



Pflugerville
Cares
Small Business Grant

Phase 2 Program Guidelines



bcl



Overview

In response to economic recovery the City of Pflugerville launched the Pflugerville Cares Small Business Grant Program (Pflugerville Cares) in 2020 to provide \$1,112,459 in grants to eligible businesses that have been financially impacted by the coronavirus pandemic.

From August 13, 2020, through August 31, 2020, Pflugerville Cares Small Business Grant Program received one hundred and seven (107) program inquiries.

- 37 individual businesses were determined eligible from their application process
- 24 individual businesses were determined ineligible per the program guidelines from their application
- 46 individuals created an account to start an application but did not apply

There were thirty one (31) approved individual businesses were awarded grants.

- 19 awardees were eligible for Tier 1 \$20,000 grants totaling \$362,459
 - Tier 1 was defined as businesses with 2-14 Full Time Equivalent (FTE) Employees
- 6 awardees qualified for Tier 2 \$50,000 grants totaling \$300,000
 - Tier 2 was defined as businesses with 15-40 Full Time Equivalent (FTE) employees
- 5 awardees qualified for Tier 3 \$75,000 grants totaling \$450,000
 - Tier 3 was defined as businesses with > 41 Full Time Equivalent (FTE) employees

The Pflugerville Cares Small Business Program was created to promote business continuity in the City of Pflugerville, Travis County and aid in economic recovery for small businesses. One year post grant funding, the program collected information on each one of the businesses awarded.

Information included:

- Industry- awardees varied over 15 different industry types, 23% of which were food and beverage.
- Business Continuity- all businesses funded remained open for business, with three business reported their Pflugerville location had to close or move, but the business was still operating.
- Employee Retention- 659 employees were retained by the awardees, with 71 new job created.
- Local Workforce Engagement- 40% of the awardees workforce are City of Pflugerville residents
- Living Wage- 79% of the awardees have employees who are paid a living wage (defined as \$15.42 per hour).
- Business Adaptation- 32% of awardees made changes to their business in response to COVID-19.
- In total 29 business leveraged **\$12,022,963** in federal economic recovery funds.

Round 2 Guidelines

The City of Pflugerville will allocate \$920,000* in federal American Rescue Plan Act (ARPA) Local Government Relief Funds to the Pflugerville Cares Small Business Grant Program to provide rapid financial assistance to small businesses located in the City of Pflugerville that have been adversely affected by the COVID-19 pandemic and require financial assistance to meet all of their business needs.

Local Pflugerville small businesses may be eligible to obtain grant funds up to \$75,000 of emergency relief to be used for business continuity:

- Immediate emergency relief to business interruptions due to COVID-19 pandemic
- Business Continuity

The program anticipates a launch, pending city council approval, in May 2022. The application portal will open for a minimum of thirty calendar days.

The program will be a first come first serve basis until funds are no longer available.

The program is available to eligible businesses located within the City of Pflugerville's full purpose jurisdictional boundaries.

- The location of the business will be validated and prohibit the distribution of funds for multiple locations for the same business.

The following grant amounts will be:

- Tier 1- Applicants with Sole Proprietor - 14 Full Time Equivalent (FTE) employees may qualify up to \$25,000
- Tier 2- Applicants with 15-40 Full Time Equivalent (FTE) employees may qualify up to \$50,000
- Tier 3- Applicants with > 41 Full Time Equivalent (FTE) employees may qualify up to \$75,000

Funds are provided as a reimbursement grant for eligible uses caused by COVID-19 business interruption from March 3, 2021, to December 31, 2024.

- Grant paid as reimbursements after review of invoices and receipts.
- Reimbursement for costs must be submitted by August 15, 2022.

Grant funding must be used for business payroll, rent, mortgage, utility, or COVID mitigation.

- Payments to owner are eligible if periodic draws were in place prior to March 3, 2021.
- Program period/expenditure timeframe is March 3, 2021 – date of application
- During the program period, proof of payment must be submitted to document eligible use of grant funds
- A business cannot receive a grant larger than their total revenue loss

** Additional funds may be allocated based on program demand and business determined eligible for funding*

Eligibility

Eligible Businesses

- For-Profit Business operating since March 1, 2019, and is still in business at the time of application submittal, and intends to remain open indefinitely
- Business located within both the City of Pflugerville city limits.
- Must have a Social Security Number (SSN), Employer Identification Number (EIN) or Individual Taxpayer Identification Number (ITIN).
- Must demonstrate a loss of at least 25% of gross income for the period beginning March 3, 2021 through December 31, 2024 due to negative impact related to the COVID-19 pandemic.
- Must have filed business tax returns for tax years, 2019, 2020, and 2021. If taxes have not been filed for 2021, a copy of a filed extension must be provided along with interim financial statement (profit and loss, balance sheet).
- Applicant Business must be current with property taxes and City fees, if not they must have a payment plan in place with County and/or City as of March 3, 2022.

All eligibility requirements will be verified through application documents. Ineligible applicants will be provided with an opportunity to submit an appeal three calendar days from their notification of ineligibility.

Ineligible Businesses

- Businesses operating location is outside of the City of Pflugerville incorporated limits
- Non-profit organizations
- Businesses that have filed for bankruptcy as of January 2020 or have currently in bankruptcy
- Pyramid concerns
- Gambling concerns, including casinos, racing operations or other activities whose purpose involves gambling
- Pawn shops
- Real estate developers
- Real estate businesses (single family, multi-family, commercial, short term rental)
- Investors
- Government entities/departments
- Hobby businesses
- Sexually oriented businesses (live performances, product sales, items, or materials)
- Business started on or after March 2, 2019
- Concerns engaged in illegal activities
- Political and lobbying concerns
- Religious organizations
- Business suspended or debarred from doing work with the federal government
- Predatory lending businesses (businesses that provide loans for more than legal maximum or more than 10% per annum including all interest, fees and charges)
- Business that are unable to show proof of consistent operations via business tax returns

Use of Funds

Grant funds can be used to support the cost of business interruption due to COVID-19 because of required closures, voluntary closures to promote physical distancing, or decreased customer demand due to COVID-19, including:

- Machinery and equipment
- Payroll expenses
- Vendor and Supplier payments
- Rent, lease, or mortgage payment for real property used for business purposes
- Utility (gas & electric only) payments for business properties
- Personal Protective Equipment (PPE) and/or sanitation supplies and equipment
- Improvements to business location to accommodate COVID-19 sanitation requirement, distancing, drive up windows, temporary closure materials, and employee testing
- Business Equipment – Rent, lease, or purchase payment for business equipment such as delivery vehicles, food truck, kitchen equipment, technology, communications systems, Point of Sale equipment
- New or expanded technology applications, software, and Wi-Fi services
- Marketing and advertising expenses due to COVID-19
- Reestablishment of brick-and-mortar presence in the City of Pflugerville

Ineligible Uses

- Lobbying for any purpose
- Repayment of loans or debt unrelated to needs created by COVID-19 disaster and Eligible Uses of Grant Proceeds
- Certain taxes and fees (such as property taxes, payroll taxes, licensing fees, etc.)
- Any other costs that are determined ineligible through continued release of federal guidance.

Required Documentation

The following checklist provides the documentation you will need to complete the Pflugerville Cares Small Business Program application.

- Copy of Driver's License, Passport, or Military ID for all owners
- Proof of Business Incorporation/Formation from the Secretary of State for LLC's and Corporations, Assumed Name or Doing Business As (DBA) Certification for Sole Proprietors and General Partnerships
- Estimated Disaster Economic Injury Worksheet (available as template on Documents Tab in ZoomGrants)
- Three Years Business Tax Return (all pages, no redactions).
 - 2019 Business Tax Returns (all pages, no redactions)
 - 2020 Business Tax Returns (all pages, no redactions)
 - 2021 Business Tax Returns (all pages, no redactions) If 2019 Business Tax Return is not available business must provide:
 - Proof of 2021 Tax Return extension
 - 2021 Profit and Loss Statement
- Business Bank Statements for March 1, 2021 – March 30, 2022 (all pages, no redactions)
- IRS W-9 form (available as a template on Documents Tab in ZoomGrants)
- Signed Pflugerville Cares Small Business Grant Program General Disclosure (available as template on Documents Tab in ZoomGrants)

For Business with more than 14 Full Time Equivalent (FTE) employees:

- Payroll processing report as of last payroll period ending April 30, 2022
- IRS 941 for Quarter 2, ending March 30, 2022

Applications will be reviewed for completeness, accuracy, verification of information. Businesses will need to:

- Complete a grant application (made available through ZoomGrants, an online portal by BCL of Texas)
- Upload required application documents within ZoomGrants)
- Self-certify the accuracy of information by signing application disclosures
- Be responsive to emails and phone calls for request of additional information.

General Disclosures

Source of Funds

The Pflugerville Small Business Grant Program is funded through American Rescue Plan Act funds provided by the United States Department of Treasury to the City of Pflugerville. As such, these funds have Federal requirements, as described in this presentation.

Duplication of Benefits

Businesses may not receive federally subsidized disaster assistance that duplicates any part of their disaster loss covered by insurance or another source, such as the Small Business Administration (SBA) or the Federal Emergency Management Agency (FEMA). Applicants for City of Pflugerville grant funds under the Pflugerville CARES Small Business Grant Program must disclose any funds applied for or received from these sources or other federal assistance programs. It is in the City's sole discretion to determine if funds received from any of these sources constitute a duplication of benefits. Grants under this Program will be provided in an amount not to exceed the level of need. If a duplication of benefits determination is made after City of Pflugerville funds have been disbursed, the amount of funds that were determined to be duplicative must be repaid to the City.

Duplication of Applicants

Grant applicants are only eligible to receive one grant award. For businesses with multiple locations, only employment and revenue figures for the City of Pflugerville location can be used to qualify for a grant under the Program, and all grant funds received must be used only to support Pflugerville business operations. Multiple locations within Pflugerville operating under a single business entity will be considered one business for purposes of the Program.

Repayment of Grant

Repayment of federal funds may be required if the grant agreement is violated by the recipient or the City of Pflugerville determines duplication of benefits has occurred.

One Year Performance Reporting

Grantees are expected to make best efforts to keep business operating in Pflugerville for one year from execution of grant agreement. Participation in a one-year follow-up survey will be required of all grantees.

Administration

The Pflugerville Cares Small Business Grant Program will be administered by Business and Community Lenders (BCL) of Texas.

- BCL will conduct outreach and marketing to ensure small, vulnerable, and disadvantaged businesses have access to the grant application platform.
- BCL will maintain a dedicated phone number, email, and website presence for the program during the contract period
- BCL will provide technical assistance to business owners (including translation/interpretation services) during the application preparation and online submission.
- BCL will be responsible for collection of applicant documents, ensure applicant eligibility, secure verification/records to demonstrate need and prepare invoices for funding.



The BCL of Texas team includes:

Raquel Valdez Sanchez, COO

- Contract Management
- Invoicing
- Reporting

Yeraldin Yordi, Senior Project Specialist

- Project management
- Applicant Support
- Technical Assistance

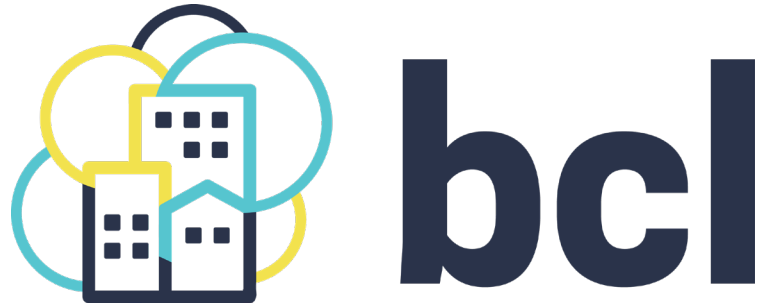
Ashley Ramirez, Project Specialist

- Applicant Support
- Technical Assistance

Natasha Taylor, Entrepreneurship Specialist

- Community Outreach and Engagement
- Small Business Coaching
- Technical Assistance

Contact



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