New York State
COVID-19 Pandemic Small Business Recovery Grant Program

Program and Application Guide
(Rev. 06.24.21)
Program Overview

INTRODUCTION

The New York State COVID-19 Pandemic Small Business Recovery Grant Program (the “Program”) was created to provide flexible grant assistance to currently viable small businesses, micro-businesses and for-profit independent arts and cultural organizations in New York State who have experienced economic hardship due to the COVID-19 pandemic.

For more information regarding the New York State COVID-19 Pandemic Small Business Recovery Grant Program and to get assistance in applying, please see www.nysmallbusinessrecovery.com.

GRANT AMOUNT

Grant awards will be calculated based on a business’ Annual Gross Receipts for 2019*:

<table>
<thead>
<tr>
<th>Annual Gross Receipts (2019)</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25,000-$49,999</td>
<td>$5,000 per business</td>
</tr>
<tr>
<td>$50,000-$99,999</td>
<td>$10,000 per business</td>
</tr>
<tr>
<td>$100,000-$500,000</td>
<td>10% of gross receipts (up to $50,000)</td>
</tr>
</tbody>
</table>

*See Slide 5 for information regarding how “gross receipts” are determined.

Grant amounts and calculations are subject to change by Empire State Development.
DEFINITIONS

1. "Small business" shall mean a business which is resident in New York State, incorporated in New York State and licensed or registered to do business in New York State, is independently owned and operated, not dominant in its field, and has 100 or less employees.

2. "Micro-business" shall mean a business which is resident in New York State, incorporated in New York State and licensed or registered to do business in New York State, is independently owned and operated, not dominant in its field, and employs 10 or less persons.

3. "For-profit independent arts and cultural organization" shall mean a small or medium sized private for-profit, independently operated live-performance venue, promoter, production company, or performance-related business located in New York State negatively impacted by COVID-19 health and safety protocols, and having 100 or less full-time employees, excluding seasonal employees. The qualifying organizations under this definition may include businesses engaged in a field including, but not limited to, architecture, dance, design, film, music, theater, opera, media, literature, museum activities, visual arts, folk arts and casting.

4. "COVID-19 health and safety protocols" means any restrictions imposed on the operation of businesses by executive order 202 of 2020 issued by the Governor, or any extension or subsequent executive order issued in response to the COVID-19 pandemic, or any other statute, rule, or regulation imposing restrictions on the operation of businesses in response to COVID-19.
ELIGIBLE SMALL BUSINESS QUALIFICATIONS

- Small businesses, Micro-businesses and For-profit independent arts and cultural organizations (collectively, “Eligible Applicants”) must be currently viable and have begun operation on or before March 1, 2019 and continue to be in operation as of the date of application (may be shuttered due to COVID-19 restrictions).
  - “Viability” to be determined based on whether the applicant has positive net profit in 2019, as evidenced by reported net profit on the applicant’s 2019 federal tax return (see below).

- Eligible Applicants will be required to show loss of gross receipts as a result of the COVID-19 pandemic or compliance with COVID-19 health and safety protocols which resulted in business modifications, interruptions, or closures.
ELIGIBLE SMALL BUSINESS QUALIFICATIONS (cont.)

- Small businesses and Micro-businesses must:
  1. Have 2019 or 2020 Gross Receipts of between $25,000 and $500,000 per annum
     - line 1a, IRS Form 1120 or 1065;
     - line 1, IRS Form 1040 Schedule C; or
     - sum of line 1a + line 2, IRS Form 1040 Schedule F
  2. Demonstrate positive net profit on 2019 Business Return ($1 or greater)
     - line 28, IRS Form 1120 (line 21, IRS Form 1120S);
     - line 22, IRS Form 1065;
     - line 31, IRS Form 1040 Schedule C; or
     - line 34, IRS Form 1040 Schedule F

3. Demonstrate at least 25% loss in Annual Gross Receipts in a year-to-year gross receipt comparison as of December 31, 2020 to the same period in 2019.
   - Loss to be calculated based on the difference between line 1a on IRS Form 1120 or 1065, line 1 on IRS Form 1040 Schedule C, or the sum of line 1a + line 2 on IRS Form 1040 Schedule F reported on 2019 federal tax return and line 1a on IRS Form 1120 or 1065, line 1 on IRS Form 1040 Schedule C, or the sum of line 1a + line 2 on IRS Form 1040 Schedule F reported on the 2020 federal tax return (in each case covering the same period).
   Calculated value must show a reduction of 25% year over year. Businesses with a partial tax year in 2019 will calculate 25% loss based on the comparable number of months in 2020.

4. Demonstrate that total expenses on 2020 Business Income Return are greater than the grant amounts.
   - Total expenses calculation versus proposed grant amount will be based on business expense reported on 2020 federal tax return submitted by the applicant
5. Be in substantial compliance with applicable federal, state and local laws, regulations, codes and requirements.

6. Not owe any federal, state, or local taxes prior to July 15, 2020, unless covered by an approved repayment plan, deferral plan, or other applicable agreement with appropriate federal, state, and local taxing authorities.

7. Not have qualified for business grant assistance programs under the federal American Rescue Plan Act of 2021 or any other available federal COVID-19 economic recovery or business assistance grant programs, including loans forgiven under the federal Paycheck Protection Program, or are unable to obtain sufficient business assistance from such federal programs.*

*Eligible Applicants may have received or been awarded the following federal assistance:

- Paycheck Protection Program loans totaling $100,000 or less
- COVID-19 EIDL Advance Grant of $10,000 or less
- COVID-19 EIDL Supplemental Targeted Advance Grant of $5,000 or less
- SBA Shuttered Venue Operator Grant
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ADDITIONAL INFORMATION

• Eligible Applicants must provide evidence, acceptable to New York State that the Eligible Applicant is operational and that the Eligible Applicant is not restricted by any state, local or other agency mandate.

• Due to a limited amount of funding and the high volume of requests expected, business type, geography, and industry may factor into the ability to receive a grant.

• Priority will be given to socially and economically disadvantaged business owners, including, but not limited to, minority and women-owned business enterprises (NYS certification not required), service-disabled veteran-owned businesses, and veteran-owned businesses, or businesses located in communities that were economically distressed prior to March 1, 2020, as determined by the most recent census data.
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INELIGIBLE BUSINESSES

- All Non-Profits, Churches and other religious institutions;
- Government-owned entities or elected official offices;
- Businesses primarily engaged in political or lobbying activities;
- Businesses that received awards from the SBA Restaurant Revitalization Grant Program;
- Landlords and passive real estate income businesses;
- Illegal businesses and enterprises; and
- Other industry or business types as specified by ESD.
1. For proof of Gross Receipts loss or other economic hardship: 2019 and 2020 Business Income Tax returns
   - For corporations and LLCs – IRS Form 1120
   - For partnerships – IRS Form 1065 and Schedule K-1s
   - For sole proprietors – IRS Form 1040 and Schedule C
     - For sole proprietor farming businesses – include IRS Form 1040 Schedule F
   NOTE: Full, filed federal tax returns for 2019 and 2020 are required

2. Completed IRS Form 4506-C (if requested by Lendistry)

3. Proof of business location and current operation (must provide two (2) of the following):
   - Current lease
   - Utility bill
   - Current business bank statement
   - Current business mortgage statement
   - Business credit card statement
   - Professional insurance bill
   - Payment processing statement
   - NYS ST-809 or ST-100 sales tax collection documentation
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REQUIRED DOCUMENTATION (cont.)

4. Schedule of ownership: Listing of names, addresses, Social Security Numbers (for non-U.S. owners, Individual Taxpayer Identification Number), phone numbers, e-mails, percentage ownership, and photo ID for any owners with 20% or more ownership of the business:
   • To complete the application for the grant, owner/applicant must be at least a 20% owner and provide listing of name, address, Social Security Number or for non-U.S. owners, Individual Taxpayer Identification Number, phone number, e-mails, percentage ownership, and photo ID.
   • To complete the funding of grant, applicant must submit schedule of ownership information for all owners with 20% or more ownership of business: listing of names, addresses, Social Security Numbers or for non-U.S. owners, Individual Taxpayer Identification Number, phone numbers, e-mails, percentage ownership, and photo ID.
   • Non-U.S. owners are subject to Individual Taxpayer Identification Number verification through IRS Form CP565.

5. Proof of number of employees: Most recently submitted NYS-45 document for employer firms.

6. Proof of Business Organization (provide only one (1) of the following):
   • Current Business License
   • Current Business Certificate
   • Certificate of Organization
   • Certificate of Assumed Name (DBA)
   • NYS Certificate of Authority
   • Articles of Incorporation
   • NYS municipality issued document showing authorization to operate in NYS.

7. For funds distribution: IRS Form W-9 and bank account information.
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ELIGIBLE USES OF FUNDS

Grants must be used for COVID-19 related expenses incurred between March 1, 2020 and April 1, 2021. These include:

1. Payroll costs;
2. Commercial rent or mortgage payments for NYS-based property (but not any rent or mortgage prepayments);
3. Payment of local property or school taxes associated with a small business location in NYS;
4. Insurance costs;
5. Utility costs;
6. Costs of personal protection equipment (PPE) necessary to protect worker and consumer health and safety;
7. Heating, ventilation, and air conditioning (HVAC) costs;
8. Other machinery or equipment costs;
9. Supplies and materials necessary for compliance with COVID-19 health and safety protocols; or
10. Other documented COVID-19 costs as approved by Empire State Development.

INELIGIBLE USES OF FUNDS

Grants awarded under the program may not be used to re-pay or pay down any portion of a loan obtained through a federal COVID-19 relief package for business assistance or any New York State business assistance programs.
Applicant Certification

How to Download and Complete the Form
WHAT IS THE APPLICATION CERTIFICATION?

As part of the application process, you will need to self-certify the accuracy of information by signing an Application Certification.

The Application Certification will be available in electronic form for you to download and complete. A signed Application Certification is a required document in this grant process and will need to be uploaded to the Portal.

You can complete the Application Certification in two ways:
1. Download and sign the certification electronically or
2. Print and complete the form by hand.

CLICK HERE to download or print the Application Certification.
INSTRUCTIONS

STEP 1: **CLICK HERE** to view the Application Certification.

STEP 2: Click the 🖼️ icon to download the Application Certification on your computer.

STEP 3: Save the certification onto your desktop.

STEP 4: Go to your desktop, locate the Application Certification and open the file from there.

STEP 5: Your Application Certification will open as an PDF file. Complete the Application Certification by entering your initials next to all numbered items and then entering your signature and business information on Page 5.

STEP 6: Go to File > Save or press CTRL+S on your keyboard to save your fully executed Application Certification.

STEP 7: Upload the completed Application Certification to the Portal.
Print and Complete the Application Certification by Hand

INSTRUCTIONS

STEP 1: **CLICK HERE** to view the Application Certification.

STEP 2: Print the Application Certification by clicking the printer icon.

STEP 3: Fill out the Application Certification using a dark pen and legible handwriting.

STEP 4: Scan the completed Application Certification and upload it to the Portal.
Tips for Applying
Tip #1: Use Google Chrome

INSTRUCTIONS

For the best user experience, please use Google Chrome throughout the entire application process.

Other web browsers may not support our interface and can cause errors in your application.

If you do not have Google Chrome on your device, you can download it for free at https://www.google.com/chrome/

Before you begin the application, please do the following on Google Chrome:

1. **Clear Your Cache**: Cached data is information that has been stored from a previously used website or application and is primarily used to make the browsing process faster by auto-populating your information. However, cached data may also include outdated information such as old passwords or information you have previously entered incorrectly. This can create errors in your application and may result in it being flagged for potential fraud.

2. **Open incognito mode**: Incognito mode allows you to enter information privately and prevents your data from being remembered or cached.

3. **Disable your pop-up blocker**: Our application includes multiple pop-up messages that are used to confirm the accuracy of the information you provide. You must disable the pop-up blocker on Google Chrome to see these messages.
Tip #2: Clear Your Cache

INSTRUCTIONS

1. Click the three dots in the upper right corner, and then go to “Settings”

2. Go to “Privacy and Security”, and then select “Clear Browsing Data”

3. Select “Clear Data”
Tip #3: Use Incognito Mode

INSTRUCTIONS

Click the three dots in the upper right corner of your web browser, and then select “New incognito window.” Your browser will open a new window.
Tip #4: Disable Pop-Up Blocker

INSTRUCTIONS

1. On Google Chrome, click the three dots in the upper right corner and then select “Settings”

2. Select “Privacy and Security”

3. Select “Site Settings”

4. Select “Pop-up and Redirects”

5. Click the button so that it turns blue and the status changes from “Blocked” to “Allowed”
Tip #5: Submit All Documents in PDF Format

INSTRUCTIONS

The electronic form must be clear, aligned straight, and contain no disruptive backgrounds.

Important Notes for Uploading Documents:
- All documents must be submitted in PDF format.
- File size must be under 15MB.
- The file name CANNOT contain any special characters (!@#$%^&*()_+).
- If your file is password protected, you will need to enter it in the Portal, otherwise we will not be able to view the document.

If you do not have a scanner, we recommend using the following free mobile apps:

**Genius Scan**
Apple | [Click Here to Download](#)
Android | [Click Here to Download](#)

**Adobe Scan**
Apple | [Click Here to Download](#)
Android | [Click Here to Download](#)
Tip #6: Use a Valid Email Address

INSTRUCTIONS

Please make sure you are using a valid email address when applying. You will receive updates and additional instructions at the email address you provide.

IMPORTANT NOTE - The following email addresses will not be accepted or recognized in our system:

Emails beginning with info@
Example: info@mycompany.com

Emails ending with @contact.com or @noreply.com
Example: example@contact.com
Example: example@noreply.com
Tip #7: Translate the Application in Your Preferred Language

INSTRUCTIONS

Our application will be translatable in the following languages:

• Spanish
• Chinese (Simplified Mandarin)
• Russian
• Yiddish
• Bengali
• Korean
• Haitian Creole
• Italian
• Arabic
• Polish
• Hindi
• German

Important Note: For non-English language support in completing the application, please contact our call center or visit www.nysmallbusinessrecovery.com.
The Application

What Information is Needed
Before You Begin

**WHAT TO EXPECT**

This grant application is administered by Empire State Development and powered by Lendistry.

Before you begin, you will be queued up in a waiting room to start a NEW application. *(Important Note: Do NOT fill out multiple applications. This will be detected as potential fraud and will disrupt your application.)*

You do not have to complete the application in one session and will have an option to save and continue it later.

Enter your contact information in the “Let’s Get Started” section of the application in order to receive login credentials to our Portal. Once you activate your account, you will be able complete your unfinished application.
Section 1: Get Started with Your Application

WHAT INFORMATION IS NEEDED?

• First Name
• Last Name
• E-mail
• Phone Number
• Business Name
• Zip Code of Business
• Referral Partner (Your selection for this field will not impact your application)
• Preferred Language

Important Note: Please be sure to use a valid email address in this section. Important updates and further instructions will be sent to the email address that you provide. Refer to “Tips for Applying” for a list of invalid email addresses.

SMS/TEXT POLICY

Status updates for your grant application will be available by SMS/Text. To receive updates by SMS/Text, please provide consent after reading the disclosure by checking the box. If you would like to opt out of this feature, leave the box unchecked.

CONSENT TO AUTO-DIALED CALLS OR TEXT MESSAGES:

I expressly consent to receive calls and messages to landline, wireless or similar devices, including auto-dialed and pre-recorded message calls and SMS messages (including text messages) from Lendistry and/or its authorized representatives at telephone numbers that I have provided in my application for the purposes of receiving updates and other information related to the New York State COVID-19 Pandemic Small Business Recovery Grant Program. I acknowledge that consent is not a condition of submitting an application, and that message and data rates may apply.

Okay
Section 2: Owner Details

WHAT INFORMATION IS NEEDED?

- Owner First Name
- Owner Last Name
- Owner E-mail
- Owner Address, City, State, Zip Code, and County
- Owner Birthday
- Owner Social Security Number (or ITIN)
- % of Ownership

TERMS AND CONDITIONS

Check the box to acknowledge that you have read and agree to the Terms and Conditions. You must agree in order to move forward with your grant application.
Section 3: Business Information

WHAT INFORMATION IS NEEDED?

• Business Name
• DBA (if applicable)
  Note: If your business does not have a DBA, type “NONE” in this field.
• Business EIN
• Business Phone Number
• Business Type
• State of Incorporation
• Business Address, City, State, Zip Code, and County
• Business Start Date
• Business Website
  Note: If your business does not have a website, type “none.com” in this field.
Section 4: How Can We Help?

WHAT INFORMATION IS NEEDED?

- Purpose of Grant
- Estimated Grant Eligibility Amount

Note: The grant amount you can request is based on your Annual Gross Receipts in 2019.

- Annual Gross Receipt for 2019 (this must match your tax returns)
- Was your business profitable in 2019? (line 28, IRS Form 1120; line 22, IRS Form 1065; line 31, IRS Form 1040 Schedule C; or line 34, IRS Form 1040 Schedule F).
- # of Full-Time Employees (2020)
- # of Part-Time Employees (2020)
- # of Jobs Created (2020)
- # of Jobs Retained (2020)
Section 5: Business Demographics

WHAT INFORMATION IS NEEDED?

• Who is your customer base?
  o **B2B: Business-to-Business**
    Company provides services or products to other businesses
  o **B2C: Business to Consumer**
    Company sells directly to individual consumers
• What does your business do? What type of business is it?
• Tell us more.
• NAICS Code*
• Women-Owned Business?**+
• Veteran-Owned Business?**
• Disabled?**
• Race?
• Ethnicity?
• Franchise?
• Minority-owned Business?**+

*The NAICS Code System is used by Federal Statistical Agencies to collect, analyze, and publish statistical data related to the U.S. Economy.

NAICS is a Self-Assigned System; no one assigns you a NAICS Code. What this means is a company selects the code that best depicts their primary business activity and then uses it when asked for their code.

To find your NAICS code, go to www.naics.com.

**Individual(s) directly own(s) more than 50% of the ownership interest in the business.

+NYS Certification not required
Section 6: Disclosures

WHAT INFORMATION IS NEEDED?

1. As of the date of the application is your business open and operating?
2. Is your business organized as For-Profit Business?
3. Are you in substantial compliance with applicable federal, state and local laws, regulations, codes and requirements?
4. Do you owe any federal, state, or local taxes prior to July 15, 2020, and do not have an approved repayment, deferral plan, or in agreement with appropriate federal, state, and local taxing authorities?
5. Is your business in the For-Profit Independent arts and cultural sector as defined above? (if you answer “yes,” please answer the additional questions in the application)
6. Are you Service-Disabled Veteran Owned Business?
7. Is your business set-up as a worker cooperative?
8. Is greater than 50% of the small business owned by socially and economically disadvantaged persons, which may include minority or women-owned, service disabled veteran or veteran-owned businesses, or businesses located in communities that were economically distressed prior to March 1, 2020 (per the U.S. Census)?
9. Annual gross receipts for 2019? (this should match your tax return)
10. Annual gross receipts for 2020? (this should match your tax return)
11. How many months were you in operation in 2019?
12. During COVID-19 Pandemic, has your business received any COVID-19 related emergency funding?
13. Did you receive any help or support from a NYS Technical Assistance Provider?
14. Did you receive any help or support from an Entrepreneurship Assistance Center (EAC)?
15. Did you receive any help or support from a Community Development Financial Institution (CDFI)?
16. Did you receive any help or support from a Chamber of Commerce?
17. Did you receive any help or support from a Small Business Development Center (SBDC)?
18. Is your business currently in need of technical assistance support or help?
19. Is your business currently in need of a loan?
Section 7: Confirmation

INSTRUCTIONS

At the end of the application, you have two options:

1. Save your application and finish it later: select NO
   If you would like to save and complete your application later, select NO and click “Save & Continue Later”. Important Note: Your application must be completed in order to be considered for the grant.

2. Complete your application and submit: select YES
   If all the information provided is correct and you would like to complete your application submission, select YES and click “Continue”. Important Note: You will not be able to edit your application once it has been submitted.

If this confirmation message does not appear, please make sure that the pop-up blocker has been disabled on your web browser.
Section 8: Confirmation Message

INSTRUCTIONS

You will receive the following message when your application has been successfully submitted.

WHAT TO EXPECT NEXT
You will receive a separate email containing a username and password to the Portal. Please use the login credentials to complete all of the following steps:
1. Activate and sign into the Portal.
2. Upload all required documents in an acceptable format.
3. Link your bank information so that we can verify your bank statements and set up a direct deposit. (this is only required for applicants who are selected).

Please check your email including Clutter, Junk, and Spam for your username and password from no-reply@mylendistry.com to activate your account and to upload documentation.
Section 9: Find Your Username and Password

INSTRUCTIONS

1. Please check the email address that you entered in the “let’s get started with your application” section of the grant application for your username and password to our Portal.

   If you do not see this email in your inbox, please check your spam and junk folders.

2. Activate your account by clicking “Click here to log in”.

   Hi Jane,

   Thank you for applying to the New York Relief Grant.
   The link below will take you to the portal and the new account created for My Company.
   Please use this link to add additional information or upload requested documentation.

   Clicking the button will activate your account.

   New username and password:
   Username: nyrecovery@yopmail.com
   Password: NlyeogHHMCY

   877-721-0997
   New York Small Business Recovery Grant Programs, All Rights Reserved.
Uploading Documents
How to Upload Documents in the Portal
**IMPORTANT NOTES**

Before you begin, please review the following notes to ensure your documents are uploaded correctly:

- Documents listed with a **red asterisk (*)** are required immediately upon completing an online application.

- Documents listed with a **blue asterisk (*)** are required only if you are selected to move forward with the application process. You will be notified of this selection.

- Banking information is only needed if you are approved for funding.

- If a document does not apply to your business, please select N/A.

- ALL documents must be submitted as a PDF file. The PDF file must be under 15MB. Documents that are multiple pages should be submitted as one (1) PDF file.

- Do NOT include special characters (i.e. "~!@#$%^&*()_+") in the file name. Our Portal will not recognize special characters.

- If your document is password protected, you will be required to enter it in the Portal.
How to Upload Documents in the Portal

INSTRUCTIONS

STEP 1: Select a document type and click the down arrow to expand its folder.

STEP 2: Click “Browse” to locate the file on your device. ALL documents must be upload as a PDF.

STEP 3:
- If your document is password protected, select YES from the drop-down menu and enter in the password.
- If your document is NOT password protected, select NO from the drop-down menu and leave the password field blank.
- Click “Upload Documents” to complete upload. The status of the document will change from PENDING to COMPLETED.
Linking Your Bank Information
(Required only if you are approved for grant funding)
Lendistry uses a third-party technology (Plaid) to set up ACH transfers by connecting accounts from any bank or credit union in the U.S. to an app like Lendistry’s Portal. The third-party does not share your personal information without your permission and does not sell or rent it to outside companies. The use of personal information on or through Plaid is subject to Plaid’s End User Privacy Policy (https://plaid.com/legal/#end-user-privacy-policy). Lendistry uses this technology to verify and review your bank statements. This method of bank verification is preferred, but may not be acceptable, including if your banking institution is not available through the provider. In this case, you can verify your bank account using other methods.

**HOW TO VERIFY YOUR BANK ACCOUNT IN LENDISTRY’S PORTAL VIA PLAID**

**STEP 1**
- Click on “Link Your Bank Account” to open a window for Plaid.
- Continue through Plaid and locate your banking institution.
- Sign into your online banking account and connect it to Lendistry’s Portal.

**STEP 2**
This step must always be completed regardless of the verification method you use.
- Enter your bank information.
- The “Business Account Name” field is NOT your account type. This field is your account name, which must be in the name of your business and listed on your bank statements.
- If your business is a sole proprietorship, the bank account must still be a business checking account and match your name or DBA.
Application and language assistance is available at 877-721-0097 or www.nysmallbusinessrecovery.com.