

**Thank you for joining. The webinar will begin shortly.**

# Webinar Logistics

You have joined the webinar as a participant in **listen only mode**.

The webinar **will be recorded** and slides will be made available afterwards.

**Please add questions to the chat box.** We will respond to as many questions as possible.

**Please note that we will not be able to respond to individual eligibility questions,** and encourage those with specific eligibility questions to contact their local business development organizations and SBA resource providers such as Small Business Development Centers (SBDCs) and Women's Business Centers (WBCs) offering one-on-one technical assistance and counseling.



# Shuttered Venue Operators Grant (SVOG)

A LISC Presentation on the Small Business  
Administration's (SBA) New SVOG Program

LISC

# Agenda and Panelists

## I. Introduction

Bill Taft, Senior Vice President, LISC Economic Development

## II. SVOG Background and Eligibility Overview

Michelle Harati, Policy Officer, LISC Policy

## III. Venue Operator Insights

Sean Watterson, Happy Dog Venue Owner, and Co-Chair of the National Independent Venue Association (NIVA) Implementation Task Force

## IV. Lessons Learned on Accessing Federal Relief

Karleen Porcena, Senior Program Officer, LISC Economic Development

## V. Questions and Answers

All panelists

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Together with residents and partners, LISC forges resilient and inclusive communities of opportunity across America—great places to live, work, visit, do business and raise families.

# Background on Shuttered Venue Operators Grant (SVOG)

**Established on December 27, 2020** by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act and recently amended by the American Rescue Plan Act signed into law on March 12, 2021.

- Provides **direct financial assistance to deliver relief to performance arts industry related businesses** that have been negatively impacted by the COVID-19 pandemic.
- SVOG will be **administered directly by the Small Business Administration** and entities deemed eligible may receive assistance in the form of a grant.

**\$16.25 Billion in total funding is available.**

- Originally appropriated \$15 billion and the American Rescue Plan provided an additional \$1.25 billion, bringing the program funding to a total of \$16.25 billion, with more than \$16 billion allocated for grants.
- **Small Business Set-Aside:** The Economic Aid Act requires SBA **to set aside no less than \$2 billion of available funding** to provide grants to entities **with not more than 50 employees** during the first 59 days of opening SVOG.

Applications are not yet being accepted, however, entities may start submitting complete applications and supporting documentation on **April 8, 2021**. The aim of this webinar is to provide businesses and organizations that serve them with an overview of the program and best practices for accessing federal relief. More detailed information for applicants is available on the [SBA's recent webinar](#).

# SVOG Basics – Eligibility

## Eligible entities include:

- Live venue operators or promoters
- Theatrical producers
- Live performing arts organization operators
- Relevant museum operators, zoos and aquariums who meet specific criteria
- Motion picture theater operators
- Talent representatives
- Each business entity owned by an eligible entity that also meets the eligibility requirements

*Complete definitions for these terms can be found at the [Federal Register Notice](#), and by reviewing the SBA's [Eligibility Overview Sheet](#).*

## Eligible entities must have been in operation as of February 29, 2020.

- Must have documentation to support the date of operation began, which can be articles of incorporation, tax returns indicating date operations began, financial information or other documents that establish this.

# SVOG and the Paycheck Protection Program (PPP)

- Entities were originally prohibited from receiving a SVOG if they had received a first or second-draw PPP loan on or after December 27, 2020.
- The American Rescue Plan Act, which became law on March 11, 2021, removed this restriction by allowing entities to also apply for SVOG even if they received a PPP first or second-draw loan prior to receiving SVOG.
- Under the current law, entities:
  - **Who received a PPP loan on or after December 27, 2020, will now have their SVOG awarded amount reduced by their PPP loan amount.**
  - **Will become ineligible for future PPP loans AFTER they receive an SVOG.**

*Entities may also apply for both SVOG and an Economic Injury Disaster Loan (EIDL) from the SBA, but cannot use the SVOG for the same purpose and costs covered by their EIDL. For more information please review the SBA's [Cross Program Eligibility Chart](#).*



# Ineligible Entities

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**Ineligible entities include those not listed as eligible entities, and there may also be instances when an otherwise eligible entity is deemed ineligible by the SBA.**

**Reasons for ineligibility include, but are not limited to the following:**

- **Not in operation as of February 29, 2020.**
- More than 10% of 2019 gross revenue came from the federal government (not including disaster assistance).
- Owns or operates entities in more than one country, AND in more than ten states, AND had more than 500 employees as of February 29, 2020.
  - All three have to be true to be ineligible.
- Does not have a place of business located in the United States (US), does not primarily operate within the US, and does not make a significant contribution to the US economy through payment of taxes or use of American products, materials, or labor.
- **Publicly traded corporation**, or majority owned and controlled by a publically traded corporation.
- Presents live performances or sells products or services of a prurient sexual nature.

# SVOG Basics – Award Amount

Grant amounts are calculated based on when an eligible entity began operation.

Grant amounts will reflect either of the following instances:

- For an eligible entity **in operation on January 1, 2019**, grants will be for an amount equal to 45% of their 2019 gross earned revenue OR \$10 million, whichever is less.
- For an eligible entity that **began operation after January 1, 2019**, grants will be for the average monthly gross earned revenue for each full month you were in operation during 2019 multiplied by six (6) OR \$10 million, whichever is less.

In either case, the **maximum award amount is \$10 million** as established by the authorizing legislation.

SBA estimates that **15,000 awards will be made with an average award amount of \$1 million.**

# SVOG Funding Priorities

SVOG legislation established priority periods for grant disbursements.

## First Priority

First 14 days of grant awards

Reserved for entities that suffered a **90% or greater revenue loss** between April and December 2020 as compared to the same period in 2019.

## Second Priority

Next 14 days of grant awards

Reserved for entities that suffered a **70% or greater revenue loss** between April and December 2020 as compared to the same period in 2019.

## Third Priority

28 days after first priority awards are made

Reserved for entities that suffered a **25% or greater earned revenue loss** between one quarter in 2019 and the corresponding quarter in 2020.

# SVOG Funding Priorities

In the event of overwhelming demand, any applicants that met the 90% or greater threshold but that were not awarded in the first priority period will be considered by SBA during the second priority period.

During the third priority period, which considers quarterly gross earned revenue decline, the applicant may choose the quarter but it must be the same quarter for both 2020 and 2019.

## Revenue Definitions Utilized:

- First and Second Priorities – Gross Revenue
- Third Priority - Earned Revenue

**Earned Revenue** – monies received from the sale of goods and services. Excludes other funds such as donations, sponsorships, government assistance or investment returns.

**Gross Earned Revenue** – the total of earned revenue from various sales of goods or services, such as admission tickets, merchandise food and beverages, advertising sales and contracted presentation income.

**Gross Revenue** – all revenue in whatever form from whatever source. Includes contributions, donations, and grants (except disaster assistance).

# Potential of Supplemental Funding

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**In the event funding remains after all three priority periods have passed, SBA will proceed with supplemental awards.**

- Supplemental awards will be awarded through a separate application phase to entities that received first, second, or third priority awards and suffered a 70% or greater revenue loss for the most recent calendar quarter (April 1, 2021 or later).
- If all funding is expended, the SBA intends to issue zero dollar placeholder awards in the event that Congress appropriates additional funds for the program.

Further details are expected and entities may not apply for supplemental funds at this time.

# Application Preparation

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To successfully apply for a SVOG, potential applicants should:

- Confirm eligibility
- Sign up for updates at [svograntportal.sba.gov/](https://svograntportal.sba.gov/)
- Read SBA's Frequently Asked Questions (FAQs) responses
- Review SBA's Application Checklist for required forms and documents, and begin compiling necessary information and supporting documentation.

Applicants will be required to do the following prior to submitting an application:

- Register in the System for Award Management (SAM) at [SAM.gov](https://SAM.gov)
  - This is not automatic and entities that are not already registered should begin this process now as it can take up to 7 days.
- In order to register in SAM you will need to enter your DUNS number. If you do not have one you will need to obtain a DUNS Number from [DNB.com](https://DNB.com).
  - Will likely take at least 3-7 days to obtain

# Application Processing: Apply at [svograntportal.sba.gov](https://svograntportal.sba.gov)

Beginning on April 8, 2021, entities must use the SBA's exclusive portal to apply by:

- Creating an account in the application portal
- Entering required information in all applicable fields and responding to questions
- Uploading all required supporting documents
- Ensuring application and documentation provided is **complete and correct**.
- **SBA does not consider the application to be received until it has been fully submitted** and will only review once submitted. Entities can save applications in process.

Entities may now visit the portal to familiarize themselves and review **consolidated SVOG information** with links to SBA documents including the application checklist, FAQs, and video tutorials.

- Applications will be **accepted on a rolling basis, and will be accepted until funds are exhausted**.
- Although there are priority periods, **applicants can submit anytime and SBA will place applications within the appropriate priority** (first, second, or third) based on revenue decline information and within that priority will review on a **first-come first-served basis**.

# Required Documentation

## SBA Has Provided a Complete List of Required Documentation:

- [Shuttered Venue Operators Grant Preliminary Application Checklist](#)
- SBA's checklist includes information on required background and financial documents, standard forms including certifications, and additional applicant-specific documents based on venue type.
- Entities must **ensure that forms are fully completed correctly and uploaded successfully** as errors and incomplete information will result in denial.
- Entities must also **draft a Certification of Need statement** that makes a good faith certification that the uncertainty of current economic conditions makes the grant necessary to support ongoing operations, and state that the entity will either remain in operation or intends to reopen with an estimate date, and provide an assurance that the entity was fully operational on February 29, 2020.



U.S. Small Business  
Administration

Shuttered Venue Operators Grant  
Preliminary Application Checklist | March 11, 2021

When the Shuttered Venue Operators Grant applications open, specific documents will be needed to support grant requirements and eligibility, as required by the Economic Aid Act.

To assist with gathering and preparing the necessary SVOG application materials in advance of the opening, the SBA is providing the following preliminary list of supporting documentation that will be required. All documents will need to be legible and certification documents will need to be signed and dated. **This is not an all-inclusive list and additional documents may be required to meet eligibility and compliance.** Changes/updates from previous versions are indicated with an \* prior to the item.

The SVOG application process is still under development and this list is subject to further refinement. Detailed document descriptions can be found following the list. For additional information on program eligibility, definitions, etc., refer to the [website](#) and SVOG [Frequently Asked Questions](#).

### All Applicants

#### Background documents

- Written statement of need
- Corporate documents (may include Articles of Incorporation, Certificate of Existence, Certificate of Organization, State LLC Agreement, Certificate of Formation or Articles of Information)
- Government issued photo ID (front and back) of the business owner or a primary officer of the organization
- Employee list with job titles and employee status (full and part time)
- Tax Exempt Status Letter (only required for non-profit entities)

#### Financial documents

- 2019 Tax Return
- 2020 Tax Return, if filed
- Quarterly Income Statements for 2019 and 2020, signed by a primary officer of the organization
- \*Copy of most recent audited financial statement (2019) or Single Audit (if applicable) or link to website where the report can be located. (An audited financial statement should be submitted by entities that obtained this document within the normal course of business in 2019. A Single Audit should be submitted by entities that expended \$750,000 or more in Federal grant funds in 2019.)
- Indirect Cost Rate Agreement from cognizant Agency (if applicable)
- Payroll statements covering February 29, 2020

#### Standard Forms

- [SF-424B – Assurances for Non-Construction Programs](#) (found on grants.gov)
- [Certification of a Drug-free Workplace](#)
- [SBA Form 1623](#), Certification Regarding Debarment, Suspension, and Other Responsibility Matters
- [SBA Form 1711](#), Certification Regarding Lobbying & Disclosure of Lobbying Activities



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*Venue Operator Insights: Sean Watterson*  
Happy Dog Venue Owner, and Co-Chair of the  
National Independent Venue Association (NIVA)  
Implementation Task Force

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*Increasing Equitable Access  
to Federal Relief: Karleen Porcena*  
Senior Program Officer, LISC Economic Development

# Tips for Organizations Assisting Businesses Navigating Federal Resources

- Service providers and business development organizations seeking to **increase underserved business access to federal relief funding**, should consider:
  - Importance of **targeted outreach**
  - **Leveraging networks and trust within communities** to ensure the most vulnerable businesses are aware of grant programs and how to access
  - Working with **influential businesses to help spread the word**
  - Deciphering fact from fiction

Critical navigation services, include:

- The ability to **synthesize complex information**
  - Make information as simple as possible
- Ensuring applicants and businesses are **comfortable with the entire process and application**
- Anticipating what **business may need to prepare and help gather documentation**
  - Ensure businesses are well prepared (eligibility, calculations, budget)
  - Assist in getting paperwork together prior to application (check lists and documentation)
  - Familiarize yourself and business with portal

# SBA Resources

- SVOG Application Portal: <https://www.svograntportal.sba.gov/s/>
  - Anticipated applicant user guide forthcoming
- SVOG – FAQ: <https://www.sba.gov/document/support-shuttered-venue-operators-grants-faq>
  - Anticipated update forthcoming
- Eligibility Requirements Document with Venue Specific Information: <https://www.sba.gov/document/support-shuttered-venue-operators-grant-eligibility-requirements>
- SVOG Preliminary Application Checklist: <https://www.sba.gov/document/support-shuttered-venue-operators-grant-preliminary-application-checklist>
- **SVOG Application Informational Webinar Recording:** <https://www.youtube.com/watch?v=CNWsgR9ESUs>
- Federal Register Notice with complete definitions and grant information: <https://www.federalregister.gov/documents/2021/03/26/2021-06338/applications-for-new-awards-shuttered-venue-operators-grants-svog#page-16274>
- SBA staff will not be able to provide assistance on the application. Entities may receive assistance from local business development organizations and SBA resource partners through Small Business Development Centers, Women Business Centers, Veterans Business Centers, and SCORE.
  - <https://americassbdc.org/find-your-sbdc/>
  - <https://www.sba.gov/local-assistance>

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# Questions and Answers

Thank You!

LISC