



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
- The business owner must have low or moderate income (< 80% Area Median Income) or 51% of employees are low or moderate income. See income chart below to determine household income.

What are the funding sources?

- City of Waco's Community Development Block Grant (CDBG)

How much is available for funding?

- \$219,000.00

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.

CITY OF WACO

SMALL BUSINESS Recovery Fund Program FAQ

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>

How do I determine my income eligibility? (Applicable to CDBG)

- To determine if you meet the initial eligibility criteria please estimate your household income and determine where your income fits in the chart below. You will be required to upload supporting documentation; acceptable documentation includes the most recent filed tax return for all household adults earning income, or W-2's for all household earners. Please make sure to remove all personal identifiers such as social security numbers from submitted documentation.

Household Size	1	2	3	4	5	6	7	8
Income	\$35,000.00	\$40,000.00	\$45,000.00	\$50,000.00	\$54,000.00	\$58,000.00	\$62,200.00	\$66,000.00

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

CITY OF WACO

SMALL BUSINESS Recovery Fund Program FAQ

- DUNS number
- W-9
- ACH Form
- Israel Form
- 1295 Form
- Total number of employees
- If LMI owned, applicant must provide income documentation for all income earning household members including last 2 months pay stubs or previous year household taxes (**Applicable to businesses with 10 or less employees and meet CDBG LMI criteria**)
- If 51% of employees are LMI, applicant must provide a self-certification form for each LMI employee (**Applicable to businesses with 10 or less employees and meet CDBG LMI criteria**)
- Itemize list of expenses funds will be used for rent, mortgage interest, payroll, inventory, operating expenses and working capital.
- 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?

CITY OF WACO

SMALL BUSINESS Recovery Fund Program FAQ

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.

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.