

SVOG General Overview

The Shuttered Venue Operators Grant (SVOG) had \$15 billion allotted in the December relief bill. An additional \$1.25 billion was allotted in the American Rescue Plan Act (ARPA).

\$2 billion is set aside for businesses with fewer than 50 employees.

The SVOG will open for applications on Thursday, April 8, 2021: <https://www.svograntportal.sba.gov/>

Applications will only be accepted electronically

SVOG Details

Application Rollout

- **First Priority:** Loss of 90% or more of their revenue between April 2020 and December 2020
- **Second Priority:** Loss of 70% of their revenue between April 2020 and December 2020
- **Third Priority:** Loss of 25% of their revenue between April 2020 and December 2020

Awards

- **Estimated number of awards:** 15,000
- **Estimate range of awards:**
- \$250,000 - \$10,000,000.
- **Estimated Avg Size of Award:** \$1,000,000
- Eligible entity I operations on Jan 1, 2019, will be eligible to receive the lesser of 45% of their 2019 gross earned revenue or \$10 million.
- Eligible entity that began operations after Jan 1, 2019, will be eligible to receive the lesser of the average monthly gross revenue for each full month the entity was in operation during 2019 multiplied by 6 or \$10,000,000.

SVOG Eligibility

- Live venue operator or promoter, theatrical producer, live performing arts organization operator, relevant museum operator, motion picture theater operator, talent representative
- Fully operational on Feb 29, 2020
- Had gross earned revenue during the first, second, third, or fourth quarter in 2020 that demonstrates no less than a 25% reduction from gross earned revenue from the same quarter in 2019. If not in operation in 2019, compare Q1 2020 to any other quarter in 2020.
- *Must intend to resume operations.*
- Space must have defined performance and audience space, mixing equipment, a PA system, and a lighting rig, engage 1 or more individuals to carry out at least 2 of the following roles: sound engineer, booker, promoter, stage manager, security personnel, box office manager
- Performers must get paid (not just tips)
- For nonprofit venues, employees must be paid, not volunteers.
- **Performances** must be promoted by print, electronic pubs, websites, mass emails, or social media.
- **Motion picture theater** must have at least 1 auditorium, a projection booth space, or space containing a projector, a paid ticket charge to attend, exhibitions are marketed through showtime listings in printed or electronic publications, websites, mass emails, etc.
- **Regular Programming** – programming delivered on an ongoing and near-continuous basis of an average of at least 4 times a month.

SVOG Eligibility Continued

- **Museums** must serve as a relevant museum as its principal business activity, use indoor exhibition spaces that are a component of the principal business activity subjected to pandemic related occupancy restrictions, uses at least one auditorium, theater, or performance or lecture hall with fixed audience seating and regular programming.
- **Relevant Museum** – public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis (aquariums, arboretums, botanical gardens, art museums, children's museums, general museums, historic house and sites, history museums, nature centers, natural history and anthropology museums, planetariums, science and technology centers, specialized museums, and zoological parks)
- **Fixed Seating** – seating that is permanently fixed to the floor or which is so heavy and cumbersome that removing it is impractical.
- **Full-time employee** – any employee working no less than 30 hours per week, any employee working not fewer than 10 hours and fewer than 30 hours will be considered ½ FTE.



Application Requirements

- **Certification of need and assurance**
Assurance that the entity was fully operational on Feb 29, 2020, and funds will only be used for allowable purposes.
- 2019 Federal Tax Returns
- 2020 Federal Tax Returns
- Employee List with Job Titles and Employee Status – Full and Part-Time
- Quarterly Profit and Loss Statements for 2019 and 2020
- Articles of Incorporation, Bylaws, and DBA Certificate
- Income Statements for 2019 and 2020
- Copy of Most Recent Audited (2019) Financial Statement or Single Audit (if applicable) or link to a website where it can be found
- Tax-Exempt Status Letter (nonprofits only)
- Listing of all Individuals Represented and venues for which they have contracted to perform (applicable only for talent reps)

Application Requirements Continued

- Examples of contractual/consultant agreements with talent represented and venues used and evidence of booking (applies only for talent reps)
- State or local COVID Occupancy Restrictions (applicable only for museum operators)
- **Floor Plan (and plan of the grounds if outdoor space is used for the performance venue)**
 - Must provide the floor plan that is used for insurance purposes of local fire inspections. Motion Picture operators must also include the location of the projector.
- **Evidence of marketing**
Applicable only for Live Venue Operator or Promoter, Theatrical Producer, Live Performing Arts Organization Operator, Motion Picture Theaters, Relevant Museums.
- Must provide most recent marketing materials. If closed must provide most recent marketing materials prior to closing
- **Indirect Cost Rate Agreement from Cognizant Agency (if applicable)**
If the entity doesn't have one, they may negotiate a proposed indirect cost rate. If the entity has never had one, they can use the 10% de minimis rate.

If the entity does have a negotiated rate, it must be included in the application.



If you have any questions, are looking to apply for the SVOG, or need small business support, please connect with our team at info@aksbdc.org.

Eligible Expenses

- Payroll costs
- **Rent** – Rent obligated under a lease agreement before Feb 15, 2020.
- **Utilities** – Electric, gas, water, transportation, telephone, internet started before Feb 15, 2020.
- **Mortgage (principal and interest)** – debt obligation of the borrower including a mortgage on a real or personal property before Feb 15, 2020.
- **Debt (principal and interest)** incurred prior to Feb 15, 2020.
- **Worker Protection** – Operating or capital expenditure to adapt the business to comply with requirements issued by Dept of Health and Human Services, CDC, OSHA, or state and local requirements between Mar 1, 2020, and Dec 31 (actual date in the doc) 2021.
- Payments made to independent contractors on Form 1099 MISC not to exceed \$100,000 in annual compensation.
- **Other expenses** including – Maintenance, Administrative costs (including fees and licensing costs), State and local taxes and fees, Operating leases in effect as of Feb 15, 2020, insurance payments, advertising, production, transportation, and capital expenditures related to producing a live performance or theatrical production, concert, exhibition, comedy show (however, the grant cannot be used PRIMARILY for such expenditures)