

**Tarrant County**  
**Care 4 Tarrant**  
**Small Business Assistance Grants**  
**(Second Round of Assistance)**

**Program Description**

The Tarrant County Small Business Assistance Grant program is designed to provide financial assistance to very small businesses located and operating in Tarrant County, outside the City of Fort Worth, 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. In the initial round of applications, the County has disbursed over \$17.6 million of the original \$30 million designated for the program as of October 13, 2020.

**Businesses/Owners receiving a previous Tarrant County Small Business Assistance grant award will NOT be eligible for another grant award in the second round. Owners with more than one business who received grant funding for a business in the first round will NOT be eligible to receive grant funds for a different business in the second round.**

**Information and Requirements**

- Business must be physically located and operating within Tarrant County **(excluding the City of Fort Worth)**.
- The applicant must provide the name of the City in which the business is physically located and/or goods or services are provided.
- The applicant must provide the physical 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 employees as of March 1, 2020.
- Business must have been operating and open to the public 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 the 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**, the business must show an impact when April and May 2020 business related deposits are compared to January and February 2020 business related deposits.
  - The amount eligible for reimbursement by the Grant is **one** of the following:
    1. 1.5 x the average payroll costs (including the calculated average owner's compensation or partnership draw incurred but not paid). The average will be calculated using the 2019 or 2018 tax return or 1<sup>st</sup> quarter 2020 (January through March) Form 941 submitted with the application.
    2. 3 x the average types of allowable expenses per the Tarrant County Small Business Assistance Program guidelines. The average will be calculated using the 2019 or 2018 tax return submitted with the application.
  - 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 businesses are only eligible to make grant application for **ONE** business and receive only ONE grant award. Only the first application submitted by the owner will be considered for funding. The application will include disclosure of owner(s).
- 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 payment.
- 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 applicant will receive an email indicating grant approval or denial.
- 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 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.
- Application assistance is available in various cities and other locations around the County for application information and 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**

- Documentation for non-franchisor owned Franchise:
  - ✓ Operation agreement between franchisor and franchisee.
  - ✓ Confirmation receipt of Texas Comptroller of Public Accounts most recently filed (2019 or 2020) Annual Franchise Report.
- Documentation of registered business:

- ✓ U.S. Government Issued Identification for person authorized to submit application on behalf of the business (One 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 Required for Payroll/Owner Compensation and Expenses:
  - ✓ Payroll/Owner Compensation:
    - 1<sup>st</sup> quarter 2020 (January through March) Form 941; and/or
    - Sole Proprietor or Single Member LLC - 2019 or 2018 Schedule C and Form 1040;
    - Sole Proprietor – 1099 for contractor payments for 2019;
    - Partnership - 2019 or 2018 Form 1065 and Schedule K1;
    - C Corporation - 2019 or 2018 Form 1120;
    - S Corporation - 2019 or 2018 Form 1120S and Schedule K1; and
    - Support for Owner Compensation or Draw incurred but not paid.
  
  - ✓ Expense Documentation:
    - Sole Proprietor and Single Member LLC applicants provide 2019 or 2018 Schedule C and Form 1040, and the detailed statement of "Other expenses" listed on line 27a; or
    - Partnership applicants provide 2019 or 2018 Form 1065 and the detailed statement of "Other deductions" listed on line 20;
    - C Corporation applicants provide 2019 or 2018 Form 1120 and the detailed statement of "Other deductions" listed on line 26;
    - S Corporation applicants provide 2019 or 2018 Form 1120S and the detailed statement of "Other deductions" listed on line 19.

January 2020, February 2020, April 2020 and May 2020 Bank Statements for the business applying for grant funding.

- 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 (Care 4 Tarrant) 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;

### **Ineligible Business Entities**

- Non-Profit Businesses/Organizations
- Branch, regional or local business owned either in whole or in part by a national franchisor.
- 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
- 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 Act, 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.