



City of Allen

Small Business Grant Program (SBGP)

Frequently Asked Questions *(Published May 17, 2021)*

Eligibility

What types of businesses are eligible?

To meet the minimum qualifications for the program:

1. Your business must be physically located in the City of Allen, Texas.
2. You must operate out of a "brick and mortar" commercial location and be able to provide a lease or mortgage to document your business's commercial location.
3. You must have been in operation on or before March 1, 2020.
4. Your 2020 gross receipts/sales must have been less than \$1.5 million.
5. You must have 50 or fewer full-time employees.
6. Your business must have been negatively impacted by the COVID-19 pandemic - specifically, your gross or net receipts/sales must have declined by at least 10%.
7. You agree to create or retain a full-time job that will be occupied by a low- or moderate-income person.
8. You agree to continue your normal business operations (to the extent allowed by local, state, and federal law) for at least six months after the date of payment of the financial assistance.

What types of businesses are NOT eligible?

- Businesses not physically located in the City of Allen.
- Home-based businesses and other business that do not operate out of a commercial location.
- Businesses that started operations after March 1, 2020.
- Businesses with gross receipts/sales of more than \$1.5 million.
- Businesses with more than 50 full-time employees.
- Businesses that were not negatively impacted by the COVID-19 pandemic - specifically, businesses that did not experience at least a 10% decline in gross or net receipts/sales.
- Businesses that will not (or cannot) create or retain a full-time job that will be occupied by a low- or moderate-income person.
- Businesses that will not (or cannot) continue their normal business operations (to the extent allowed by local, state, and federal law) for at least six months after the date of payment of the financial assistance.
- Businesses that are not authorized to transact business in Texas or that are engaged in unlawful or criminal activity.
- Businesses or owners that have an active exclusion record on the System for Award Management (SAM).
- Businesses that are unwilling to sign the program agreement.
- Businesses that are organized as a non-profit.
- Any other businesses that do not meet the eligibility criteria.

Does the program offer assistance for businesses that are organized as a non-profit corporation?

No.

Does the program offer assistance for franchises?

Yes.

I incorporated my business before March 1, 2020, but the COVID-19 pandemic prevented me from starting operations. Is my business eligible?

We will evaluate such businesses on a case-by-case basis with the understanding that different industries were impacted by the COVID-19 pandemic at different times and in different ways. Our underwriters must be able to determine that your business was a functioning, viable business prior to the start of the pandemic, and that your business experienced a negative financial impact due to the COVID-19 pandemic.

[Available Assistance](#)

What type of financial assistance is available?

The following expenses will be used to determine the amount of your grant:

- Rent or mortgage interest (real and/or business-related property)
- Utilities (e.g. electricity, gas, water, sewer, trash removal, internet)
- Inventory costs
- Payroll

What is the maximum grant amount?

The maximum grant amount is \$25,000 or 6 months of all eligible expenses in 2020. All grant applications will be subject to underwriting, which will include a review of the business's historical financial statements and other documentation related to the revenue losses and/or increased expenses that the business experienced due to the COVID-19 pandemic. In order to prevent a duplication of benefits, underwriters will also review the scope and amount of any prior financial assistance received by the business owner. No more than one grant will be awarded per business.

What are the eligible uses of the funds?

Awarded grant funds may be used for payroll, rent, and/or working capital.

[Application Process](#)

Where do I apply?

You can access the application online at:

https://ndc.smapply.io/prog/city_of_allen_emergency_rental_assistance_program_erap_and_small_business_grant_program_sbgp/

When does the program end?

The program runs through October 31, 2021 or until funding runs out, whichever occurs first.

Is the program first-come, first-served?

We are accepting applications on a rolling basis until all funds are awarded.

What are the steps in the application process?

The online application requires you to perform the following tasks:

1. Provide basic demographic data about your household. (This is required by the federal government).
2. Answer screening questions to determine your eligibility for the program.
3. Provide basic information about your business, including your business structure, your ability to transact business in Texas, and other items.
4. Disclose any other financial assistance that you have received for your business related to negative impacts from the COVID-19 pandemic.
5. Upload required documents, including your 2020 tax return, 2020 month-by-month profit and loss statement, and owner identification documents.
6. Answer questions related to the program's job creation/retention requirements.

I don't have a document that is requested, and the application won't let me submit my application. I can explain, but how can I do this?

Instead of uploading the required document, type or handwrite an explanation on a piece of paper and upload the paper. We may reach out to you to request that you provide alternative documentation or information.

Am I guaranteed funding if I submit an application?

No. Applications will be reviewed to ensure they meet the program requirements and funding must be available.

[Required Documentation](#)**What documentation and/or information do I need to provide in my application?***Personal Information*

Copy of valid driver's license or other valid government-issued identification for all owners with 20% or more ownership of the business.

Business Information

1. Signed W-9
2. 2020 business tax return (if already filed)
3. 2020 annual profit & loss statement (January – December 2020)
4. 2020 IRS Form 940 (if applicable and deemed necessary to confirm eligibility or expenses)
5. Valid taxable entity status from the Texas Comptroller OR current sales and use certificate OR other acceptable proof of eligibility to transact business in Texas
6. Filed Doing Business As (DBA) OR assumed name certificate (if operating under a DBA or assumed name)

Supporting Documents for Eligible Expenses

1. Required for all applicants:
 - a. Business's real estate lease agreement or business's mortgage statement (recent month)
2. Required if expense is claimed:

- a. 2020 IRS Form 940
- b. Inventory report
3. Optional, based on Underwriter's discretion:
 - a. Business-related property lease agreement or business-related property mortgage statement (if expense is claimed and if underwriter determines that the P&L and/or tax return are insufficient)
 - b. Utility bills (if expense is claimed and if underwriter determines that the P&L and/or tax return are insufficient)

Supporting Information for CDBG Requirements (Answers provided with the application)

Microenterprises

1. Certification of business size (for microenterprise status)
2. Certification of business owner's household income
3. Certification of full-time job creation or retention (may be business owner's job)
4. 6-month follow-up certification of full-time job creation or retention and continued operation of business

Non-Microenterprises

1. Certification of full-time job creation or retention
2. Certification that job created or retained will be held by a low- or moderate-income person (HUD waiver will be used; owner will document that job pays less than 80% AMI for a 1-person household)
3. 6-month follow-up certification of full-time job creation or retention and continued operation of business

Why is the Underwriter requesting that I submit additional information?

We must evaluate: (1) your eligibility for the program, (2) calculate the decline in your gross receipts/sales due to the COVID-19 pandemic, (3) calculate your eligible expenses in 2020, and (3) determine the maximum grant for which you are eligible. Sometimes, we need to ask for additional information or documentation so that we can better understand your business's needs.

[Payment Process and Post-Grant Compliance](#)

Will payment be sent directly to me?

Yes, grant funds will be paid directly to you.

I was notified that my application was approved for a grant award. When will I receive the funding?

You should expect to receive payment within 2 weeks after you sign the program agreement.

Will I be required to provide any additional information after I receive the grant funds?

Yes. The SurveyApply platform will generate an automated email to you six months after your award is approved. You will be required to provide information on your business's continued operation and your success in creating or retaining the required LMI job.

Customer Service and Program Administration

Is there an appeals process for disputed or denied applications?

To dispute a denied application, please contact ERAPappeal@ndconline.org.

Who is administering this program?

Members of the National Development Council's Residential & Small Business Team will be assigned to review and process applications. Community Development Properties North Texas, Inc., a related non-profit, was selected by the City of Allen to serve as the third-party administrator for this program.

Who do I contact if I need more assistance?

Contact ERAPquestions@ndconline.org or call the North Texas Rental Assistance and Small Business Helpline at (833) 696-0804. All emails and voicemails will be returned within one business day.