Navigating Public Assistance for the Arts & Culture Sector
A webinar for Vermont arts organizations and cultural institutions

Heritage Emergency National Task Force | 31 August 2023
Today’s agenda

- Welcome – Lori Foley, HENTF
- Our speakers
- Our audience
- About HENTF
- Introduction to Public Assistance – Tim Baker
- Disaster assistance through the Small Business Administration – Carl Dombek
- Disaster assistance through FEMA’s Public Assistance Program – Tim Baker
- Q&A
Lori Foley
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The mission of HENTF is to protect cultural heritage in our nation’s states, tribes, territories, and local communities from the damaging effects of natural disasters and other emergencies.

[Image of Heritage Emergency National Task Force]

Jennifer Smits / FEMA
Office of Environmental Planning and Historic Preservation

Smithsonian Cultural Rescue Initiative (SCRI)

culturalrescue.si.edu/hentf
President's disaster declaration for the Severe Storms and Flooding, Landslides and Mudslides occurring between July 7 and 17, 2023
Help for Private Nonprofits

The Disaster Mitigation Act of 2000 (P.L. 106-390) established the process that non-critical private nonprofit (PNP) organizations use to apply for disaster assistance.

Examples of non-critical PNP services:

- Museums
- Zoos
- Libraries
- Community centers
- Homeless shelters
- Shelter workshops
- Educational facilities
- Custodial daycare facilities
- Alcohol and drug rehabilitation
- Battered spouse programs
- Low-income housing
- Flood programs for the needy
- Daycare centers for special needs
Help for Private Nonprofits (cont’d)

When the President declares a major disaster that includes, or is limited to, Public Assistance (PA), a private nonprofit facility that provides non-critical services of a governmental nature must first apply for disaster assistance from SBA, and exhaust SBA loan assistance, or be declined by SBA before it can seek grant assistance for permanent repairs and/or replacements from FEMA.

Exceptions:

Expenses related to debris removal or emergency measures taken to protect their facilities or employees may be reimbursed by FEMA without regard to the availability of an SBA Disaster Loan.
Requirements for Loan Approvals

• **Eligibility**
  Damaged property must be in a declared county.

• **Credit History**
  SBA will evaluate an applicant’s credit history.

• **Repayment**
  Applicants must show the ability to repay the SBA loan.
SBA Disaster Loan Documentation Requirements

• Articles of Incorporation.
• By-Laws.
• Charter (if applicable).
• Board of Directors Resolution giving approval to apply to the SBA for a disaster loan. *NOTE: This can also be provided subsequent to the offer of a loan, but we MUST have this before we can complete processing.*
• Complete copies of the organization’s most recent nonprofit tax returns OR a copy of the organization’s IRS tax-exempt certification and complete copies of the organizations three most recent years’ operating results.
SBA Disaster Loan Documentation Requirements (cont’d)

- A current Balance Sheet and Operating Statement dated within 90 days of the application.
- Name and address of all officers, trustees and directors.
- Organization affiliation, if any; e.g., is there an umbrella organization or if they are a chapter of another organization.
- Name, address, and phone numbers of all insurance companies providing coverage at the date of the disaster along with all policy numbers, copies of policy declaration pages and recovery settlements to date, if any.
- Specifics of all disaster-related grants and/or funds received from FEMA and other sources.
Applying for an SBA Disaster Loan

- Applicants are encouraged to apply with SBA in person at a Business Recovery Center or Disaster Recovery Center. Applications can also be submitted online at DisasterLoanAssistance.sba.gov.

- There is no cost to apply, no origination fees, no closing costs, no pre-payment penalties, nor any obligation to take an offered loan.

- All loans are deferred – *interest free* – for the first 12 months, thereby reducing the overall cost of the loan to better support full recovery for disaster survivors.

- Applicants can have an existing SBA Disaster Loan and still qualify for a loan for this disaster, but the loans cannot be consolidated.
SBA Resource Partners

SBA’s Resource Partners can help businesses prepare financial statements and apply for SBA disaster loans.

**OTHER FUNCTIONS**

- Help businesses stay in business.
- Develop operational, financial and marketing plans.
- Consider alternative sources of revenue.
- Identify ways to reduce costs.
- Update management and technical services.

For the nearest office, visit: [https://www.sba.gov/local-assistance](https://www.sba.gov/local-assistance)
Submit the Application As Soon As Possible

- The filing deadline to return applications for physical damage is **Sept. 12, 2023** extended to **Oct. 12, 2023**.

- The filing deadline to return applications for economic injury is **April 15, 2024**.

The biggest reason for delays in processing is due to missing information. Make sure to complete all filing requirements before submitting the application and forms.

If more funds are needed, applicants can submit supporting documents and a request to increase. If a lower amount is needed, applicants can request a reduction in the loan amount.

If the loan request is denied, the applicant has up to six months in which to provide new information and submit a written request for reconsideration.
Apply in Person at Business Recovery Centers

**Business Recovery Centers**

**Lamoille County**
- The Ag Building, 29 Sunset Drive, Morrisville **NOW CLOSED**

**Washington County**
- The Vermont Chamber of Commerce, 751 Granger Road, Berlin **NOW CLOSED**

**Windsor County**
- The Engel & Volkers Office, 126 Main Street, Ludlow **OPEN**
Apply in Person at Disaster Recovery Centers

Disaster Recovery Centers (DRCs) – Updated 9/14/23

Washington County
- The Waterbury Armory, 294 Armory Drive, Waterbury
- Barre Auditorium, 16 Auditorium Hill, Barre

Windham County
- Wardsboro Town Hall, 99 Main St., Wardsboro

Barton County
- Barton Memorial Building, 17 Village Sq., Barton

Saturday hours for open DRCs will be modified to 9am – 2pm beginning 9/16. For the most up-to-date DRC information, visit DRC Locator (fema.gov).
For more information about SBA’s disaster assistance programs, go to: www.sba.gov/disaster

or contact
SBA’s Customer Service Center at:
1-800-659-2955 / 7-1-1 TTY

Or send an email to:
DisasterCustomerService@sba.gov
Your PnP has been affected by the current Declared Disaster...What do you do?

- Document all the efforts your organization and staff (both paid and volunteers) had conducted during the emergency phase of the event.

- Assess the Damage. Have your local Codes Official inspect your building(s) for stability and safety for continued occupancy.

- If you have insurance, review your policy and notify them and start a claim for damages.

- You may require a licensed engineer or architect to draft an estimate for repairs.

- Compile the invoices and other expenditures your organization had for responding to the event, stabilizing your facility and safeguarding your contents where possible.
Is Our PnP Eligible to Receive FEMA Assistance?

• Maybe. As a PnP, there are procedures that must be followed and requirements that need to be met in order to be eligible in the FEMA Grant System.
  • The PnP will require an Internal Revenue Service (IRS) letter stating tax-exempt status under sections 501(c), (d), or (e) or evidence that the organization is a non-revenue producing Nonprofit under state law
  • Owns or operates a facility that provides an eligible service
  • Has applied for a Small Business Administration (SBA) Disaster Assistance Loan if claiming permanent work
  • Complete an Insurance claim.
    • Not all Private non-Profits may carry insurance, but those that do must submit documentation. By law, FEMA cannot duplicate benefits. Federal grants may cover uninsured or underinsured losses. We encourage everyone to document and insure property and be familiar with their policy. Not all insurance policies are the same. Coverage amounts, deductibles, and payment caps can vary significantly.
Our PnP has met the initial requirements...How do we Apply?

• What’s needed to apply for Public Assistance?

• All applicants will need to provide their Employer Identification Number (EIN) and Unique Entity Identifier (UEI) during registration
• An Employer Identification Number is also known as a Federal Tax Identification Number, and it is used to identify an entity with the Internal Revenue Service. You can apply for your EIN at www.irs.gov
• The Unique Entity Identifier is used by the System for Awards Management (SAM.gov) to uniquely identity organizations registered to do business with the Federal government.
• Additional items you will be asked for are a copy of your 501(c)(3), proof that you have the legal responsibility to repair the facility via a lease or a deed to the property, copy of your insurance policy if applicable, and a copy of the charter or articles of incorporation, and/or current bylaws and amendments
We’ve been made Eligible for Public Assistance, what work is Eligible?

• To be eligible for FEMA funding, the work must:
  
  • Be required as the direct result of the July 7–17, 2023, severe weather
  
  • Be performed at a facility that was in use at the time of the disaster
  
  • Occur within the 11 counties designated area; and
  
  • Be the legal responsibility of the Private non-Profit at the time of the storms.
Facility Types often seen with PnPs

• Multiple Services:
  • In cases where the facility provides multiple services, FEMA reviews additional items to determine the primary service that facility provides.

• Multiple Facilities:
  • If a private non-profit operates multiple facilities, or a single facility composed of more than one building, FEMA must evaluate each building independently, even if all are located on the same grounds.

• Mixed-Use Facilities and Mixed-Use Space:
  • Private non-Profit facilities that provide both eligible and ineligible services are considered mixed-use facilities. Eligibility of mixed-use facilities is dependent on the primary use of the facility.
Examples of Eligible Costs:

- Damaged contents necessary to the operation of the private nonprofit facility
- Debris removal limited to the grounds of the eligible facility
- Donated resources such as labor or equipment (must be properly documented)
- Permanent repairs on an eligible facility
Emergency Protective Measures (Category B)

May include, but are not limited to:

- Temporary emergency repair (blue roofs and other work) or stabilization of an eligible facility if it eliminates or lessens an immediate threat
- Wet vacuuming, damp wiping, or vacuuming with High-Efficiency Particulate Air (HEPA) equipment of the interior space
- Removal of contaminated gypsum board, plaster (or similar wall finishes), carpet or floor finishes, and ceilings or permanent light fixtures
- Cleaning of contaminated heating and ventilation (including ductwork), plumbing, and air conditioning systems or other mechanical equipment
- Removal or relocation of collections to prevent damage or loss
Permanent Work: Buildings/Equipment (Category E)

The following measures are eligible:

▪ Repair or replacement of materials, equipment, and exhibition furnishings associated with the storage, display, preservation, or exhibition of collections and individual objects

▪ Treatment of “special library collections,” but not replacement of rare books, manuscripts, and other fragile materials

▪ Stabilization – work necessary to return items to a condition in which they can function in the same capacity as they did prior to the disaster

▪ Reasonable costs associated with the development of the treatment plan for the collection or individual object

▪ Costs associated with restoring an item to pre-disaster (but not original) condition
Examples of Ineligible Costs:

• For-profit enterprise the applicant used for fundraising purposes such as a clothing store operated by a group

• Loss of revenue such as canceling a fundraising event due to the building being used for disaster-related activities, such as sheltering

• Increased operating expenses

• Replacement of rare books, collections, and objects is generally ineligible under FEMA Public Assistance. Costs associated with stabilization of such items may be eligible

• Shelter costs as this is the responsibility of the state, local, tribal or territorial (SLTT) govt. (When a private nonprofit provides emergency services at the request of, and certified by, the legally responsible government entity, FEMA provides Public Assistance funding through that government entity as the eligible applicant.)
Reimbursement and Cost Share:

- The Public Assistance program is a cost share reimbursement program, which means that while eligible applicants may receive reimbursement for eligible expenses, they will still be responsible for a share of the cost.

- Private non-Profit projects, if determined eligible for reimbursement, are responsible for paying the full non-federal share of the project cost (up to 25 percent).
Quick Recap:

- Private non-Profits are eligible for Public Assistance (PA) as facilities that provide a non-critical, essential social service to the general public. Nonprofit organizations may be eligible for FEMA’s PA program to cover the cost of emergency protective measures, debris removal, and repairing or replacing facilities damaged during Vermont’s severe weather on July 7–17, 2023. Public Assistance is funded by FEMA and administered through Vermont Emergency Management (VEM).
Thank you!