

COVID-19 HOSPITALITY INDUSTRY RECOVERY PROGRAM



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COVID-19 HOSPITALITY INDUSTRY RECOVERY PROGRAM (CHIRP)

Commonwealth of PA \$145 million grant program for eligible businesses within the hospitality industry to alleviate documented revenue losses and pay eligible operating expenses due to the COVID-19 pandemic.

Grants are available in each Pennsylvania county with Philadelphia expected to receive approximately \$17 million for this program.

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Philadelphia

PIDC is administering this program for businesses located in Philadelphia in partnership with the Philadelphia Department of Commerce.

Grants are available to eligible businesses in the range from \$5,000 - \$50,000

Online application opened **11 a.m. on Monday, March 15**. Applications will be accepted **until 11:59 p.m. on Monday, April 12**. Apply at PIDCphila.com/CHIRP.

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Eligible Business

- Physically located in Philadelphia County, in operation as of February 15, 2020, and intend to continue operating within one year of the date of application.
- NAICS designation within the Accommodation subsector (721) or Food Services and Drinking Places subsector (722) as primary activity.
- Documented 25% reduction in gross receipts between 2019 and 2020 (calculated annually or quarterly) due to financial impact from COVID-19.
- For-profit business and not a publicly traded entity.
- Fewer than 300 full-time equivalent employees entity wide as of February 15, 2020.
- A maximum tangible net worth not more than \$15 million as of February 15, 2020.
- In compliance with all local, state, and federal taxes, be on an approved payment plan, or in the process of getting on a payment plan.
- Have required federal, state, and local licenses and permits to legally operate and be in good standing with the City of Philadelphia.
- Apply for only one CHIRP grant per Philadelphia County business location (per unique EINs).

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Program Priorities

- Demonstrate 50% or greater reduction of revenue, as measured by gross receipts between Q2 through Q4 2019 and Q2 through Q4 2020 (calculated annually or quarterly) due to financial impact from COVID-19.
- Prior to this grant program, have not received a COVID-19 relief loan or grant from the City of Philadelphia, Commonwealth of Pennsylvania, or Federal Government.
- Were subject to mandated closure by the Commonwealth's proclamation of disaster emergency in March 2020 and any renewal of state of disaster emergency proclamations.
- Are owned by Historically Disadvantaged People (Black, Hispanic, Native American, Asian American, or Pacific Islander)
- Are located in an area with high poverty.

In addition, the program will give consideration to businesses that:

- Are owned by women, immigrants, disabled-persons, or veterans.
- Earn less than \$3 million in annual revenue pre-COVID-19.
- Provide jobs in Philadelphia.

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What You Need To Apply

BASIC INFORMATION ABOUT YOUR BUSINESS:

- Type and structure of business
- Employer Identification Number (EIN), social security number, or Individual Taxpayer Identification Number (ITIN) of business owner
- NAICS Code
- Annual and quarterly gross receipts from 2019 and 2020
- Number of full-time and part-time employees pre-COVID and currently

DOCUMENTS TO UPLOAD:

- 2019 Tax Return, if in operation in 2019
- 2019 Profit and Loss statements on a quarterly or monthly basis, if in operation in 2019
- 2020 Profit and Loss statements on a quarterly or monthly basis
- W9 form signed, dated, and completed (the October 2018 version).

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Applications will be accepted until 11:59 p.m. on Monday, April 12.**

Apply at PIDCphila.com/CHIRP

All applications will be reviewed after April 12th. The program is not first-come, first-served; applications will be awarded based on eligibility and alignment with program priorities.

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If you need help

Application Assistance

We are proudly partnering with members of the PA CDFI Network and other community partners to provide free assistance to businesses who may need help completing the application.

- language translation services
- technological support
- help with documents.

These organizations can apply on your behalf, with your documented consent.

Partner List at PIDCphila.com/CHIRP

Weekly CHIRP Webinar

Register for an upcoming PIDC webinar to learn more

PIDCphila.com/events

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Common issues to avoid!

- 1) W-9 is not October 2018 Version, not signed, not dated (correct version on app)
- 2) W-9 Business Name does not match with Legal Name on application
- 3) W-9 Address does not match address on application
- 4) Quarterly financials for all quarters are not uploaded
- 5) If Business is an LLC, W-9 does not indicate if business structure is a C-Corp or S-Corp
- 6) Please note – Owner is always counted as employee on application

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Proper Tax Forms

1040

- Individual/Sole Proprietor
- Single Member of an LLC

1065

- Partnerships

1120 and 1120 S

- Corporations



COVID-19 HOSPITALITY INDUSTRY RECOVERY PROGRAM (CHIRP)

Identifying Gross Income Form: 1040 (Schedule C)

- Line 1 on the Schedule C

The image shows a portion of the IRS Schedule C (Profit or Loss From Business) form for the year 2019. The form is titled "SCHEDULE C Profit or Loss From Business (Sole Proprietorship)" and includes the OMB No. 1545-0074 and Attachment Sequence No. 09. A blue arrow points from the text "Line 1 on the Schedule C" to line 1 of the "Part I: Income" section. Line 1 is highlighted in yellow and reads: "1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked." The table below shows the calculation of gross income:

Line	Description	Amount
1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked.	
2	Returns and allowances	
3	Subtract line 2 from line 1	
4	Cost of goods sold (from line 42)	
5	Gross profit. Subtract line 4 from line 3	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	
7	Gross income. Add lines 5 and 6	

COVID-19 HOSPITALITY INDUSTRY RECOVERY PROGRAM (CHIRP)

Identifying Gross Income
Form: 1065 (Partnerships)

Line 1a on the
form

Form 1065		U.S. Return of Partnership Income		OMB No. 1545-0123
Department of the Treasury Internal Revenue Service		For calendar year 2019, or tax year beginning 2019, ending 20..... ▶ Go to www.irs.gov/Form1065 for instructions and the latest information.		2019
A Principal business activity	Name of partnership	D Employer identification number		
B Principal product or service	Type or Print	E Date business started		
C Business code number	Number, street, and room or suite no. If a P.O. box, see instructions.	F Total assets (see instructions)		
City or town, state or province, country, and ZIP or foreign postal code		G		
G Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return				
H Check accounting method: (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶				
I Number of Schedules K-1. Attach one for each partner who was a partner at any time during the tax year ▶				
J Check if Schedules C and M-3 are attached ▶ <input type="checkbox"/>				
K Check if partnership: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 469 passive activity purposes				
Caution: Include only trade or business income and expenses on lines 1a through 22 below. See instructions for more information.				
Income	1a Gross receipts or sales	1a		
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a		1c	
	2 Cost of goods sold (attach Form 1125-A)		2	
	3 Gross profit. Subtract line 2 from line 1c		3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)		4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040 or 1040-SR))		5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)		6	
	7 Other income (loss) (attach statement)		7	
8 Total income (loss). Combine lines 3 through 7		8		
9 Salaries and wages (other than to partners) (see employment credits)		9		

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Identifying Gross Income
Form: 1120 (Corporations)

Line 1a on the
form

1120 U.S. Corporation Income Tax Return
OMB No. 1545-0123
For calendar year 2020 or tax year beginning 2020, ending 2020
Go to www.irs.gov/Form1120 for instructions and the latest information.

A Check if:
1a Consolidated return (attach Form 851)
1b Lifetime consolidated return
2 Personal holding co. (attach Sch. PH)
3 Personal service corp. (see instructions)
4 Schedule M-3 attached

TYPE OR PRINT
Name
Number, street, and room or suite no. If a P.O. box, see instructions.
City or town, state or province, country, and ZIP or foreign postal code

B Employer identification number
C Date incorporated
D Total assets (see instructions) \$

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

		1a	1b	1c
Income	1a	Gross receipts or sales		
	b	Returns and allowances		
	c	Balance. Subtract line 1b from line 1a		
	2	Cost of goods sold (attach Form 1125-A)		2
	3	Gross profit. Subtract line 2 from line 1c		3
	4	Dividends and inclusions (Schedule C, line 23)		4
	5	Interest		5
	6	Gross rents		6
	7	Gross royalties		7
	8	Capital gain net income (attach Schedule D (Form 1120))		8
	9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)		9
10	Other income (see instructions—attach statement)		10	
11	Total income. Add lines 3 through 10		11	

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