



Economic and Community Development

COVID-19 SMALL BUSINESS RESOURCE GRANT PROGRAM

PROGRAM PURPOSE AND NEED

The New Braunfels Small Business Recovery Grant is intended as a source of capital for small businesses that experienced significant business interruptions due to the COVID-19 global pandemic. The program is designed to provide funding for small businesses to cover economic damages suffered as a direct result from COVID-19. Eligible uses of the funds include lease or mortgage payments, utility payments, inventory, and employee(s) payroll for employees still employed and working at the business.

ELIGIBILITY REQUIREMENTS

To be eligible to apply for a grant, the applicant shall:

1. Be a for-profit business physically located in the corporate limits of the City of New Braunfels; and
2. Employ fewer than 50 Full-time Equivalent Employees at any single New Braunfels location as of December 31, 2019; and
3. Have been in operation before March 1, 2019; and
4. Not currently in bankruptcy proceedings; and
5. Be current on property tax payments, sales tax remittance (unless evidence of a forbearance or payment agreement with the State Comptroller's office is provided) and Hotel Occupancy Tax (unless evidence of forbearance or payment agreement with State Comptroller's office is provided); and
6. Have applied for EIDL and/or PPP loans and can provide evidence of application (include a copy of application for either loan).

FUNDING AMOUNTS AND USES OF FUNDS

Business selected will receive the lesser of \$10,000 or 15% of prior year's operating expenses. Payment will be made via wire transfer. Funds can be used for working capital (operations, payroll, rent, short-term uses of cash, utilities) and inventory. Grant funds must be used within 90 days of receipt and the business will be required to enter into a Chapter 380 contract with the City of New Braunfels.

SUBMITTAL REQUIREMENTS

Completed online application form with accompanying documents (preferably in PDF format).

Accompanying documents include:

1. A copy of the business' quarterly wage report filed with the Texas Workforce Commission for year end 2019 or its 4th quarter IRS form 941 for 2019. If the business is a sole proprietorship, please provide verification of business as a sole proprietorship.
2. Copy of Texas Secretary of State Certificate of Filing. If sole proprietor, please provide documentation on when you started your business.
3. Business financial statements to include profit and loss statement and balance sheet for March, April and May 2019 and March, April and May 2020.



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4. Company's W-9 form
5. Business ad valorem and personal property tax certificate showing the taxes paid to the county (Guadalupe or Comal) tax office in 2019.
6. Texas Comptroller of Public Accounts sales tax statement for March 2020 or most recent filing.
7. Facsimile copy of Economic Injury Disaster Loan or Paycheck Protection Program loan application(s).
8. An acknowledgement that if program funds are received, the Company will remain in operation for at least ninety (90) days after receipt and provide the City of New Braunfels with the right and ability to audit the fund's use.
9. A narrative around how the pandemic has impacted the business and how the grant proceeds will be used.
10. A notarized statement that the information delivered is true and accurate and the company is not currently in bankruptcy proceedings.

Evaluation Criteria

A review committee will be established by the City of New Braunfels to review the applications. A business' year over year change in revenue between March-May 2020 and March-May 2019 and the impacts from the pandemic will be a significant influencing factor in determining whether funding. The evaluation committee reserves the right to conduct an interview with any applicant to clarify questions around the business, its history or any other item in the application (either in person or virtually).

Only complete applications will be evaluated, and the committee reserves the right to utilize additional criteria in order to make its funding recommendations. All recommendations for funding will be considered by the City Council at its July 27 meeting.

Anticipated Process

Applications will open June 15 and close at 5pm June 19, 2020. It is anticipated that funding recommendations will be considered at the City Council's July 27 meeting.