



Allen\Collin County Small Business Grant Program



Teams from Allen, Frisco and McKinney have been collaborating to develop small business grant programs that are substantially similar in scope and disbursement. This tri-city collaboration is designed to help minimize the economic hardships experienced by Collin County businesses as a result of COVID-19. Below is a description of the City of Allen program.

Allen is launching the Allen\Collin Small Business Grant Program (Allen\Collin SBGP) for businesses physically operating within the City of Allen. The goal of this program is to help the businesses that have been negatively impacted suffered economic hardship through business closures due to COVID-19.

If you still have questions after reading the information below, please email questions to ntxsmallbiz@ndconline.org or call toll-free 1-833-696-0804 from 8 a.m. to 5 p.m. Monday through Friday.

The Allen\Collin SBGP is launching a Small Business Grant Program at noon on Wednesday, June 24, 2020, through noon Tuesday, June 30, 2020, to provide grants to Collin County businesses located in the City of Allen who were negatively affected and suffered economic hardship due to business closure during the COVID-19 pandemic.

Allen\Collin SBGP for-profit businesses with physical operations (Storefront/Office) located in incorporated boundaries of the City of Allen with 100 or fewer employees (excluding ineligible entities listed below) are eligible to apply.

The amount a business can receive will be based on the percentage of closure the business experienced during the COVID-19 Stay-at-Home order:

- Business operations completely closed can get up to 100% of eligible grant.
- Business operations partially closed can get up to 75% of eligible grant.

The eligible amount of the grant is the lesser of \$25,000 (the “Maximum Grant Award defined below) or a maximum grant calculated to include three months of *estimated expenses** for payroll and fixed costs from March 1 to May 31, 2020.

*The applicant will provide the following information to determine the estimated expenses:

- Applicants are required to provide supporting information on monthly payroll and fixed costs for first quarter of 2020 (form 941) - including gross payroll, retirement costs and health insurance costs; since it is assumed that payroll costs will be low for March of 2020, a pre-COVID monthly-average will be applied to arrive at a reasonable estimate of payroll costs up to three months. Sole proprietors can determine their average monthly amount using Schedule C net income divided by twelve (must have a net profit).
- Applicants are required to provide supporting information on fixed costs for January and February of 2020 (rent, lease or mortgage payment for real and business property that is paid to an unaffiliated/unrelated third party, utilities, and property\general liability insurance excluding costs of your personal residence). A pre-COVID monthly-average will be applied to arrive at a reasonable estimate of fixed costs up to three months.

The funds allocated to the City of Allen for the Allen\Collin SBGP are provided by Collin County from the United States Federal Government CARES Act. Collin County is allocating these federal funds to all Collin County cities to be used by cities for reimbursement for COVID-19 related expenses.

General Information

Maximum Grant Award (up to): \$25,000

Individual grants will be awarded based on such factors as need, eligibility, number of employees, loss due to full/partial shutdown, being closed during the COVID-19 pandemic and availability of funds.

Eligibility

- Business started before March 1, 2019.
- 100 Employees or fewer per business location.
- No more than \$15 Million in Gross Annual Revenue per business location.
- If an owner has more than one business, the owner is eligible to apply for up to three businesses within Allen that are also in Collin County. Ownership defined

as 20% or more. The application must include a disclosure of all 20% or more owners.

- Applications and required documentation will be reviewed and scored by a third-party administrator in accordance with these Allen\Collin SBGP Program Guidelines.
- The applicant will receive an email indicating Allen\Collin SBGP approval or denial or did not meet qualifications.
- Checks or Electronic Fund Transfers will be issued to qualifying applicants by the third party administrator.
- Applicant must have no outstanding Municipal or Collin County tax liens or judgments.
- The initial application period will be open from noon on Wednesday, June 24, 2020, through noon Tuesday, June 30, 2020. Additional application periods may be opened up if funding permits.
- A business receiving grant funding may be notified via email beginning the week of July 6th with funds to follow thereafter.
- The City of Allen in Collin County is a governmental body subject to the Texas Public Information Act (the "Act"). Information submit by businesses to the third-party administrator or the City of Allen for the Allen\Collin SBGP as part of the application process may be subject to the Act and, therefore, subject to public release.
- Elected City officials, City Board Appointed Officials and any relation within the second degree by consanguinity or the second degree by affinity to any member of the city council, city boards and commissions are not eligible to receive grant funds.

Application process includes

- Good Faith Certification as to truth and accuracy of submitted information/documentation and that the grant request is necessary due to conditions caused by COVID-19.
- Unsworn Declaration of Owner as part of the online application process.

Types of businesses:

- Corporation
- Individual

- Sole proprietorship
- Single-member limited liability company (LLC)
- LLC treated as a partnership
- LLC – C corporation
- LLC – S corporation
- Partnership
- Franchise

Eligible Uses of Grant Proceeds

- Payroll costs for employees or owners draw (sole proprietors/partners)
- Contract labor
- Supplier payments
- Rent, lease or interest on mortgage payment for real property used for business purposes, like storefront or warehouse, excluding personal residence.
- Rent, lease or purchase payment for business property (e.g., delivery vehicle; food truck; kitchen equipment; furniture, technology, payment, and communications systems and equipment)
- Insurance (Health, Payroll, Property\General Liability)
- New or expanded technology applications and Wi-Fi services
- Utility payments to include municipal utilities (water, sewer, trash) for business properties, excluding personal residence
- Cost of critical business operations (raw materials, marketing expenses, etc. payments)
- PPE and sanitation supplies and equipment
- Interest on other business debt obligations incurred before March 1, 2020, excluding personal residence

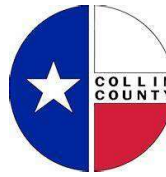
Documents Required

- Documentation of business (Choose one of the following)
 - o Secretary of State Texas File number; State of Texas License number; DBA, 2018 or 2019 tax return (return only, schedules not required); Social Security Number, Employer Identification Number or Individual Taxpayer Identification Number, Certificate of Filing. If sole proprietor, please provide documentation on when you started your business. Ex. Include Occupational license, Sales Tax Certificate

- Driver License or state-issued ID
- Most recent filed business tax return (return only, schedules not required)
- Most recent payroll report and number of employees – 1st QTR 941 for 2020
- Bank Statements for the following five months – January to May 2020
- For Sole Proprietor, applicants provide 2018 or 2019 Schedule C
- Form W-9
- Each business will be required, as part of the application process, to attest that they are not an “Ineligible Business” as listed below.

Ineligible Businesses

- Non-Profits
- Non-Storefront & Home-Based Businesses
- Sexually/Adult-Oriented Businesses
- Lobbying organizations and political organizations subject to Internal Revenue Code 527
- Gambling Concerns, including casinos, racing operations or other activities whose purpose involves gambling
- 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
- Multi-level marketing concerns
- Governmental/taxing agencies/departments
- Businesses in default or arrearage on past or current federal or state financing or funding programs
- Businesses involved or affiliated with personal or corporate indictment, arraignment or conviction of criminal offenses



Allen/Collin County Small Business Grants Program Frequently Asked Questions

My business received PPP funding. Am I still eligible for an Allen/Collin SBGP grant?

Yes, businesses that received PPP funding are eligible for the Allen/Collin SBGP grants. Businesses that have not received PPP funding will receive additional consideration during the review process.

What documentation do I need for proof of the existence of my business?

The third-party administrator only needs to receive one document that proves the existence of a business. That document may be the Secretary of State of Texas File number, State of Texas License number, DBA, or a tax return. It is not necessary to provide more than one of these documents.

What businesses are considered “sole proprietorships” and can net income be used to calculate payroll costs?

Any business with only one owner that does not have payroll cost may report using net income as a sole proprietor. This includes corporations and LLCs with one owner and with no payroll cost; however, sole proprietors who have payroll costs (that file 941's, W-3's, etc.) must report payroll costs, not net income.

My business has locations in Collin County and other counties. Do I qualify for the Allen/Collin SBGP grant program?

Yes, if your business meets the other criteria, you will qualify. Payroll and/or fixed cost amounts used to calculate the grant amount should be only for those portions of the business that are located in the City of Allen.

How do I prove how long I have been in business?

Provide your Certificate of Filing with the Secretary of State. If you do not have it, you can find it on the Texas Secretary of State website at <https://direct.sos.state.tx.us/acct/acct-login.asp>

If you are a sole proprietor, you can provide a DBA, first state bank statement, first income tax or sales tax filing, or a professional license.

My professional services business was considered essential by local/state government orders, but I feel that my business was affected by the mandates. Can I apply?

Yes, all businesses that otherwise meets the criteria outlined in this Allen/Collin SBGP program document may apply if such business is located in the City of Allen. You will only be allowed to apply for reimbursement of actual losses that occurred during the time period outlined here.

Will I be notified whether or not my application is approved for a grant?

Yes. The third-party administrator will notify all applicants on whether or not they have been approved for a grant or have been disqualified for ineligibility.

Do I need to file all of these documents?

Yes. These documents are necessary to ensure all applicants meet the required eligibility to receive grants. These same documents are required by many state and federal grant programs.

How soon will these grants be awarded?

The Allen/Collin County SBGP will work to turn around grant funds quickly upon the conclusion of the submission period. The intent is to issue grants on or about mid-July.

Who can I call to answer some of the questions I have about this application?

Please contact the third-party grant administrator at ntxsmallbiz@ndconline.org or call toll-free **1-833-696-0804**.