

**GENERAL FRAMEWORK**  
**Dallas County Emergency Business Assistance Program**

**PURPOSE:** The program is designed to rapidly provide financial assistance to “traditional” small businesses (i.e., those with no more than 100 employees) that have been adversely affected by the current pandemic. Its purpose is “stop the bleeding” for these firms; it is not to necessarily restore them to their pre-pandemic status.

**EMPHASIS/TARGET POPULATION:** Small businesses with no more than 100 employees.

**JUSTIFICATION:** The financial situation of America’s small businesses is currently extremely precarious. Most only had enough pre-pandemic capacity to endure about one-month of closure. It has been estimated that only about one-half of America’s small businesses were able to apply for federal assistance before that first round of funding was committed, and that 80% of them still do not know if their application was approved. With 53% of the nation’s jobs coming from businesses with less than 100 employees and with many of these jobs being disproportionately held by low/moderate income people with already limited resources, much of the local economy is at great risk.

**TOTAL ALLOCATION:** \$35 million

**ASSISTANCE TO BE PROVIDED:** A maximum amount of \$50,000 in a forgivable loan will be provided under this program. The amount provided to a firm will either be equivalent to: (1) three months of lease payments, utilities, the renting of existing equipment, and the payment of existing business-related loans for equipment, vehicles, and/or real estate + \$3,000 of restart-up capital, or (2) the firm’s January 1-February 29, 2020 payroll + \$3,000 of restart-up capital, whichever is greater, but in no case shall the assistance exceed \$50,000.

Assistance will be provided with the expectation that the firm will continue to be in operation for at least another four months while carrying at least 60% of the March 1, 2020 full-time employee count and payroll. Each month that firm continues to do so, ¼ of the amount provided by the County to the firm will be forgiven. The forgivable loan will be secured by the personal guarantee of the business owner via a promissory note.

**INITIAL EXPECTATIONS:** It is anticipated that once the program becomes operational, its initial allocation will be committed within 120 days.

**APPLICATION/ALLOCATION PROCESS:** Applications will only be taken on-line and by phone. Fully-completed applications will be processed on a lottery basis. 40% of the initial allocation will preliminarily

be reserved for eligible businesses with less than 50 employees. The other 40% will be preliminarily reserved for eligible businesses with 50-100 employees. 20% of the initial allocation will preliminarily reserved for eligible businesses in priority and strategic areas outside of the City of Dallas as shown below. These initial allocations may be revised based on actual demand. Businesses who applied for the first round of funding will automatically be eligible for subsequent rounds of funding.

**PROGRAM ADMINISTRATION:** Program will be administered by a qualified third-party entity on a contract basis. Such an approach will allow the program to begin much earlier than if the County had to hire staff in order to internally operate the program and will allow the program to utilize an entity that already has extensive experience in this field. Also, since it is anticipated that the program's initial allocation will be committed within 120 days, there will be no need to have long-term program staffing.

**ELIGIBILITY AREA:** For eligible businesses located within Dallas County, but not within the City of Dallas as that city also has a similar program.

**ELIGIBILITY CRITERIA:**

- Be officially registered with the State, physically located, and operating within Dallas County (excluding the City of Dallas);
- Been in existence February 1, 2019;
- Be current in the payment of all Dallas County and local taxes;
- Have had no more than 100 employees as of March 1, 2020;
- Have annual gross income of less than \$10 million in 2019; and
- Have experienced a loss of at least 25% in income since March 1, 2020 because of the pandemic.
- Have not received more than \$50,000 of federal assistance. Any amount of federal assistance received will be deducted from award.

Meeting this criteria does not obligate the County to provide assistance to any firm. Also, employees of Dallas County are not eligible for assistance nor are franchises, non-profits, entities whose primary revenue is derived from rental/income-producing properties, persons/entities who are a party to a lawsuit against the County or who have been a party to a contract with the County that has been terminated in the past thirteen months because of insufficient performance. Owners of multiple businesses will only be eligible for one award.

**METRICS:** The selected qualified third-party entity will provide assistance to eligible recipients within two weeks of a completed application.

**REPORTING:** The selected qualified third-party entity will provide biweekly reports to Dallas County including total applications, total awards, recipients business name, and fund balance remaining.

**SPECIAL PROVISIONS:** Because of the program’s mission to rapidly provide assistance, the program will have the following special provisions:

- The County Administrator will have the authority to revise any of the program’s policies, allocations, rules, and terms provided he informs the Commissioners Court within twenty-four hours of the proposed change. He does not, however, have the authority to unilaterally provide additional funding to the program. Should the County Administrator revise a component of this program and sufficiently informs the Court, the Court still retains the right to formally rescind, reverse, alter, or adopt the revision.
- Under most County contracts, payments/assistance is provided on a reimbursable or after-the-fact basis. Should the chosen administrative entity not have the financial capacity to “front” the assistance that will be provided under this program, the County will need to advance funding to the administrative entity.