note, should you choose to withdraw an application, you will need to submit a new application before the deadline of May 10, 2023 at 11:59pm CT to be eligible. All applications need to be submitted before this deadline regardless of whether or not you have withdrawn an application. Should you choose to withdraw your application after May 10, 2023 at 11:59pm CT, you are removing your application from consideration for the grant award.

How long will it take for a successful applicant to receive the award and in what format?

Once all submissions are reviewed, awardees will be notified via email by our partner, Submittable, to take next steps in the granting process. The email will come from <u>notifications@email.submittable.com</u>. We encourage you to add this email to your contact or VIP list in your email inbox.

Successful applicants will be asked to sign a grant agreement and provide their bank information. Once the grant agreement is signed and banking information is verified, grant awardees can expect to receive payment via direct deposit within a few business days.

How will funds be distributed?

The programs partner, Submittable, will provide a secure direct bank transfer of funds.

Application Questions:

Do I need to provide a NAICS code when selecting which sector/industry my business falls under?

Yes, you will be asked to select your industry sector and NAICS code category. If you don't know your NAICS code, you can look up your code here <u>https://www.naics.com/search/</u>.

I am a sole proprietor and don't have EIN, am I still eligible for this grant?

Yes. Please select the option on the application form specifying you are a sole proprietor. You are required to provide your social security number or individual taxpayer identification number (ITIN) on the application in place of an EIN.

Do I have to provide a social security number to apply?

NCRC CDF does not require a social security number to apply for this grant, unless the business is a sole proprietorship without an EIN. However, we require that you submit the business's most recent tax return with your application to verify status as a business. You are encouraged to black out your social security number if it is on any of your financial forms before you upload these documents

If a volunteer-run organization applies, who has the signing authority on the application (i.e. President of the Club, Treasurer etc.)?

The signee should be an officer or other agent authorized to enter into legally binding agreements for the applicant

Appendix

Appendix A: Ineligible Businesses

The following businesses are not eligible from this program:

- 1. independent contractors or freelance workers that do not operate a sole proprietorship;
- short-term rentals including vacation rentals defined as a single-family dwelling, or a residential dwelling unit in a multi-unit structure, that is rented for a fee for less than 30 consecutive days;
- 3. a private club or business that limits membership for reasons other than capacity;
- 4. a business that derives at least 33% of its gross annual revenue from legal gambling activities;
- 5. a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;
- 6. a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution);
- 7. a business principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting;
- 8. a government-owned business entity (except for businesses owned or controlled by a Native American tribe);
- 9. a business primarily engaged in political or lobbying activities;
- 10. a night club or strip club;
- 11. a pawn shop;
- 12. a liquor store;
- 13. an establishment similar to any enumerated above; or
- 14. a business in which a majority owner has a financial or familial connection to a director, principal shareholder or leadership member of the Department or Department's partner under the program.