



COVID-19 DISASTER RECOVERY GRANT

BACKGROUND:

The City of Sealy is implementing a COVID-19 Disaster Recovery Grant, which will be reimbursed by the Sealy EDC. The grant funds are designated to provide assistance to local businesses suffering from financial impacts related to the COVID-19 pandemic. It is the EDC Board's intent to promote local businesses during this time of local disaster. The purpose of this grant is to ensure that the small businesses of Sealy stay in business and are able to preserve employees.

The COVID-19 Disaster Recovery Grant Committee will award up to \$250,000.00 in grant funds to applicants until June 1, 2020, or sooner if funds are depleted. Applicants may apply for up to \$10,000.00 in grant funds, however, the Committee will determine the approved amount awarded to eligible applicants. No business is guaranteed of receiving grant funds.

ELIGIBILITY GUIDELINES:

- The business applying for grant funds must be physical, publicly accessible, and exist in the city limits of the City of Sealy.
- The applicant must show proof of ownership of the business.
- The business must be authorized to do business and is in good financial standing upon verification with the Secretary of State of Texas and the United States of America.
- The business must be current in property tax and sales tax payments.
- The business must consent to any financial audit and physical inspection(s).
- The business must be in compliance with all ordinances of the City of Sealy.
- The business/ business owner that receives COVID-19 DISASTER RECOVERY GRANT funds must agree to the CITY OF SEALY, TEXAS 380 ECONOMIC DEVELOPMENT PROGRAM FOR BUSINESSES IMPACTED BY COVID-19 EPIDEMIC. *Noncompliance with the terms would require the recipient to repay funds received to the City of Sealy.*
- Recipients agree to stay in business in Sealy, and not reduce the number of employees for a minimum of 12 months.
- Upon receipt of COVID-19 Disaster Recovery Grant funds the business must provide proof of use of the grant funds.
- Upon receipt of COVID-19 Disaster Recovery Grant funds the business must comply with any other grant conditions as set forth by the Grant Committee.
- If the business receives federal grant funds, then business must repay the difference between the federal grant and the COVID-19 Disaster Recovery Grant funds received.

INELIGIBLE BUSINESSES:

- National chains
- Home-based businesses
- Nonprofit organizations
- The business and/or business owner(s) which have outstanding financial obligations to the City of Sealy are not eligible.

PROCESS:

1. The **Sealy EDC COVID-19 DISASTER RECOVERY GRANT** will be advertised to the public by the following:
 - o The Sealy EDC website, www.sealyedc.com
 - o The Sealy News – Thursday, May 7, 2020
 - o The City of Sealy website, www.ci.sealy.tx.us
 - o The City of Sealy Facebook page
 - o Sealy Main Street Facebook page
 - o The Sealy Chamber of Commerce website, www.sealychamber.com
 - o The Sealy Chamber of Commerce Facebook page
 - o The Sealy Chamber of Commerce mailings to all members

2. On **Monday, April 27, 2020**, the SEDC will post the **Guidelines, COVID-19 DISASTER RECOVERY SURVEY, & COVID-19 DISASTER RECOVERY GRANT APPLICATION** on the Sealyedc.com website. Access by choosing the Online Resources link. Both the survey and the application must be submitted. If a *paper copy* is required the applicant may call Katherine Ellis at 979-627-6127 or 979-398-1106 Monday-Friday, 8am-5pm, or stop by the Sealy EDC office at 313 Main Street.

3. All completed surveys and applications are due to the SEDC **by 5:00pm on Monday, May 11, 2020** for eligibility determination.

4. Applicants will be notified of eligibility status. Eligible applicants will be given a City of Sealy Vendor Registration Packet, which is required for the City of Sealy to process a grant funds check. If the Grant Committee requires *supplemental supporting data to correspond with use of funds applied for*, the data will be requested at this time.

5. By **Monday, May 18, 2020**, all eligible applicants will be considered simultaneously before final determination of grant funds to be awarded.

6. **The week of May 18-22, 2020** checks will be distributed to recipients that have signed performance agreements with the SEDC.

CITY OF SEALY, TEXAS
380 ECONOMIC DEVELOPMENT PROGRAM FOR BUSINESSES IMPACTED BY
COVID-19 EPIDEMIC
(Texas Local Government Code, Chapter 380)

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WHEREAS, Federal, State, County, and Local declarations of Disaster have been promulgated based on the COVID-19 (coronavirus) epidemic; and

WHEREAS, the COVID-19 epidemic has significantly impacted businesses in the City of Sealy, Texas (“City”) by requiring temporary closure of businesses or reduction of services (i.e. restaurant take out or delivery only); and

WHEREAS, the City Council finds that such impact has and will continue to be detrimental to the business community in the City; and

WHEREAS, the City has the financial resources and legal authority to establish an economic development program under Chapter 380 of the Texas Local Government Code; and

WHEREAS, City Council finds that such economic development program will promote a public purpose by aiding business who have suffered financially due to the COVID-19 epidemic by stimulating economic development and recovery, ensuring job retention, promoting job creation, generating sales tax, and protecting property values; and

WHEREAS, Sealy 4B Economic Development Corporation desires to assist the City and the business community by reimbursing the City for grants to businesses in Sealy in an amount not to exceed \$250,000.00 per the terms of the program as provided for herein;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SEALY, TEXAS ESTABLISHES THE FOLLOWING 380 ECONOMIC DEVELOPMENT PROGRAM:

- I. **Name:** The name of the City program shall be called the “City of Sealy, Texas, COVID-19 380 Economic Development Recovery Program” (“Program”).
- II. **Public Purpose:** The purpose of the “City of Sealy, Texas, COVID-19 380 Economic Development Recovery Program” is to provide grants to local (City) businesses that have been negatively impacted by the COVID-19 epidemic which will promote local economic development and stimulate business and commercial activity in Sealy.

Negative impact includes having to temporarily close a business, reducing business hours, reducing business services, laying off employees, furloughing employees, and eliminating inventory and products. Moreover,

a business that has difficulty paying rent or mortgage also suffers a negative impact.

III. **Committee created:** The following committee shall assist the City in the administration of the “City of Sealy, Texas, COVID-19 380 Economic Development Recovery Program”

Wyn McCready (Chairperson)

Russ Rainwater

Robert Worley

Kimbra Hill

Janice Whitehead

IV. **Committee duties:** “City of Sealy, Texas, COVID-19 380 Economic Development Recovery Program” committee shall have the following duties:

- a. Develop grant application(s); and
- b. Advertise grant program; and
- c. Set deadline for grant application submission; and
- d. Review grant applications; and
- e. Determine funding; and
- f. Ensure business compliance with grant terms; and
- g. Take all other reasonable action to administer grant program.

The maximum amount of funds that a business may receive is \$10,000.00. The maximum amount of funds to be disbursed under this program is \$250,000.00, unless otherwise amended by City Council.

V. Grant recipients: To qualify to potentially receive a grant recipient shall:

- a. be located in the corporate limits of the City of Sealy; and
- b. employ fewer than 25 employees; and
- c. have been operating in the City of Sealy for at least twelve (12) months prior to the date of application; and
- d. be in compliance with all ordinances of the City of Sealy; and
- e. not be indebted to the City of Sealy; and
- f. be current on property tax payments and sales tax remittance; and
- g. be authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America; and
- h. consent to any financial audit or physical inspection(s); and
- i. provide proof of use of grant funds; and
- j. remain in business in Sealy for at least twelve (12) months after the date of receiving grant funds; and
- k. be a business that is physically located in the City that is open to the public and is not a home-based business, national chain, or non-profit; and
- l. comply with any other grant conditions as set forth by the Committee.

Grant recipients shall agree (in the application or otherwise) that failure to abide by all these Program terms, the grant application, or any rules promulgated by the Committee, shall be a breach of this "City of Sealy, Texas, COVID-19 380 Economic Development Recovery Program" and shall require the repayment and recapture of all grant funds within thirty (30) days of demand by the City or the Committee.

No business is guaranteed of receiving grant funds.

If a business receives federal funds, then business must repay the difference between the federal grant and this grant.

VI. **City reimbursement:** The City authorizes reimbursement for any and all Program expenditures from any lawful source. The City anticipates that the Sealy 4B Economic Development Corporation will reimburse the City for all costs of this Program after compliance with all state law funding procedures.

PASSED, APPROVED, AND ADOPTED THIS 24TH DAY OF APRIL 2020, BY THE CITY COUNCIL OF THE CITY OF SEALY, TEXAS.

Janice Whitehead, Mayor

ATTEST:

Brooke Knoll, City Secretary



Sealy Economic
Development Corporation
313 Main Street (P.O.Box 517) Sealy, TX 77474 Phone: 979-627-6127

COVID-19 DISASTER RECOVERY SURVEY:

1. IS BUSINESS LOCATED WITHIN THE CITY LIMITS OF THE CITY OF SEALY?

- YES
- NO

2. WHAT KIND OF BUSINESS DO YOU OPERATE?

- GROCERY
 - FOOD SERVICE (RESTAURANT, BAR)
 - NON-FOOD RETAIL
 - NON-PROFIT/SOCIAL SERVICES
 - HEALTH PRACTITIONER/ HEALTHCARE
 - ACCOMODATIONS
 - PROFESSIONAL SERVICES (BANKING, LEGAL, DESIGN, REAL ESTATE)
 - PERSONAL CARE (BEAUTY, BARBER SHOP, NAIL SALON, MASSAGE)
 - VETERINARIAN
 - PET CARE SERVICES
 - OTHER (DESCRIBE BELOW)
-

3. HOW LONG HAS YOUR BUSINESS BEEN IN OPERATION?

- LESS THAN ONE YEAR
- 1-2 YEARS
- 3-5 YEARS
- 6-10 YEARS
- MORE THAN 10 YEARS

4. HAS YOUR BUSINESS APPLIED FOR FEDERAL ECONOMIC RELIEF PROGRAMS WHERE ELIGIBLE? (PLEASE CHECK ALL THAT APPLY)

- SBA - PPP
 - SBA - EIDL
 - SBA - EXPRESS BRIDGE LOANS
 - SBA - DEBT RELIEF
 - OTHER (DESCRIBE BELOW)
-

5. DO YOU OWN OR LEASE YOUR BUSINESS SPACE?

- OWN
 - LEASE
 - NOT APPLICABLE
-

6. HOW MANY PEOPLE DOES YOUR BUSINESS EMPLOY?

- SOLE OWNER-OPERATOR
- 2-5 EMPLOYEES
- 6-10 EMPLOYEES
- 11-30 EMPLOYEES
- 30 OR MORE EMPLOYEES

7. DOES YOUR BUSINESS HAVE AN ONLINE SALES COMPONENT?

- YES
- NO

8. IF YOUR BUSINESS HAS AN ONLINE SALES COMPONENT, APPROXIMATELY WHAT PORTION OF YOUR OVERALL REVENUE COMES FROM ONLINE SALES?

- 0-25%
- 26% - 50%
- 51% - 75%
- MORE THAN 75%
- NOT APPLICABLE

9. HAS YOUR BUSINESS SUSPENDED STOREFRONT OPERATIONS AS A RESULT OF THE COVID-19 PUBLIC HEALTH EMERGENCY?

- YES, BY MANDATE – CATEGORIZED AS NON-ESSENTIAL BUSINESS
- YES, VOLUNTARILY
- NO, CONTINUE STOREFRONT OPERATIONS

10. HOW MANY OF YOUR EMPLOYEES ARE AT RISK OF UNEMPLOYMENT AND/OR LAYOFFS AS A RESULT OF THE CORONAVIRUS?

- 0
- 1-5 EMPLOYEES
- 6-10 EMPLOYEES
- 11-29 EMPLOYEES
- MORE THAN 30 EMPLOYEES

11. HOW HAS COVID-19 AFFECTED YOUR BUSINESS? (CHECK ALL THAT APPLY)

- ADDED EXPENSES TO MITIGATE PUBLIC SAFETY RISKS (CLEANING SUPPLIES, GLOVES, MASKS)
 - CHANGE OF BUSINESS HOURS
 - CHANGE OF BUSINESS MODEL
 - INCREASED EXPENSES FROM CHANGE IN BUSINESS MODEL (SHIPPING SUPPLIES, POSTAGE, BANNERS, DELIVERY)
 - EMPLOYEE LAYOFFS/ WORKFORCE DISPLACEMENT
 - BUSINESS CLOSURE
 - LOSS OF REVENUE
 - EVENT CANCELLATION
 - OFF-SITE WORKING OPTIONS
 - SUPPLY CHAIN DISRUPTIONS
 - ENHANCED ALTERNATIVE MODE OF BUSINESS OPERATION TO SELL AND DELIVER PRODUCTS (ONLINE, BY TELEPHONE)
 - ESTABLISHED ALTERNATIVE MODE OF BUSINESS OPERATION TO SELL AND DELIVER PRODUCTS
 - OTHER (DESCRIBE BELOW)
-
-

12. HOW HAS BUSINESS REVENUE CHANGED SINCE COVID-19 BECAME A WIDESPREAD CONCERN IN EARLY MARCH 2020?

- REVENUE DECREASED BY MORE THAN 75%
- REVENUE DECREASED BETWEEN 50% and 75%
- REVENUE DECREASED BETWEEN 25% and 50%
- REVENUE DECREASED BETWEEN 10% and 25%
- REVENUE HAS BEEN NORMAL
- REVENUE INCREASED BETWEEN 10% and 25%
- REVENUE INCREASED BETWEEN 25% and 50%
- REVENUE INCREASED BETWEEN 50% and 75%
- REVENUE INCREASED MORE THAN 75%

13. IF BUSINESS DISRUPTION CONTINUES AT THE CURRENT RATE, HOW SOON WILL YOUR BUSINESS BE AT RISK OF CLOSING PERMANENTLY?

- LESS THAN ONE MONTH
- 2-3 MONTHS
- 3-5 MONTHS
- MORE THAN 5 MONTHS
- NOT A CONCERN

14. AT THIS TIME, WHAT ARE YOU MOST CONCERNED ABOUT? (PLEASE CHOOSE ALL THAT APPLY)

- PAYING THIS MONTH'S RENT/ MORTGAGE
- MAKING PAYROLL THIS PAY PERIOD AND BEYOND
- EMPLOYEE'S FINANCIAL WELFARE
- LOSING EMPLOYEES
- LOSING WORK (CLIENTS, SALES, PROJECTS)
- CUSTOMER TRAFFIC
- GETTING INVENTORY/SUPPLIES
- ACCESS TO GOVERNMENT SUPPORT RELATED TO COVID-19 PUBLIC HEALTH EMERGENCY
- OTHER (DESCRIBE BELOW)

15. WHAT TYPES OF ASSISTANCE WOULD BE MOST HELPFUL TO YOUR BUSINESS? (PLEASE CHECK ALL THAT APPLY)

- HOW TO PROTECT MY EMPLOYEES & CUSTOMERS FROM COVID-19
 - INFORMATION ON FINANCIAL ASSISTANCE OVER THE NEXT 90 DAYS
 - PENALTY-FREE EXTENSIONS ON MY UTILITY BILL
 - IMMEDIATE GUIDANCE ON HOW TO MODIFY MY BUSINESS MODEL
 - TECHNICAL TRAINING ON SOCIAL MEDIA
 - TECHNICAL TRAINING ON WEBSITE DEVELOPMENT AND E-COMMERCE
 - INFORMATION ON SUCCESSION PLANNING
 - INFORMATION ON SELLING BUSINESS
 - OTHER (DESCRIBE BELOW)
-



Sealy Economic
Development Corporation
313 Main Street (P.O.Box 517) Sealy, TX 77474 Phone: 979-627-6127

COVID-19 DISASTER RECOVERY GRANT APPLICATION:

1. Business Name:	
2. Business Owner Name(s):	
3. Physical address of business (storefront):	<i>Home-based businesses are ineligible. Business must exist in the city limits of Sealy.</i>
4. What is/are the best TELEPHONE number(s) to contact you?	
5. What is the best EMAIL address to correspond with you?	
6. Do you OWN or LEASE the building where business operates?	<input type="checkbox"/> OWN <input type="checkbox"/> LEASE
<i>If "Lease" selected above, please provide the name of the building owner:</i>	
7. Has your business been operating in the City of Sealy for at least 12 (twelve) months?	<input type="checkbox"/> YES <input type="checkbox"/> NO
8. Has your business been notified by the City of Sealy that it is in violation of any of the City of Sealy ordinances?	<input type="checkbox"/> YES <input type="checkbox"/> NO If "YES" is selected, please describe the ordinance you are in violation of:
9. Is your business current on SALES TAX payments?	<input type="checkbox"/> YES <input type="checkbox"/> NO
10. Is your business current on PROPERTY TAX payments?	<input type="checkbox"/> YES <input type="checkbox"/> NO
11. Does your business have outstanding financial obligations to the City of Sealy?	<input type="checkbox"/> YES <input type="checkbox"/> NO If "YES" is selected, please describe the nature of your outstanding financial obligation:
12. Is the business/owner(s) in an ongoing lawsuit or in any way parties to litigation against the City of Sealy?	<input type="checkbox"/> YES <input type="checkbox"/> NO If "YES" is selected, please describe the nature of the lawsuit or litigation:
13. Is the business/applicant authorized to do business and in good financial standing with the Secretary of the State of Texas and the United States of America?	<input type="checkbox"/> YES <input type="checkbox"/> NO

14. Have you applied for SBA PPP (Paycheck Protection Program) funds?	<input type="checkbox"/> YES – PENDING APPROVAL <input type="checkbox"/> YES – APPROVED <input type="checkbox"/> YES – APPLICATION DENIED <input type="checkbox"/> NO – HAVE NOT APPLIED
If you applied for SBA PPP funds, what AMOUNT did you request?	\$
15. Have you applied for SBA EIDL (Economic Injury Disaster Loan) funds?	<input type="checkbox"/> YES – PENDING APPROVAL <input type="checkbox"/> YES – APPROVED <input type="checkbox"/> YES – APPLICATION DENIED <input type="checkbox"/> NO – HAVE NOT APPLIED
If you applied for SBA EIDL funds, what AMOUNT did you request?	\$
16. Have you applied for SBA EXPRESS BRIDGE LOAN funds?	<input type="checkbox"/> YES – PENDING APPROVAL <input type="checkbox"/> YES – APPROVED <input type="checkbox"/> YES – APPLICATION DENIED <input type="checkbox"/> NO – HAVE NOT APPLIED <input type="checkbox"/> NO – DID NOT QUALIFY TO APPLY
If you applied for SBA EXPRESS BRIDGE LOAN funds, what AMOUNT did you request?	\$
17. Have you applied for SBA DEBT RELIEF funds?	<input type="checkbox"/> YES – PENDING APPROVAL <input type="checkbox"/> YES – APPROVED <input type="checkbox"/> YES – APPLICATION DENIED <input type="checkbox"/> NO – HAVE NOT APPLIED <input type="checkbox"/> NO – DID NOT QUALIFY TO APPLY
If you applied for SBA DEBT RELIEF funds, what AMOUNT did you request?	\$
18. Please list any other federal economic relief program funds you have applied for that were not listed above AND include whether or not you were approved & the amount you received:	FUND NAME: WERE YOU APPROVED? _____ AMOUNT RECEIVED: \$ _____ <hr/> FUND NAME: WERE YOU APPROVED? _____ AMOUNT RECEIVED: \$ _____
19. Specify the AMOUNT of COVID-19 DISASTER RELIEF GRANT funds you are requesting from the Sealy EDC. <i>May be between \$100.00 - \$10,000.00. You must provide proof of expenses for use(s) you are requesting.</i>	\$ _____
20. Indicate ALL use(s) of COVID-19 DISASTER RELIEF GRANT funds you are applying for:	Check ALL that apply: <input type="checkbox"/> PAYROLL <input type="checkbox"/> RENT / MORTGAGE PAYMENT(S) <input type="checkbox"/> UTILITIES <input type="checkbox"/> OTHER (describe below)
If "Other" selected above, describe, in detail, other use of SEDC grant funds needed due to significant financial impacts of COVID-19 Disaster:	

21. If requesting grant funds for PAYROLL use, indicate your MONTHLY & ANNUAL PAYROLL EXPENSES:	MONTHLY: \$ _____ ANNUAL: \$ _____
22. If requesting grant funds for RENT/MORTGAGE PAYMENT(S) use, indicate your MONTHLY RENT/MORTGAGE PAYMENT:	\$ _____
23. If requesting grant funds for UTILITIES use, indicate your MONTHLY & ANNUAL UTILITIES EXPENSES.	MONTHLY: \$ _____ ANNUAL: \$ _____