



La Porte Cares Small Business Relief Fund

The City of La Porte is allocating \$300,000 from the Harris County Coronavirus Relief Fund (CRF) Small Cities Assistance Program (SCAP) to provide financial assistance for local businesses located in the City of La Porte that have been adversely affected by the COVID-19 pandemic. Local La Porte small businesses may be eligible to obtain grant funds up to \$10,000 of emergency relief to be used for business continuity. Grants will be awarded on a first come, first serve basis.

Eligibility:

- Businesses with 50 employees or less at the time of the City of La Porte's COVID-19 local disaster declaration on March 13, 2020.
- Must be located within La Porte city limits and operate out of a physical location in La Porte.
 - Physical location includes “brick and mortar” structure, single-family homes, and other types of physical locations in La Porte. Locations will be verified with the review of Certificate of Occupancy as granted by the City of La Porte Building Inspection.
- Business must have been in operation since March 13, 2019.
- Registered to do business in the State of Texas.
- Demonstrate a 25% or more loss of revenue due to the COVID-19 pandemic.
- Annual gross revenue must be under \$5 million.
- Owner/Applicant is not currently in bankruptcy and has not filed bankruptcy in the last 12 months.
- Owner/Applicant is current with City property taxes and City fees, or has a payment plan in place with the City as of April 30, 2020.

Types of businesses that can apply:

- Sole proprietorships
- Partnerships
- Self-employed individuals
- Independent contractors
- Local Franchisees
- Locally held or operated corporations

Types of businesses that are ineligible to apply:

- Business with an operating location outside of the City of La Porte’s incorporated limits
- Business with more than 50 employees at the time of application
- Non-profit/Not-for-profit organizations
- Businesses that have filed for bankruptcy as of January 2020 or are currently in bankruptcy
- National franchises, excluding independently owned franchises
- Pyramid concerns
- Gambling establishments
- 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)
- Political and lobbying concerns
- Religious organizations
- Business suspended or debarred from doing work with the federal government
- Predatory lending businesses
- Pawn shops
- Package liquor establishments
- Tattoo parlors
- Smoke/Vape shops

Additionally, businesses engaged in illegal activities, those not in good standing with local, state, or federal tax authorities, and those with owner(s) or partner(s) currently undergoing bankruptcy proceedings are ineligible to apply.

Money can be used to assist with:

- Payroll costs for permanent employees and/or contract labor
- Payments to suppliers
- Rent, lease, or mortgage expenses for real property used exclusively for business purposes (excludes personal residences)
- Rent, lease, or purchase payments for business equipment (excluding any personal property not used exclusively for business purposes)
- Technology applications and Wi-Fi services
- Utilities for locations used exclusively for business purposes
- Cost of critical business operations (raw materials, marketing, etc.)
- PPE and sanitization supplies and other related COVID-19 expenses
- Interest on business debt obligations (other than personal residences) incurred after March 13, 2020)

Funds can be used for one or all costs examples. Businesses who receive grant funding will be required to document how the funds are used and submit documentation once funds are depleted.

Documents that must be provided with application:

- Business tax return for 2018 or 2019
- *Estimated Disaster Economic Injury Worksheet for Businesses* with the following supporting documentation:
 - Monthly Balance Sheets and Profit/Loss (P&L) Statements from March 2019 through September 30, 2020
 - Invoices and expenses paid from March 13, 2020 through September 30, 2020
 - 2019 Business Bank Account statements to cover the period of March 13, 2019 through December 31, 2019
 - 2020 Business Bank Account statements to cover the period of January 1, 2020 through September 30, 2020
- Articles of incorporation, business license, or DBA certificate
- 2020 Texas Workforce Commission (TWC) Reports
- W-9 form (for processing payment)
- Any other documents requested to determine eligibility

Review/Selection Process:

- The La Porte Development Corporation subcommittee on the “La Porte Cares Small Business Relief Fund” program will review eligible applicants who have submitted all required documentation.
- Priority will be given to applicants that have not yet been approved for funding from other COVID-19 assistance programs.
- If selected as a recipient, grants will be a maximum of \$10,000 based on expenses incurred during the period from March 13, 2020 through the date of application.
- Applications and supporting documentation will be submitted through the City’s website, then provided to the subcommittee for review. Applications will be reviewed in the order of arrival.

Grant Funding:

- Not to exceed \$10,000 per eligible business

Grant Distribution Timeline:

- The application opens on October 23, 2020 and closes on November 4, 2020. All applications must be received by 11:59 p.m. on November 4, 2020.
- Grants will be paid within 30 days of approval of the application.