



# Frequently Asked Questions

## Second District Business Interruption Fund

### WHAT IS THE SECOND DISTRICT BUSINESS INTERRUPTION FUND?

The Second District Business Interruption Fund (BIF) is funded by LA County Supervisor Holly J. Mitchell. It is designed to support qualified businesses who have experienced a significant, negative business interruption in the last calendar year between October 7, 2023, and October 7, 2024, with grants of up to \$10,000. The Fund is administered by the LA County Department of Economic Opportunity (DEO) in collaboration with PCR Business Finance. The application will be open on Monday, October 7 and will close on Thursday, November 7.

### WHO IS ELIGIBLE TO APPLY?

Applicants must meet all of the following requirements:

- **Geographic Boundaries:** Grantees must be in District 2. If you need help determining if you are in District 2, please visit <https://appcenter.gis.lacounty.gov/districtlocator>.
- **Maximum Annual Business Revenue:** Grantee must submit 2023 tax return and clearly show annual revenue of \$1.5 million or less. Businesses with 2023 revenue above \$1.5 million will NOT be considered.
- **Qualifying Event:** Grantee must submit a claim for at least one (1) of the following business interruption event categories:
  - Natural disaster (e.g., earthquake, fire)
  - Construction project (e.g., a street improvement temporarily eliminates parking for a business)
  - Major homeless encampment
  - Labor dispute (e.g., union strike)
  - New government regulation (e.g., a government ban on an integral supply used at a business)
  - Major crime event (e.g., "smash n grab")
  - Illegal dumping
  - Notable civil unrest event

\* Please note: Businesses will NOT be eligible if they already have insurance that covers the loss associated with the business interruption category claimed.

- **Type of Business:** Grantees must be a storefront commercial business not located in a home. Certain business types are not eligible. For full list of ineligible businesses, please visit the webpage at: <https://opportunity.lacounty.gov/second-district-bif/>.
- **Demonstrate Significant Impact:** Grantees must demonstrate that they have experienced at least a 10% decrease in gross revenue during target period. Target period must fall between October 7, 2023 and October 7, 2024 (though your qualifying event may have begun prior to October 2023). Your target period must then be compared against the same time period from the previous calendar year. However, please note that you can still apply if your event is a single, short-term incident.
- **Supporting Evidence to show Impact:** Please submit short, easy-to-understand documentation that supports your specific claim. More information on common types of documentation can be found at <https://opportunity.lacounty.gov/second-district-bif/>.
- **Business Registration Date:** Grantees must be registered to do business legally in the state of California prior to January 1, 2024.
- **Business in Good Standing:** Grantees must be active businesses currently in operation and in good standing with all local, state and federal taxing and licensing authorities



## WHAT IS THE GRANT AMOUNT?

Grantees will receive varying amounts based on demonstrated loss with maximum amount of \$10,000.

## WHAT IS THE APPLICATION TIMELINE?

The application portal opens on October 7 at 9am and closes on November 7 at 5pm. The application is available at <https://opportunity.lacounty.gov/second-district-bif/>. You can also download the paper application at this website beginning October 7 and email it to [bryan.miyamoto@pcrcorp.org](mailto:bryan.miyamoto@pcrcorp.org).

Applications will be reviewed as they come in, but no rewards will be determined until after the application portal closes on November 7. Our goal is to disburse all funds by December. Please note that funding is very limited. Should many applications be received, not all businesses will be funded. If you are a grant recipient, you will need to sign a grant agreement and provide documents accordingly.

## HOW CAN GRANT FUNDING BE USED?

Grant awards must be used as working capital to cover business operational expenses related to the loss of gross revenue as a direct result of the slide, including one or more of the following eligible uses:

- Purchase of new certified equipment
- Restock of liquidated inventory
- Lease, rent, or mortgage payments
- Payment of business debt accrued due to the business interruption
- Costs resulting from business interruption incurred between October 7, 2023 and October 7, 2024
- Employee payroll expenses
- Working capital to continue operations
- Payment of outstanding business expenses (supplier management, utilities, etc.)

Should a business be behind in rent, payroll and/or utilities, the grant award must first be used towards paying those outstanding payments. The funding cannot be used for anything you would be reimbursed for under any local, State, or Federal program.

## HOW CAN I GET ADDITIONAL ASSISTANCE?

Grant awards must be used as working capital to cover business operational expenses related to the loss of gross revenue as a direct result of the slide, including one or more of the following eligible uses:

- Join our virtual application workshop on Wednesday, October 2, 2024, from 6-7pm via Zoom. RSVP at [opportunity.lacounty.gov/second-district-bif](https://opportunity.lacounty.gov/second-district-bif).
- Join our in-person application workshop on Thursday, October 3 from 6-7pm at the Florence Library located at 7807 Compton Ave, Los Angeles, CA 90001. RSVP at [opportunity.lacounty.gov/second-district-bif](https://opportunity.lacounty.gov/second-district-bif)
- Reference Application Guide available at [opportunity.lacounty.gov/second-district-bif](https://opportunity.lacounty.gov/second-district-bif)
- You can receive assistance at our Second District BIF Hotline by calling 213-640-4627, open Monday through Friday, 10am - 7pm. Assistance in Spanish is available.