



# CITY OF WACO

## SMALL BUSINESS Recovery Fund Program FAQ

### What are the eligibility requirements?

- The Business must have 10 or fewer employees, including owner(s);
- The business must have a physical location within the City of Waco
- The business must have experienced a loss of income due to COVID-19

### What are the funding sources?

- City of Waco's Community Development Block Grant (CDBG) and Waco McLennan County Economic Development Corporation

### How much is available for funding?

- \$830,000.00

### What type of business can apply?

- All businesses – including sole proprietorships, self-employed individuals, and independent contractors – with 10 or fewer employees can apply.

### What businesses are NOT eligible to apply?

- Businesses located outside of the eligible geography
- Franchisee of a national franchise
- Part of a national chain
- A real estate holding company
- Business that is located in a residential home
- Non-profit entity
- Governmental entity
- "Side Gig" Business, like a transportation service
- Sexually oriented business as defined in Chapter 20 of the Code of Ordinances, City of Waco, Texas
- Credit Access Business
- Indoor Amusement Facility
- Pawnbroker, Secondhand Goods Dealer
- Nightclub as defined in Chapter 13 of Code of Ordinances, City of Waco, Texas
- Bail Bond business
- A business whose primary retail sales are of cannabis or cigarettes, cigars, or other smoking-related items
- Questionable consumer practices during the COVID-19 pandemic, such as price gouging
- Owners, or partners currently are undergoing bankruptcy proceedings;
- It or one of its employees has received a citation or is a defendant in a civil lawsuit.

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### What is the maximum amount of a grant?

- The maximum amount of the grant can be for \$5,000.

### How do I apply?

- You will need to complete the online grant application and submit the application with the required documentation at <https://portal.neighborlysoftware.com/wacotx/Participant>

### What documents will I need to submit to certify my employees and I household income?

- Self-Certification Form

### What can I use these grants for?

You should use the proceeds from this grant towards your:

- Payroll costs
- Mortgage obligations, incurred before March 17, 2020
- Rent, under lease agreements in force before March 17, 2020; and
- Utilities, for which service began before March 17, 2020.

### What documents will I need to include in my application?

A copy of the following documents, as applicable to your business for payroll costs:

- Business name
- Contact info
- Employer Identification Number
- DUNS number
- W-9
- ACH Form
- Israel Form
- 1295 Form
- Total number of employees
- Itemize list of expenses funds will be used for rent, mortgage interest, payroll, inventory, operating expenses and working capital.

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- Expenses and revenues for the past three months provided in Excel format.
- Auto-Insurance
- Previous year business tax return
- Certificate of incorporation
- City of Waco business license
- Previous three months company bank statements

### **What counts as payroll costs?**

- Payroll costs include:
- Salary, wages, commissions or tips;
- Payments required for the provisions of group health care benefits including insurance premiums;
- State and local taxes assessed on compensation; and
- For a sole proprietor or independent contractor: wages, commissions, and income or net earnings from self-employment, on an annualized basis for each employee.

### **What are the grant terms?**

There are no terms such as recapture provisions; however the business must retain a job for one-year after the agreement is executed between both parties.

### **Why must I agree to share financials and what does the review consist of?**

Federal regulations required that the business provide income documentation and proof of loss of revenue due to a disruption, in this instance COVID-19.

### **How long will this program last?**

We encourage you to apply as quickly as you can because there are limited funds.

### **How many grants can I apply for under this program?**

Only one.

### **When will I receive my grant funds?**

Upon approval and receipt of all required documentation and signed grant agreement, funds will be dispersed via electronic deposit within five to seven business days.

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### **Do I need to personally guarantee this grant?**

No. There is no personal guarantee requirement.

### **Where does the funding for the Small Business Enterprise Grant Program come from?**

The program is funded through the City of Waco's Community Development Block Grant Program CARES ACT, which is a Federal Entitlement Program administered through the U.S. Department of Housing and Urban Development in partnership with The Waco-McLennan County Economic Development Corporation to provide matching funds.