

YOAKUM ECONOMIC DEVELOPMENT CORPORATION'S

COVID-19 SMALL BUSINESS ECONOMIC RELIEF PACKAGE

Name of Program: Small Business Sustainability and Economic Recovery Program

Total Program Funding: \$500,000.

Purpose of Program: To provide Yoakum's small businesses with a measure of support to assist them in remaining viable and eventually recover from the negative economic impacts of the COVID-19 pandemic. The assistance program is designed to provide funding for small businesses to help with expenses such as a business lease or mortgage payments, employee support, utility payments, purchase of supplies required to offer alternative access to products and services, purchase of supplies required to clean and protect against COVID-19, and any additional expenses as a result of increased cost from suppliers.

General Eligibility:

- Businesses must be located in Yoakum's Extraterritorial Jurisdiction (ETJ)
- Businesses must have suffered a revenue loss of at least 25-percent since the disaster declaration
- The application period for participation in the program will remain open until December 31, 2020 unless otherwise specified; until the program's funding has been exhausted; or until the YEDC determines that its program goals have been satisfied
- 500 full-time equivalent employees or fewer

Non-eligible entities:

- National or State-wide chains
- Franchises/Franchisees
- Home-based businesses
- Non-profit organizations
- Permanently closed businesses

The Yoakum Economic Development Corporation (YEDC) will be the sole and final authority in determining eligibility for funding.

Small Business Economic Sustainability and Recovery Grant

Amount of Grant: Up to a maximum of \$10,000

Approved Expenses:

- Rent/mortgage
- Employee support
- Utilities
- Purchase of supplies required to offer alternative access to products and services
- Purchase of supplies required to clean and protect against COVID-19
- Any additional expenses as a result of increased cost from suppliers

Eligibility:

- Must show proof of **applying for** (but not necessarily approved) a Small Business Administration's (SBA) Economic Injury Disaster Loan and/or the SBA's Paycheck Protection Program Loan
- 100 full-time equivalent employees or fewer
- Must be operating within Yoakum's ETJ
- Must have a physical and publicly accessible location
- Must be registered with the Texas Comptroller's Office
- Must have been operating for at least six months prior to March 1, 2020
- Must show evidence of payroll taxes withheld and remitted for a period of six months prior to March 1, 2020
- Must be in good standing with creditors for at least six months prior to March 1, 2020
- Proof of applicant's ownership of the business, or proof that the owner of such business has approved the application for the grant funds
- Applicant must submit a balance sheet and profit-and-loss statements for the last six months
- Licenses and permits must be current
- Activities must be legal

Process:

- Business can only receive one grant over the life of the emergency program
- Funds will be disbursed in two equal installments separated by six weeks; the first disbursement provided when application is approved; the second installment will occur six weeks later contingent on the submission of verifiable documentation for the following:
 - Rent/mortgage
 - Payroll and employee support
 - Utilities
 - Purchase of supplies required to offer alternative access to products and services
 - Purchase of supplies required to clean and protect against COVID-19
 - Expenses as a result of increased cost from suppliers
- The YEDC will be the sole and final authority in determining eligibility for funding

Paycheck Protection Program Loan Matching Grant

Amount of Matching Grant: Up to a maximum of \$10,000

Approved Expenses:

- Rent/mortgage
- Employee support
- Utilities
- Purchase of supplies required to offer alternative access to products and services
- Purchase of supplies required to clean and protect against COVID-19
- Any additional expenses as a result of increased costs from suppliers

Eligibility:

- Must show proof of **receiving** a Paycheck Protection Program Loan from the SBA
- 500 full-time equivalent employees or fewer and operating within Yoakum's ETJ
- Must have been operating for at least six months prior to March 1, 2020 and had employees for which the business paid payroll taxes or independent contractors
- Must be registered with the Texas Comptroller's Office
- Must have a physical and publicly accessible location
- Must show evidence of payroll taxes withheld and remitted for a period of six months prior to March 1, 2020
- Must be in good standing with creditors for at least six months prior to March 1, 2020
- Proof of applicant's ownership of the business, or proof that the owner of such business has approved the application for the grant funds
- Applicant must submit a balance sheet and profit-and-loss statements for the last six months
- Licenses and permits must be current
- Activities must be legal

Process:

- Business can only receive one grant over the life of the emergency program
- Funds will be disbursed in two equal installments separated by six weeks; the first disbursement provided when application is approved; the second installment will occur six weeks later contingent on the submission of verifiable documentation for the following:
 - Maintained the same number of full-time equivalent employees during the period of March 1, 2020 through May 31, 2020
 - Any employees laid off since March 1, 2020 are rehired by May 31, 2020
- The YEDC will be the sole and final authority in determining eligibility for funding

Economic Injury Disaster Loan Program (EIDL) Matching Grant

Amount of Matching Grant: Up to a maximum of \$10,000

Approved Expenses:

- Rent/mortgage
- Employee support
- Utilities
- Purchase of supplies required to offer alternative access to products and services
- Purchase of supplies required to clean and protect against COVID-19
- Any additional expenses as a result of increased costs from suppliers

Eligibility:

- Must show proof of **receiving** an EIDL from the SBA
- 500 full-time equivalent employees or fewer and operating within Yoakum's ETJ
- Must be registered with the Texas Comptroller's Office
- Must have been operating for at least six months prior to March 1, 2020
- Must have a physical and publicly accessible location
- Must show evidence of payroll taxes withheld and remitted for a period of six months prior to March 1, 2020
- Must be in good standing with creditors for at least six months prior to March 1, 2020
- Proof of applicant's ownership of the business, or proof that the owner of such business has approved the application for the grant funds
- Applicant must submit a balance sheet and profit-and-loss statements for the last six months

Process:

- Business can only receive one grant over the life of the emergency program
- Funds will be disbursed in two equal installments separated by six weeks; the first disbursement provided when application is approved; the second installment will occur six weeks later contingent on the submission of verifiable documentation for the following:
 - Rent/mortgage
 - Payroll and employee support
 - Utilities
 - Purchase of supplies required to offer alternative access to products and services
 - Purchase of supplies required to clean and protect against COVID-19
 - Expenses as a result of increased cost from suppliers
- The YEDC will be the sole and final authority in determining eligibility for funding

Bridge Loan Program

The YEDC in collaboration with Yoakum's primary financial institutions, will underwrite the establishment of a Bridge Loan Program (BLP). These loans would serve as short-term cash-infusions, which would allow our businesses to defray short-term expenses and increase survivability.

- ⇒ Amount of loan: Up to a maximum of \$10,000
- ⇒ Loans would be free of fees
- ⇒ Loans would be interest-free if paid in full by the maturity date

Approved Expenses: Rent/mortgage, employee support, utilities, purchase of supplies required to offer alternative access to products and services, purchase of supplies required to clean and protect against COVID-19, replacing damaged or spoiled inventory, and any additional expenses as a result of increased cost from suppliers

Business owners that receive the loans will not have to start payments until after six months from approval. Loan must be paid back within two years of approval.

Eligibility:

- Must show proof of being **awarded** either a SBA's Economic Injury Disaster Loan, or a SBA's Paycheck Protection Program Loan, or both
- 500 full-time equivalent employees or fewer
- Businesses operating within Yoakum's ETJ
- Must have been operating for at least six months prior to the government's disaster declaration
- Must have a physical and publicly accessible location
- Must be registered with the Texas Comptroller's Office
- Must be in good standing with creditors for at least six months prior to government's disaster declaration
- Proof of applicant's ownership of the business, or proof that the owner of such business has approved the application for the loan funds
- Applicant must be current on all property and sales taxes due, and must show evidence of payroll taxes withheld and remitted for a period of six months prior to the government's disaster declaration
- Applicant must submit a balance sheet and profit-and-loss statements for the last six months
- Licenses and permits must be current
- Activities must be legal
- Business can only receive one loan over the life of the emergency program