

CHAMBERS COUNTY, TEXAS  
SMALL BUSINESS & NON-PROFIT GRANT  
PROGRAM

AMERICAN RESCUE PLAN ACT OF 2021

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## OVERVIEW

The Chambers County Commissioners Court has approved a small business grant program to assist businesses impacted by Covid-19 in Chambers County and help business grow. These program guidelines detail the requirements for participation in the Chambers County Small Business and Nonprofit Grant Programs.

## ELIGIBLE EXPENSES

- Personal protection equipment (PPE) (i.e., face masks, hand sanitizers temperature meters, cleaners and cleaning supplies)
- Employee payroll and/or owner distribution or draw
- Direct advertising expenses (i.e., posting of flyers, local market advertising, paid social media)
- Commercial lease(s) or mortgage(s)
- Workforce development/training

## AWARD AMOUNTS

Chambers County will provide grants to eligible applicants at three levels: \$5,000.00, \$15,000.00, and \$25,000.00

<b>Funding Level</b>	<b>Annual Revenue</b>	<b>Eligible Grant Amount</b>
Level 1	\$25,000.00 - \$100,000.00	\$5,000.00
Level 2	\$100,000.01 - \$2,000,000.00	\$15,000.00
Level 3	\$2,000,000.01 - \$5,000,000.00	\$25,000.00

## PROGRAM ELIGIBILITY

- Must have been fully operational as a small business prior to December 31, 2019 (Businesses that can demonstrate start-up investments and launch activities prior to March 1, 2020 will also be considered for the Level 1 Award.)
- Must show a revenue decline of 15% or more for the year (2019-2020)
- Must have filed or completed tax returns for two (2) consecutive years (i.e., 2019 and 2020; or 2018 and 2019) in the business name.
- Must have exhausted all funds from previous grants awarded by Chambers County and submitted receipts for expenditures.
- Eligibility is based on total annual revenue in 2020
  - Annual Revenue of \$25,000-\$100,000= \$5,000 Grant
  - Annual Revenue of \$100,001-\$2,000,000= \$15,000 Grant
  - Annual Revenue of \$2,000,000-\$5,000,000= \$25,000 Grant

If your business did not open by March 1, 2020, but you can demonstrate you were “preparing to open” by providing copies of signed leases, payments to contractors or employees, acquisition of funding, capital commitments, or other documentation, you are eligible for a \$5,000 grant.

## INELIGIBLE ENTITIES

- Sexually/Adult-Oriented Businesses
- Lobbying organizations and political organizations subject to Internal Revenue Code 527
- Gambling Concerns, including casinos, racing operations or other activities whose purpose involves gambling
- Concerns engaged in illegal activities under federal, state or local laws
- A business that is otherwise prohibited by federal or Texas law
- A business that is ineligible or precluded to receive federal or State of Texas funding due to federal laws (including but not limited to the CARES Act) or Texas laws
- Multi-level marketing concerns
- Governmental/taxing agencies/departments

## REQUIRED DOCUMENTATION

### Sole Proprietorships

- Government Identification (Driver's License, Passport, etc.). Must be a clear full copy and must be current (not expired).
- Brief statement on how funds granted will be used to assist your business from COVID-19.
- Applicant must provide supporting documentation for requested assistance. I.e., if intention is to pay lease (must provide lease agreement); if using for payroll (must provide payroll detail)
- 2019 Schedule C with business name listed or DBA (doing business as) document.
- 2019 IRS Transcript link: [Get Transcript | Internal Revenue Service \(irs.gov\)](#) (requested if we cannot confirm sufficient detail or submission of tax return to IRS.)
- 2019 Full Tax Return (please include form 8879 e-form (if filed electronically) and Schedule C)
- Form 8879 must be dated when the taxes were filed, i.e., an applicant should retrieve this from their preparer or CPA. If the tax return has not been filed, an audited P&L for tax year 2019 is acceptable.
- Audited Profit and Loss statement for 2019 tax year. (Requested if applicant has not filed taxes for business at time of eligibility.)
- Affidavit to submit tax documents once filed with IRS. (Requested when applicant has mailed tax return and is awaiting confirmation of IRS receipt.)
- Current commercial leases only. Please DO NOT submit residential leases. If the applicant does not have a commercial lease, please provide a statement indicating this.
- Number of Employees prior to March 1st, 2020 and Number of current employees (as of March 1st, 2021) and payroll or owner draws (Provide the 2 most recent payroll statements), or if the applicant does not have payroll, please provide a statement indicating this.

- Gross Revenue Comparison for the months of March – April, comparing 2019 and 2020. If an applicant began their business after March 2019, please provide monthly gross revenues from the business start date.

### Corporations, Partnerships, LLC

- Government Identification (Driver's License, Passport, etc.)
- Certificate of Formation
- Brief statement on how funds granted will be used to assist your business from COVID-19 · Franchise Tax Account Status - link: Taxable Entity Search (state.tx.us)
- 2019 IRS Transcript - link: Get Transcript | Internal Revenue Service (irs.gov) (requested if we cannot confirm sufficient detail or submission of tax return to IRS.)
- 2019 Business Tax Return (Form 1120, 1065, 1120-S, and/or any supplemental documentation that provides gross sales for the business, i.e., schedule E or K)
- Form 8879 if taxes were filed electronically.
- Audited Profit and Loss statement for 2019 tax year. (Requested if applicant has not filed taxes for business at time of eligibility.)
- Affidavit to submit tax documents once filed with IRS. (Requested when applicant has mailed tax return and is awaiting confirmation of IRS receipt.)
- Commercial Lease (if not operating from home)
- Number of Employees prior to March 1st, 2020 and Number of current employees (as of March 1st, 2021)
- Payroll Or Owner Draws (Provide the 2 most recent payroll statements)
- Gross Revenue Comparison for the months of March – April, comparing 2019 and 2020.
- FICA report completed and approved

### Other Additional Items that May be Requested

- Commercial lease agreement (requested if we cannot confirm location of operations)
- Profit and Loss 2018, 2019, 2020 (requested to verify the financial history of business to determine eligibility)
- IRS tax transcript for 2019 tax return
- IRS E-file signature form (Form 8879)

### IMPORTANT DATES

- Applications Open: June 1, 2023
- Applications Close: August 31, 2023 or until funds are exhausted or fully committed

### APPLICATION SUBMISSION AND TECHNICAL ASSISTANCE

Please submit all applications to Robbie King, Deputy Economic Development Director of Chambers County, at [rdking@chamberstx.gov](mailto:rdking@chamberstx.gov). All questions about the application and program requirements should be addressed to [rdking@chamberstx.gov](mailto:rdking@chamberstx.gov) or 409-267-2696.

Applications open on June 1, 2023 and will close August 31, 2023 or once all grant funds allocated for this program are exhausted or fully committed. Your application cannot be submitted and will not be reviewed until all required paperwork is complete.

All funds must be expended within three (3) months of disbursement from Chambers County.

Chambers County reserves the right to approve or reject any applications submitted for funding in this request. Section 3 Residents and Business concerns, Small Business Enterprises and Women Business Enterprises are encouraged to apply.

## REQUIRED DOCUMENTATION FOR EXPENDITURES

- Commercial building lease or mortgage that is active and fully executed
- Payroll from a payroll service or accounting system
- Business owner distribution, equity/personal draws from business account to personal account and documented on the transaction as such
- Checks that are clearly listed as “payroll” on the front of the check and deposit/cancelled check
- Receipts that are clear and itemized and have the payment information displayed.
- Copies/photos of all advertisement and itemized paid receipts to vendor(s).

## AUDIT PROCESS

Chambers County will be auditing grant awards to ensure compliance with programmatic requirements.

1. Applicant will have ten (10) business days to gather receipts of expenditures for submission to [rdking@chamberstx.gov](mailto:rdking@chamberstx.gov) upon receiving email notification of pending audit
2. Once all paperwork is gathered, applicant will need to fill out the Summary of Expenditure Form with total amounts for each category of expenditure from awarded grant.
3. Supporting documentation should correlate with the Summary of Expenditure form. Highlight eligible expense on itemized receipts and label receipts title of category.
4. If an expenditure is deemed ineligible, applicant will be notified of remaining balance and allowed one (1) month to turn in eligible receipts.
5. Receipts and documentation for all eligible expenditures must be submitted for audit purposes within three (3) months of disbursement of funds.

**ANY BUSINESS THAT DOES NOT COMPLETE THE AUDIT OR PROVIDE PROPER OR ACCURATE DOCUMENTATION WILL BE SUBJECT TO RECAPTURE OF GRANT AWARD.**

## OTHER CONSIDERATIONS/GUIDELINES

- Only one business allowed per owner, unless there is a separate physical location and a separate EIN.
- The expectation is that the business would remain operation in Chambers County through December 31, 2024 and significantly beyond.