

December 22, 2020

Save Our Stages and the Paycheck Protection Program: What Nightlife Businesses Need to Know

Save Our Stages: Grants for venues

If you operate a **live music, theater, DJ/dance club, comedy club, or other performance venue**, or a small business that primarily works with these venues (e.g. a **promoter or a talent agent**), here's what you need to know:

Grants

- Will be administered by the US Small Business Administration (SBA)
- Can be used for rent, utility, mortgages, debt, payroll, independent contractors (e.g., performers), other business expenses
- Award calculated as 45% of 2019 revenue, capped at \$10 million
- Loans or grants from the CARES Act (e.g., PPP) **will not** count toward your total revenue

Eligibility

- Must have at least 25% revenue loss in 2020
- Must have been open on or before February 29, 2020
- Must have a defined performance and audience space, mixing equipment, PA system, and lighting rig
- Must have ticketed events and performances that are marketed (e.g. print, websites, email, social media)
- Must incorporate at least 2 of the following roles: sound engineer, booker, promoter, stage manager, security personnel, box office manager.

(Note: If you are a promoter or talent agent, your artists and events must operate in venues that fit these criteria.)

Timing

- The start date for applications is still TBD
- The first two-week period will be open to those who have lost over 90% of their revenue from April to December 2020 (relative to the same period in 2019)
- The second two-week period will be open to those who have lost over 70% of their revenue from April to December 2020 (relative to the same period in 2019)
- After that, other eligible businesses may apply (\$3 billion total will be set aside for this group)

For more details about the program, please see section 324 "Grants for Shuttered Venue Operators" of the [stimulus act](#).

Paycheck Protection Program (PPP): New round of forgivable loans

The relief bill also authorizes an additional \$284 billion of a **second round of PPP** for small businesses and non-profits, which includes bars and restaurants that may not be eligible for Save Our Stages grants. We encourage you to **be prepared**: the legislation requires the SBA to establish this second round of the program within the next 10 days.

Eligibility

Small businesses may qualify for a “second draw” of PPP if:

- You can show 25% revenue loss in Q1, Q2, Q3 of 2020 relative to the same quarter in 2019 (this includes revenues from normal operations; PPP or other loans do not count against these totals)
- Your business has fewer than 300 employees per location and you used or will use the full amount of your first PPP
- You are **not** receiving a “Save Our Stages” grant

New terms

While many provisions are similar to the first round of PPP, there are some new terms included in this second round:

- Maximum loan amount is now \$2 million
- The loan amount for “Accommodation and Food Services sector” will be calculated at 3.5x monthly payroll (other industries eligible at 2.5x)
- Additional expense types may now be eligible for loan forgiveness
 - Includes payments to suppliers and vendors, PPE and other costs related to adapting to Covid-19, software, and property damages
- Businesses that received PPP may take tax deductions for the expenses covered by forgiven loans
- There is now a simplified forgiveness process for PPP loans under \$150,000, consisting of a one-page attestation that a business complied with program requirements

For more details about the program, please see Title III “Continuing the Paycheck Protection Program and other Small Business Support” of the [stimulus act](#).

The Office of Nightlife will continue to bring you more information about these programs as they develop. Please stay tuned for an upcoming town call.