CULTURE AND ARTS RELIEF AND RECOVERY FUND
PROGRAM 2: HOʻŌLA

CULTURE AND ARTS RELIEF AND RECOVERY FUND: Purpose is to reimburse businesses in the Culture and Arts industries for costs incurred from the implementation of safety precautions and re-opening costs to prevent the spread of COVID-19.

ONE-TIME reimbursement for COVID-19 related expenses up to $50,000 to each qualified Non-Profit Organization in the Culture and Arts industries that meets the following qualifications (once awarded a reimbursement payment, an organization cannot reapply).

Eligible Culture and Arts Non-Profit Organizations:
Non-Profit Organizations that meet the following qualifications are eligible for a ONE-TIME reimbursement for COVID-19 related expenses up to $50,000 (once awarded a reimbursement payment, a business cannot reapply)

- Non-profit organizations registered and in good standing with the Hawaiʻi Department of Commerce and Consumer Affairs and designated as tax-exempt under section 501(c)(3) or 501(c)(19)
  - Non-profit organization must have been registered in the State of Hawaiʻi before March 20, 2020
- Non-profit organizations must have annual gross revenue and in-kind sponsorships (if applicable) in excess of $1,000,000 and show demonstrated financial need
- Non-profit organizations must operate or support the culture and arts industry as illustrated in their business description, listing of previous culture and arts programing, and NAICS (North American Industry Classification System) Code(s) or NTEE (National Taxonomy of Exempt Entities) Code(s) Organization must occupy a physical commercial address with operations located in the City and County of Honolulu
  - Examples of Culture and Arts Non-Profit Organizations:
    - Cultural attractions
    - Museums & Large theatres
    - Art attractions or other physical commercial art exhibit spaces
- Eligible organizations must actually operate in a physical commercial space. An applicant must have a lease dated prior to March 20, 2020 or own the location from which it conducts its operations. Ineligible organizations include those with residential addresses (home-based organizations, etc.), organizations with only a post office box or in-care-of address as its business address, organizations with only commercial office space

This is a REIMBURSEMENT program; proof of payment required: sales receipt, copy of canceled check (front and bank), copy of bank ACH charge, copy of credit card charge, or an invoice with a copy of proof of payment (an invoice alone is not proof of payment)
Fund will reimburse expenses incurred due to business interruption from voluntary or mandated closure to implement physical distancing and other safety precautions to comply with business opening and operating guidelines.

- Fund will not reimburse payments applied from another Federally-funded CARES Act Paycheck Protection Plan (PPP), Economic Injury Disaster Loan (EIDL), etc.

Examples of eligible expenses:
- Rent
- Utilities
- Implementing services remotely (e.g., phone, video or internet/web, etc.)
- Increasing physical separation between employees/customers
- Increasing sanitation measures throughout operations
- Placing hand sanitizers in multiple locations to encourage hand hygiene
- Innovative business adaptations to operate in post-COVID economy, that have already been implemented as of the time of application to this program

Examples of ineligible expenses:
- Payroll
CULTURE AND ARTS RELIEF AND RECOVERY FUND:
QUALIFICATION & REQUIREMENTS

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QUALIFICATION AND REQUIREMENTS:
1. Non-profit organization must not have received reimbursement funds from the current Small Business Relief and Recovery Fund (SBRRF)
2. Non-profit organization must certify that expenses have not been reimbursed or were covered under another Federally-funded CARES Act Paycheck Protection Plan (PPP) or Economic Injury Disaster Loan (EIDL), etc.
3. Non-profit organization must certify that they are current on all federal and state taxes, not engaged in any illegal activity, and are not in default on any federal obligations and loans, such as SBA or USDA loans
4. Non-profit organizations must submit a clear and detailed summary of funds expended due to business interruption from voluntary or mandated closure to implement physical distancing and other safety precautions to comply with business opening and operating guidelines (starting March 20, 2020); any payments made prior to March 20, 2020 are not eligible
5. This is a REIMBURSEMENT program; proof of payment required: sales receipt, copy of canceled check (front and bank), copy of bank ACH charge, copy of credit card charge, or an invoice with a copy of proof of payment (an invoice alone is not proof of payment). Taxes other than sales tax on purchases are not reimbursable.
   a. Examples of eligible expenses:
      i. Rent
      ii. Utilities (including internet, etc.)
      iii. Implementing services remotely (e.g., phone, video, web)
      iv. Increasing physical separation between employees
      v. Increasing physical separation between employees and customers
      vi. Providing hand cleansers in the workplace, including alcohol-based hand sanitizer at least 60% alcohol
      vii. Placing hand sanitizers in multiple locations to encourage hand hygiene
      viii. Innovative business adaptations to operate in post-COVID economy, that have already been implemented as of the time of application to this program
   b. Examples of ineligible expenses:
      i. Payroll

THE FOLLOWING INFORMATION WILL BE REQUIRED FOR APPLICATION – PLEASE BE PREPARED:

- Name of Non-Profit Organization as registered with DCCA (organization must have been registered prior to March 20, 2020)
- Organization description and mission
- Address
  o Physical location of business (P.O. Box and residential addresses are not acceptable)
- Taxpayer ID Number
- NAICS (North American Industry Classification System) Code(s) or NTEE (National Taxonomy of Exempt Entities) Code(s)
- Authorized Officer, Board Chair, Executive Director, etc.
- Contact Information:
  o Organization’s Email
  o Organization’s Phone Number
  o Best Contact Phone Number for Applicant
  o Organization’s Mailing Address
- DETAILED description of products/services provided [500 words or less]
- Revenue level for 2019
- DETAILED statement as to how your organization was affected by the COVID-19 pandemic (a simple statement that revenues declined is not sufficient) [500 words or less]
- Listing of previous culture and arts related programs [500 words or less]
- Amount of funds requested, up to $50,000.00
- Must submit clear copies of receipt or other proof of payment for ALL reimbursements requested
  o Individual statement of necessity (explanation of why each purchase was necessary)
- The organization must certify that if it received CARES Act funds such as the Paycheck Protection Program (PPP) or the Economic Injury Disaster Loan Program (EIDL), these funds were not used for expenses in this application
- The organization must certify that it has not received reimbursement funds from the City’s Small Business Relief and Recovery Fund (SBRRF)
The organization must certify that it is current on all federal and state taxes, not engaged in any illegal activity, and is not in default on any federal obligations and loans, such as SBA or USDA loans.

List of documents required (please provide ALL documents as missing documents could disqualify you from receiving the reimbursement). **Incomplete applications will not be processed.**

- DCCA Business Registration Printout or Certificate of Good Standing
- Most recently filed IRS Form 990
- IRS Form W-9
- Hawaii Driver’s License or State of Hawaii ID for all authorized signers
CULTURE AND ARTS RELIEF AND RECOVERY FUND:
FREQUENTLY ASKED QUESTIONS

1. WHAT IS THE DEFINITION CULTURE AND ARTS?

The City and County of Honolulu’s Commission on Culture and the Arts defines the following in the Revised Ordinances of Honolulu Chapter 3, Article 2, Section 3-2.1:

“Arts” means and includes music, dance, painting, drawing, sculpture, architecture, drama, poetry, prose, crafts, industrial design, interior design, fashion design, photography, television, motion picture art and all other creative activity of imagination and beauty.

“Culture means and includes the arts, customs, traditions and mores of all of the various ethnic groups of Hawaiʻi. (Sec. 3-3.1, R.O. (1978 Ed.); Am. Ord. 95-68)

2. HOW IS A “CULTURE AND ARTS” BUSINESS DETERMINED?

Each business tax return is assigned an industry code that describes its principal business activity. The industry code is provided on the business income tax return by the taxpayer. If the industry code was not valid or left blank, the code is assigned by the Department of Taxation based on the taxpayer’s description of its business activity as reported on the tax return. The 2012 edition of the North American Industry Classification System was used as a guideline in the assignment of codes. (For more information on NAICS Codes: [https://www.census.gov/eos/www/naics/](https://www.census.gov/eos/www/naics/))

The National Taxonomy of Exempt Entities (NTEE) system is used by the IRS and the National Center for Charitable Statistics to classify non-profit organizations. (For more information or full listing of NTEE Codes: [https://www.irs.gov/pub/irs-tege/p4838.pdf](https://www.irs.gov/pub/irs-tege/p4838.pdf))

3. WHO IS ELIGIBLE TO APPLY?

Eligible Culture and Arts Non-Profit Organizations:
Non-Profit Organizations that meet the following qualifications are eligible for a ONE-TIME reimbursement for COVID-19 related expenses up to $50,000 (once awarded a reimbursement payment, a business cannot reapply)

- Non-profit organizations registered with the Hawaiʻi Department of Commerce and Consumer Affairs and designated as tax-exempt under section 501(c)(3) or 501(c)(19)
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4. **IS THIS A GRANT OR A LOAN?**

This is a reimbursement program that offers up to $50,000 to non-profit organizations that qualify. Reimbursement is one time only and applicant may not apply again. Applicants must show proof of payment for expenses being claimed.

5. **HOW DO I APPLY FOR THIS PROGRAM?**

Go to [www.oneoahu.org](http://www.oneoahu.org), to the Culture and Arts Relief and Recovery Fund webpage and follow the instructions. The website will also inform you what business information you should prepare beforehand.

6. **WHAT TYPES OF COSTS ARE REIMBURSABLE?**

Fund will reimburse expenses incurred due to business interruption from voluntary or mandated closure to implement physical distancing and other safety precautions to comply with business opening and operating guidelines.

Examples of eligible expenses:
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- Utilities
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7. **WHAT IS NOT REIMBURSABLE?**

Those costs in the listing for reimbursable expenses that have already been compensated for under Federally-funded CARES Act funds such as Paycheck Protection Plan (PPP) or Economic Injury Disaster Loan (EIDL). Applicants must certify these funds, if received, did not pay for items being claimed. Also, taxes, except for taxes on sales, are not reimbursable.

Examples of ineligible expenses:
- Payroll

8. **WHAT ARE THE QUALIFICATIONS?**

For a full listing, see [www.oneoahu.org](http://www.oneoahu.org) Culture and Arts Relief and Recovery Fund page.

9. **CAN NON-PROFIT ORGANIZATIONS APPLY?**
Only 501(c)(3) and 501(c)19 non-profit organizations located in the City and County of Honolulu with NAICS (North American Industry Classification System) Code(s) or NTEE (National Taxonomy of Exempt Entities) Code(s) that meet culture and arts industry eligibility requirements.

**10. HOW LONG WILL IT TAKE TO KNOW MY APPLICATION HAS BEEN APPROVED? HOW LONG TO RECEIVE FUNDS?**

You should be informed of your application approval or denial as soon as your completed application is processed, verified, and certified. High volume of applicants or incomplete documentation may result in a longer processing time.

**11. HOW LONG WILL THIS PROGRAM LAST?**

This program will last as long as the funds allocated to this program remain or until November 30, 2020, whichever is later. By guidance, all funds must be expended by December 30, 2020.

**12. MUST I PAY TAX ON THESE FUNDS?**

The Federal Government has not stated specifically what tax obligations result from receiving these funds. Applicant will need to fill out Form W-9 and will be issued a Form 1099.

**13. CAN BUSINESSES LOCATED IN OTHER PARTS OF THE STATE OF HAWAIʻI APPLY FOR THIS PROGRAM?**

The program is for businesses located and operated in the City and County of Honolulu only.

**14. HOW WILL ANNUAL GROSS INCOME BE DETERMINED FOR BUSINESSES THAT MAY NOT HAVE BEEN IN OPERATION FOR FULL CALENDAR YEAR 2019?**

For calculation purposes, each monthly gross revenue will be set at a limit of $166,000.