



City of Valdez Business Grant Frequently Asked Questions

How can I apply?

Businesses can email the completed application and any required documentation to ValdezGrant@aksbdc.org. Businesses can also drop them off at City Hall at 212 Chenega St.

Are these loans or grants?

They are grants.

Are there fees associated with these grants?

No, there are not any fees charges to the applicant.

Who can apply?

PLEASE APPLY FOR FUNDS IF YOU QUESTION GRANT ELIGIBILITY.

Any business that is registered with the City of Valdez can apply. Owners of non-registered Commercial Fishing operations must have a valid driver's license with a Valdez address, pay moorage/rental fees to the Valdez Ports/Harbor Department and be an authorized commercial fishing vessel within the City of Valdez.

The criteria that disqualifies a business from the grant program include:

- The business is a C Corporation traded on a U.S. stock exchange or a corporate equivalent entity traded on a foreign stock exchange, and owned in whole or majority-owned by such a publicly traded corporation.
- Non-Profit (and governmental organizations) operations are ineligible for business grant funding.
- The business is a national chain that owns and operates a premise in the City of Valdez.
- The business has a City lien or is in violation of a payment agreement with the City.
- The business is currently in bankruptcy proceedings.
- The business does not have a permanent physical presence in the City of Valdez for the sale of goods or provision of services, with at least one worker assigned to that facility.
- **Business must have been a registered business with City of Valdez and the State of Alaska in 2020 and be registered in 2021 also.**

Do I have to provide financial records to prove my economic loss from the public health emergency?

Yes. Self-certified financial statements must be provided from 2020 and 2019. Preferably, in an electronic format displaying revenues and expenses for 2019 and 2020.

What expenses can the grant money cover?

A spreadsheet showing expenses related to normal business operations should be developed to justify grant expenditures. Items like payroll, utilities, rent, taxes, mitigation expenses for COVID, and other normal operational expenses should be detailed.

What is the timeline for the grants programs?

Grant applications are due by Friday April 30th, 2021. The City plans to mail checks to grant recipients prior to the end of the June 2021.

Will the City of Valdez mail out checks or send the funds electronically to bank accounts?

Checks will be mailed to the PO BOX listed on the application.

What if the Business grant program requests exceeds funds budgeted.

The City of Valdez will need further authorization from the Valdez City Council for requests in excess of the adopted budget for the Grant program.

Will the names of grant recipients be public record?

Yes. The names of grant recipients and their application will be subject to open records (with the exception of tax identification numbers).

Will receipts of this grant make me ineligible for other grant programs?

Grant recipients will need to check with other grant programs to determine how accepting City of Valdez relief funds impacts all future grant funding requests.

Is there a deadline for a grant recipient to spend the money? The grant recipient is expected to expend funds before the end of fiscal year 2021.

Do I have to keep receipts for my spending? The City would request grant recipients keep receipts for expenditures. No audit of expenditures are planned, but the City does reserve the right to audit expenditures from Grant monies.

Are the grant funds subject to federal income taxes?

A 1099-MISC will be issued by the City to all grant recipient. Please consult your tax advisor for tax implications.

Since business applicants' 2019 financial statements must be required, what happens if the business only operated part of the year in 2019 and does not have a full year's financial history?

Please provide both 2019 and 2020 financial statements. 2019 and 2020 income will still be compared and 2019 revenue will be used as baseline for revenue portion of the scoring criteria.

Does the business owner(s) have to be a resident of the City of Valdez?

No. However, the business must be a registered business with the City of Valdez.

A Commercial Fishing operation is not required to be a registered business with the City of Valdez, however, such commercial fishing operation must be licensed commercial fishing operation with the State of Alaska, have a moorage/rental agreement with the Valdez Ports/Harbor Department and provide proof a valid Alaska Driver's license with a Valdez Address.

Can a business that is behind in its property taxes qualify for the City grant?

Yes. However, a business cannot be delinquent on a payment agreement with the City.

What if my business shares physical quarters with other businesses? Can each business apply and qualify for its own grant?

Each separate business must be registered with the City of Valdez and State of Alaska in 2020 and 2021.