

## SMALL BUSINESS CONTINUITY FUND OVERVIEW

**The City of Dallas' goal is to reach those most vulnerable residents and small businesses facing even greater challenges due to COVID-19. We know this stimulus will not eliminate every hurdle, but we want to assist with providing relief where we can.**

Businesses must meet eligibility requirements, including being located in the City of Dallas and demonstrate a decrease in revenue of at least 25%.

1. Applications will be accepted between May 4 and May 11, closing at 11:59 p.m.
2. The Small Business Continuity Fund grants and loans will be awarded through a lottery process.
3. All completed, eligible applications submitted between May 4 and May 11 at 11:59 p.m. will be considered.
4. Late applications will not be accepted.
5. All applications must be completed online at [www.dallascityhall.com](http://www.dallascityhall.com).
6. The application is available online in English and Spanish.
7. Use your smartphone, tablet, or desktop to apply.
8. Please attempt to fill out the application online first. If a small business owner still has questions about the application, call 469-749-6500 from Monday-Friday, 9 a.m.-5 p.m. \* or email [SBCF@dallascityhall.com](mailto:SBCF@dallascityhall.com).

*\*Due to high call volume, please be prepared for longer than average hold times or a busy signal.*

### **Q1. Who is eligible?**

1. Must have a physical office or retail location in the City of Dallas.
2. Are either Low- or Moderate-Income (LMI), as defined by HUD, micro-businesses or small businesses with 50 or fewer employees, of which 51% or more are LMI.
3. Not eligible: City of Dallas staff or elected officials, Non-profits (due to Community Development Block Grant [CDBG] requirements), businesses that do not meet the funding qualifications, businesses that have applied for and/or received federal or state COVID-19 related funding, or businesses restricted to patrons above the age of 18.

### **Q2. What's the difference between Loans and Grants?**

1. Applicants can apply for either a grant or a loan, but not both.
2. The maximum grant allowable equals the lessor of (i) \$10,000 or (ii) the company's average

monthly payroll total for the previous three months, multiplied by two, and the maximum loan allowable is up to \$50,000 (calculated based on an applicant's average monthly payroll, total rent or mortgage interest, utility costs and any inventory costs for the previous three months, and multiplied by two). The loan term is up to 5 years and 6 months deferred payment; interest is 0% to 1%.

**Q3. How does the lottery selection work?**

1. All completed, eligible applications submitted between May 4 and May 11 at 11:59 p.m. will be considered.
2. There will be a separate lottery for the loan and grant programs.
3. For the grant program, there will be two lotteries: one for businesses in distressed areas (Census tracts with poverty rates of 30 percent or greater or median family income at or below 60 percent of area median income) and one city-wide.

**Q4. Why a lottery?**

A lottery was selected due to anticipated demand (other cities have had more than 9,000 initial applications) and allow outcomes that were more equitable than first come, first serve.

**Q5. How is the funding disbursed?**

Those businesses selected through the lottery will be contacted by the program administrator to verify financial information, conduct underwriting and, if everything is submitted and approved, provide funding.

**Q6. Where did the money come from?**

1. Funds for the COVID-19 Small Business Continuity Fund are Community Development Block Grant funds provided by the Federal Government through the CARES Act to support COVID-19 relief.
2. While current funds are limited for this process, the City of Dallas urges HUD to quickly release the other two allocations of funding so that the City may use any additional funding we receive to provide more small business assistance.