

RI Commerce Corporation: Washington Bridge Small Business Grant Program Frequently Asked Questions

Updated September 2024

PROGRAM OVERVIEW

1. What is the Washington Bridge Small Business Grant Program?

The Washington Bridge Small Business Grant Program is a grant program administered by the Rhode Island Commerce Corporation that provides financial support to small businesses impacted by the closure and reconstruction of the northern span of the Washington Bridge. Grants will be made in amounts of \$500, \$1,000, and \$2,500, based on minimum revenue loss thresholds during the period of December 2023 – February 2024.

This program is a collaboration between the RI Commerce Corporation, the City of East Providence and the City of Providence to provide financial relief to Rhode Island’s small businesses that have been negatively impacted by the reconstruction of the Washington Bridge.

Important Note: RI Commerce Corporation, East Providence, and Providence are simultaneously but independently administering these grant programs. If your business is physically located in Providence or East Providence, you are not eligible for a Commerce RI Grant. If your business is located in the city of Providence or East Providence, please apply to the local grant program.

2. What are the eligibility requirements?

To be eligible for the RI Commerce Corporation grant, applicants must:

- Have experienced negative economic impact (minimum \$500 and 10% revenue loss) as a result of Washington Bridge Reconstruction;
- Be physically located in Rhode Island, outside of East Providence and Providence and have begun operations prior to June 1, 2023*;
- Be a for-profit business (incorporated entities), partnerships, sole proprietor, or non-profit entity;
- Have Rhode Island gross receipts of \$2 million or less in either 2022 or 2023;
- Not be owned by a nationally or regionally owned franchise;
- Not be permanently closed;
- Not be in or considering federal bankruptcy or state receivership;
- Not be on the federal do not pay list; and
- Not be an elementary or secondary school; landlord/real estate professional; institution of higher education; public or private foundation; government-owned entity or elected official’s office; and/or lobbying/political organization

3. How much funding is available for the Washington Bridge Reconstruction: Small Business Grant Program Initiative?

In total, \$2.6 million has been allocated to East Providence (\$1.2 million), Providence (\$800,000), and the Rhode Island Commerce Corporation (\$600,000) to provide direct grants or any such other forms of assistance as deemed appropriate to impacted small businesses. The Rhode Island Commerce Corporation Washington Bridge Small Business Grant program will provide up to \$600,000 in grants to impacted small businesses.

4. What is the source of funding for this grant program and these direct payments?

The source of funding is the U.S. Department of the Treasury's Coronavirus State and Local Fiscal Recovery (SLFR) Fund monies allocated to the State of Rhode Island pursuant to the American Rescue Plan Act of 2021, P.L. 117-2.

5. Do these grants/direct payments need to be paid back?

No, these grants/direct payments do not need to be paid back.

6. Are the grants/direct payments taxable?

The IRS has [published information](#) indicating that "Some SLFR Fund recipients may have to report certain payments as income and may owe tax depending on the purpose of the payment." As such, RI Commerce Corporation anticipates issuing 1099s in most instances. Please consult your accountant or tax professional to understand more about your particular tax situation and how this guidance applies.

Additional IRS guidance for the Coronavirus State and Local Recovery Fund can be found here: [Frequently asked questions for states and local governments on taxability and reporting of payments from Coronavirus State and Local Fiscal Recovery Funds | Internal Revenue Service \(irs.gov\)](#).

7. Who can apply on behalf of a business?

While a third party like a CPA or other professional can assist a business on an application, there are application attestations that will require the business owner or an authorized representative (e.g., an owner or employee of the business) to sign. Therefore, only those with fiduciary responsibility (like a restaurant owner, not service staff) for the business should apply.

8. How do I apply for the Washington Bridge Reconstruction: Small Business Grant Program?

The application will be made available online through RI Commerce Corporation's landing page. The landing page can be found at <https://commerceri.com/emergency-assistance/wbgrants/> . The is an online application only. No paper applications will be considered.

9. When can I apply for this grant program?

Applications will be accepted online beginning on September 10th at 2:00 PM. The portal will remain open for an initial two-week period, closing on September 24th at 5:00 PM. Please expect up to 30 days after the application window has closed to receive an update on your application.

10. What happens if the Washington Bridge Reconstruction: Small Business Grant Program is oversubscribed after the 2-week application period?

If the program receives more eligible applications than it can accommodate based on the available funding at the end of the initial application period, applications will be prioritized based on the highest level of negative impact measured as a percentage of revenue loss experienced.

11. I don't have internet access and/or a computer. Can I submit a paper application?

No, this application is only available to be submitted online.

12. If I have a general question about the grant program that is not answered in this FAQ document, how can I get further help?

Please contact us at rismallbiz@commerceri.com or call 401-278-9100.

SPECIFIC PROGRAM ELIGIBILITY

13. What is the definition of a small business?

For purposes of this grant program, the State of Rhode Island has limited this grant program to small businesses with under \$2 million in revenue. Eligible small businesses are incorporated entities, partnerships, sole proprietorships, and nonprofit organizations. Most industries are eligible, excluding those listed under question 2.

14. Can Sole Proprietors apply for this funding?

Yes. For the purposes of this grant program sole proprietors who file a Schedule C are eligible as long as your business revenue makes up at least 20% of your total annual income. A Sole Proprietor may calculate this by dividing the applicant's gross business income (e.g., line 7 on IRS 1040 schedule C for sole proprietors) by the owner's total income (e.g., line 7b on IRS 1040). However, if you file a joint return, you may exclude income from a spouse or dependent from this calculation. Applicants may use 2022 or 2023 income for purposes of this calculation.

15. Can non-profit organizations apply for this funding?

Yes, non-profit organizations are eligible for this grant program as long as they meet all other eligibility requirements.

16. Are landlords, real estate businesses, or real estate agents eligible?

No, landlord and real estate businesses are ineligible for this grant program. Ineligible real estate/landlord businesses include residential real estate agents, real estate brokers, and realtors as well as those businesses that are passive or speculative.

Examples include:

- Passive businesses owned by developers and landlords.
- Businesses primarily engaged in subdividing real property into lots and developing it for resale on its own account or selling lots.
- Businesses that are primarily engaged in owning or purchasing real estate and leasing it for any purpose. For example, shopping centers and similar business models that generate income by renting space to accommodate independent businesses that provide services directly to the public, residential facilities, apartment buildings/complexes and mobile home parks.
- Businesses whose primary purpose is to lease land for the installation of a cell phone tower, solar panels, billboards, or wind turbines.
- Businesses that have entered into a management agreement with a third party that gives the management company sole discretion to manage the operations of the business, including control over the employees, the finances and the bank accounts of the business, with no involvement by the owner(s) of the Applicant business, Speculative real estate businesses which include, among others:
 - Building homes for future sales; and
 - House flipping or similar business models related to the purchase, rehabilitation and resale of real estate.

This does not include general contractors, construction companies and similar businesses involved in the construction or manufacturing of infrastructure or buildings on property that are not primarily engaged in speculative real estate businesses.

17. Are seasonal businesses eligible?

Yes. Seasonal businesses are eligible.

18. If my business is part of a regional or national franchise, am I eligible?

In order to be eligible, the applicant business must not be owned by the national or regional franchisor or chain OR be owned by an entity that is not headquartered in Rhode Island.

- Ex. of Eligible Business: A restaurant is a franchisee of a national chain, but the owner is a Rhode Island business entity not the national franchisor.
- Ex. of Ineligible Business: A gym is part of a regional franchise and is owned by a business entity headquartered outside of Rhode Island.

19. Can a new business apply?

Yes, if the business was established in the State of Rhode Island prior to June 1, 2023 and it meets all of the other eligibility requirements.

20. If a business has more than one location, can it receive more than one grant?

No, a business can only receive one grant from the RI Commerce Corporation, the City of Providence or the City of East Providence. The business must use their primary headquarters address as their main address to determine which funding source to apply for.

21. Am I eligible to apply twice if I own two businesses?

Yes. If you own two business entities, and all other eligibility criteria are met, you may apply separately for each entity. Each entity applying for a grant must have a unique tax identification number.

22. Do I have to be an American citizen for my business to be eligible?

No; however, the applicant that will receive the grant/direct payment must have a valid federal taxpayer identification number (TIN).

23. Am I eligible to apply if I received prior COVID-19 relief funding for my business?

Yes, you can apply to receive a grant from the Washington Bridge Small Business Grant Program if you received COVID-19 Relief funding.

APPLICATION

24. Is this application available in other languages? Where can I find translation assistance?

Yes, a pdf version of this application translation will be available on our website in Spanish.

25. How do I calculate my financial need?

Businesses will calculate net financial need using the following two loss calculator formulas (outlined below). The financial need calculation will show whether you have experienced a negative financial impact of at least \$500 representing at least a 10% revenue loss.

For the purposes of this program, businesses with a net financial need between \$500 and \$999.99 are eligible for a \$500 grant. Businesses with a net financial need between \$1,000 and \$2,499.99 revenues losses are eligible for a \$1,000 grant. Businesses with a net financial need greater than \$2,500 are eligible for a \$2,500 grant.

When completing the application, businesses will required to provide the information represented as blanks in the calculators:

Existing Business (opened prior to November 30, 2022) Loss Calculator:

Dec 2022 – Feb 2023 Gross Receipts: _____ (A)

Dec 2023 – Feb 2024 Gross Receipts: _____ (B)

Net financial need: Subtract A minus B _____ (C)
Percentage calculated as: Net Financial Need (C)/Gross Receipts (A): _____%

New Businesses (opened between November 30, 2022 and June 1, 2023) Loss Calculator:

Dec 2023 – Feb 2024 Operating Expenses: _____(A)
Dec 2023 - Feb 2024 Gross Receipts: _____(B)
Net financial need: Subtract A minus B _____(C)
Percentage calculated as: Net Financial Need (C)/Gross Receipts (A): _____%

26. What are eligible expenses for this program?

Grant funds may be used flexibly to pay for costs incurred since the Washington Bridge reconstruction. Funds may not be used:

- To pay a distribution to a shareholder, member, partner or any other class of equity holder;
- To pay non-business expenses;
- To pay taxes or other amounts owed to government entities;
- For political purposes, including lobbying activities, donating to a political party, candidate, political action committee or to support or oppose any cause;
- To pay expenses for which the applicant has or will receive reimbursement from another source including other government grant or loan programs (state and/or federal), unemployment or insurance coverage; and/or

27. Do I need to provide documentation as part of my application?

Yes, all applicants will be required to upload a copy of their government ID initially to the application portal.

Upon review of applications, it may be necessary for an applicant to provide additional information to validate and confirm application information entered. Therefore, the RI Commerce Corporation reserves the right to request additional documentation to demonstrate that a business meets eligibility criteria and other program requirements.

28. What documentation will I need to apply?

All applicants should retain documentation related to this grant application, including financial information used to complete the application. A minimum of 10% of applicants will be asked to provide documentation to verify the information provided in their applications. If contacted, you must provide documentation that supports the information in the application. Please keep the following (although this list may not be exhaustive) on file in case you are asked for it before or after you receive the grant:

- Documentation of “gross receipts or sales.” For most, this will be done by providing financial statements or tax returns. This could include: point-of-sale (POS) system export or screenshot, general ledger or accounting software reports (e.g., a profit and loss statement from an accounting software like

QuickBooks, FreshBooks, Xero) that shows annual revenue and monthly revenues for impact period, or tax filings (eg. quarterly income tax filing).

- For new businesses, a list and supporting documentation of costs or expenses incurred include receipts, invoices, bank statements, etc.

We ask that you retain this information for a minimum of 5 years, the federally required period of time, as discussed in question 34 (Post-Award section).

29. What do I do if I received an ineligibility notice, but believe that I made a mistake on my application?

If you have questions about eligibility, please review the eligibility criteria in this document. After reviewing the FAQs and your submission, if you believe you have incorrectly answered a question that you would like to correct, please contact us at rismallbiz@commercerci.com or 401-278-9100.

AWARD AND PAYMENT DISBURSEMENT

30. Will I need to sign any paperwork prior to receiving the grant/funding?

Yes. Once your application has been reviewed and approved, you will be asked to sign a grant agreement, ACH and W-9 form.

31. Once my grant is approved, how long until I receive the money?

After applications are prioritized at the end of the initial application period, we expect most applicants will have their grants via ACH wire within 45 days.

32. How will grant awards be delivered?

Grant funds will be delivered by electronic transfer. All grant recipients will be required to submit a new vendor form (ACH & W-9) to the RI Commerce Corporation. Please make sure the banking information that is used is accurate to ensure timely delivery of grant funds.

33. If my business or organization receives an award, will my business or organization name, address, and award amount be made public?

Yes. The federal funding used for these grant awards (direct payments) requires the public disclosure of business names, city/town location, and award amounts. If a business does not want this information to be made public, it should not submit the grant application or accept an award under this program.

POST-AWARD

34. How long does an approved and awarded applicant need to keep any and all documents related to this funding?

Per the current U.S. Department of the Treasury guidance:

- *Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later. This includes those which demonstrate the award funds were used for eligible purposes in accordance with the ARPA, Treasury's regulations implementing those sections, and Treasury's guidance on eligible uses of funds.*

35. Are there any other post-award requirements that an applicant should be aware of?

Yes, approved and awarded businesses may be asked to participate in a post-award survey or to collect certain metrics as part of the initiative. By accepting this funding, awarded businesses agree to participate fully in this survey.