



**Coronavirus Relief Funds
City of Harker Heights
Small Business Grant Phase 2 Criteria**

The City of Harker Heights is offering Coronavirus Small Business Relief Grants. The application period opens November 13, 2020 and will close on November 25, 2020. The maximum amount per business is \$5,000 with a total funding amount of \$250,000.00.

Eligibility Criteria for Phase 2

- Must be a locally owned, independent business.
- Must have 50 or fewer FTE (Full time equivalent) for payroll prior to March 1, 2020.
- Must have a current or anticipated revenue decline beginning after March 1, 2020, resulting from COVID-19 impacts.
- Must have a physical and publicly accessible location within Harker Heights in a commercial building or business district. Mobile vendors must reside in the City of Harker Heights.
- Must have been in continuous operation prior to a disaster declaration ordering the closure of your business.
- Cannot be a home-based business.
- Must currently be in operation or plan to reopen when eligible.
- Non-Profits that are 501 C-3 are only eligible to use the funds for PPE (Personal Protective Equipment) and sanitation supplies.
- Must have been considered a "non-essential business" during disaster declarations
 - Examples include: Massage Establishments, Hair Salons, Tattoo/Piercing Parlors, Nail Salons, Bars, Restaurants, Breweries, Wineries, Small Retail Businesses, Gyms and Fitness Facilities, Indoor Amusement Facilities including Bowling Alleys, Pool Halls, and Movie Theaters; and Gig workers that own or lease as office space not located within a residence.

Ineligible Businesses

- Franchisors,
- Real Estate Developers/Investors,
- Governmental/taxing agencies/departments,
- Hobby Businesses as defined by federal law,

- Multi-level marketing concerns,
- Gambling Concerns, including casinos, racing operations or other activities whose purpose involves gambling,
- Lobbying organizations and political organizations subject to Internal Revenue Code 527,
- Sexually Oriented Businesses (live performances, product sales, items, or materials),
- Businesses primarily engaged in lending, investments, or to an otherwise eligible business engaged in financing or factoring,
- Pawn Shops,
- An individual who employs household employees such as nannies or housekeepers,
- A business where a 20% or more equity owner is incarcerated, on probation, on parole; presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; or has been convicted of a felony within the last five years,
- 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 received federal or State of Texas funding due to federal laws (including but not limited to the CARES Act) or Texas laws,

Eligible Use of Grant Funds

- Payroll costs for employees
- Contract Labor
- Supplier payments
- Rent, lease, or mortgage payment (for real property used for business purposes, like storefront or warehouse, excluding personal residence)
- Rent, lease, or purchase payment for business property (e.g. delivery vehicle; food truck; kitchen equipment; technology, payment, and communications systems and equipment)
- New or expanded technology applications and Wi-Fi services
- Utility payments for business properties, excluding personal residence
- Reasonable costs for business operations (insurance, raw materials, marketing expenses)
- PPE and sanitation supplies and equipment (Non-Profits can only utilize grant funds for this item)