

## **Tarrant County Small Business Assistance Grants**

### **Program Description**

The Tarrant County Small Business Assistance Grant program is designed to provide financial assistance to very small businesses that have been adversely affected by the current COVID-19 public health emergency and most likely have found it difficult to apply and access other Federal grants or loans through the SBA or traditional banks and lending institutions. This grant program is aimed at assisting small businesses with the costs of business interruption caused by required closures. The dollar amount of individual grants will be determined by the financial information provided, the number of eligible grant applications received, and the funding pool available, with no individual grant being more than \$10,000. An amount of \$30 million in CARES Act funds has been allocated by the Tarrant County Commissioners Court to the Small Business Assistance Grant Program for grant funding purposes.

**The Application submittal period begins June 22, 2020 at 10:00 am and ends July 1, 2020 at 6 pm.**

**For more information and to apply for the grant go to  
<http://smallbusiness.tarrantcounty.com>**

### **Information and Requirements**

- Business must be physically located and operating within Tarrant County (excluding the City of Fort Worth).
- Business must provide the name of City in which they are located and a street address (no P.O. Box) for the business location, and if different, a mailing address for the business.
- Business must be a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company with 25 or fewer Full Time Equivalents (FTE) employees as of March 1, 2020.
- Business must have been active since January 1, 2020.
- Business must have been closed or partially closed because of the COVID-19 public health emergency and in need of reimbursement for business interruption and/or incurred costs caused by COVID-19 closures.
- Business is NOT listed on the Federal debarment list per the System for Award Management (SAM) website.
- Business shall not have delinquent 2018 or prior year property taxes, tax liens or judgments.

- The Grant funding determination will be based on the following:
  - Grant funding eligibility and grant reimbursement amount will be determined based on the financial and other information provided in this application, along with the required documentation.
  - To establish grant eligibility, business must show a reduction in Net Profit or an increased Loss when April and May 2020 is compared to January through March 2020 Net Profit/Loss.
  - The amount eligible for reimbursement by the Grant is the total actual costs for April and May 2020 plus the calculated average owner's compensation or partnership draw incurred but not paid.
  - The dollar amount of individual grants will be determined by the information provided, the number of eligible grant applications received, and the funding pool available, with no individual grant being more than \$10,000.
- Owners of multiple business are only eligible to make grant application for ONE business location. Application will include disclosure of owner(s).
- Twenty percent (20%) of the allocated grant funds will be allocated for businesses with 51% Minority, Woman, or Veteran ownership.
- Grant proceeds may be for expenses incurred after March 1, 2020 through May 31, 2020. Grant funds received are not for the same costs covered by 1) other Federal grants or Loans business has received (i.e. PPP, SBA EIDL, or other federal program funds), 2) other local grants, or 3) business interruption insurance payments.
- Completed applications and required documentation will be reviewed by the Tarrant County Auditor's Office based on Tarrant County Commissioners Court approved Small Business Assistance Grant Program Guidelines.
- The approved grant amounts will be determined based on the total eligible applications funding requested and the amount of program funding available. The amount of any individual grant is limited to a maximum of \$10,000.
- Applicant will receive an email indicating grant approval or denial, and if approved, the dollar amount of the grant.
- Checks for grant awards will be issued to qualifying grant recipients through Tarrant County Accounts Payable. Checks will be issued to the business and mailed to the address listed in the provided Form W-9. A report of the business grant recipients and the amount of grants funded will be sent to and filed with the Commissioners Court.
- All required documentation must be uploaded and submitted with the application in order to be complete. Applications missing required documentation will be determined incomplete, and ineligible for funding.
- Businesses are encouraged to utilize the online Tarrant County SBDC Business Assistance training video for information on best practices in use of grant funds; the SBDC can also provide assistance with information on the required documentation for the application. Application Assistance Centers are available in

various cities and other locations around the County for application transmittal assistance (see Grant website for locations).

- Tarrant County is a governmental body subject to the Texas Public Information Act. Information submitted to Tarrant County in the application may be subject to the Act and, therefore, subject to public release.

### **Types of Allowable Expenses for Grant Funding Consideration**

- Payroll costs for employees
- Contract labor
- Supplier payments
- Rent, lease or mortgage payment (excluding escrow for property taxes) for real property used for business purposes (i.e. storefront or warehouse, excluding personal residence.)
- Rent, lease or purchase payment for business property (e.g., delivery vehicle; food truck; kitchen equipment; technology, payment, and communications systems and equipment)
- New or expanded technology applications and Wi-Fi services
- Utility payments for business properties (excluding personal residence)
- Cost of critical business operations (raw materials, inventory spoilage, etc. payments)
- PPE and sanitation supplies and equipment
- Interest on other business debt obligations incurred before January 1, 2020 (excluding personal residence)
- Other reimbursable costs of business interruption contemplated by the CARES Act.

### **Documentation Required with Application Submittal**

Included with Application –

- Documentation of registered business:
  - ✓ Government Issued Identification for person authorized to submit application on behalf of the business (One (1) only required – Driver's License, Passport, or other Government issued ID)
  - ✓ Form W-9 (with Social Security Number, Employer Identification Number or Individual Taxpayer Identification Number)
- Documentation of Payroll/Owner Compensation and Expenses:
  - ✓ Payroll/Owner Compensation: 1<sup>st</sup> Qtr. 2020 Form 941; for Sole Proprietor applicants provide 2019 or 2018 Schedule C and Form 1040, page 1; for Partnership applicants provide 2018 or 2019 Form 1065, page 1; for C Corporation applicants provide 2018 or 2019 Form 1120, page 1; and for S

Corporation applicants provide 2018 or 2019 Form 1120S, page 1 for Owner Compensation or Draw incurred but not paid. If unemployment benefits were included in Payroll/Owner Compensation, provide the Texas Workforce Commission Statement of Wages and Potential Benefit Amounts or other support.

- ✓ Expense Documentation: Itemized list of monthly fixed monthly expenses and proof of payment of expenses; Bank Statements for January 1 – May 31, 2020; If Expense payments not shown in Bank Statement, provide Credit Card statements, or Receipts of cash or other payments. *(with all applicable Expense items highlighted in all statements.)*

**Account numbers or other personally identifiable information (with the exception of Tax ID/Social Security number and Government ID necessary for processing) must be redacted from bank and credit card statements prior to submission for funding consideration. Failure to provide this information as set forth above will render the application ineligible for funding consideration.**

- Signature on Application required to provide:
  - Good Faith Certification as to truth and accuracy of information provided;
  - That the grant request is necessary due to conditions caused by COVID-19 pandemic public health emergency and subject to the guidelines of a Federal program and the Tarrant County Small Business Assistance Program;
  - Agreement that use of grant funds are subject to audit if required and subject to claw-back provisions if funds are not used as intended under the grant program;
  - That business does not have delinquent 2018 or prior year ad valorem taxes, tax liens, or judgements;
  - Certification of 51% Minority, Woman, or Veteran Ownership of Business, if applicable.
  - Business owner with 20% or more equity ownership has not been incarcerated, on probation, on parole; presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; or has been convicted of a felony within the last five years.

### **Ineligible Business Entities**

- Non-Profit Businesses/Organizations
- Franchisee of a National Franchise

- Real Estate developers/Investors
- Governmental/taxing agencies/departments
- Hobby businesses as defined by federal law (activity not pursued for profit)
- Multi-level marketing concerns
- Gambling Concerns, including Eight-liners, gaming rooms, casinos, racing operations or other activities whose purpose involve a form gambling
- Lobbying organizations and political organizations subject to Internal Revenue Code 527
- Sexually Oriented Businesses (live performances, product sales, items or materials)
- Businesses primarily engaged in lending, investments, or to an otherwise eligible business engaged in financing or factoring.
- Pawn Shops, Pawn Broker, Secondhand Goods Dealer
- Bail Bond business
- An individual who employs household employees such as nannies or housekeepers
- A business where a 20% or more equity owner is incarcerated, on probation, on parole; presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; or has been convicted of a felony within the last five years;
- Concerns engaged in illegal activities under federal, state or local laws
- A business that is otherwise prohibited by federal or Texas law
- A business that is ineligible or precluded to receive federal or State of Texas funding due to federal laws (including but not limited to the CARES Act) or Texas laws

### **CARES Act Funding**

Tarrant County has received funds through the Coronavirus Aid, Relief, and Economic Security Aid, also known as CARES Act. The CARES Act established the \$150 billion Coronavirus Relief Fund, which will be used to assist states and local governments impacted by the COVID-19 pandemic.

The U.S. Department of the Treasury issued the money to states and certain local governments. The amount issued to each entity is based upon the population as provided in the CARES act. The funds can only be used to cover costs that:

- are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019;
- were not accounted for in the budget most recently approved as of March 27, 2020
- were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

U.S Treasury guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures due to the COVID-19 public health emergency.