

Exhibit A
Program Statement
City of Dallas
Small Business Center
American Rescue Plan Act (ARPA) Small Business Assistance - Microgrants Program

Program Purpose: To provide financial support, in the form of a microgrant of \$5,000 or less, for small businesses that experienced negative economic impacts or disproportionate impacts from the COVID-19 pandemic. Microgrant funds may be used for operational expenses, including, but not limited to: supporting payroll and benefits, costs to retain employees, technical assistance, mortgage / rent or utility, and other operating costs. For disproportionately impacted small businesses only – in addition to operational costs, microgrant funds may be used for capital expenses, such as commercial property rehabilitation, storefront improvements, or expansion costs. To demonstrate need, each applicant must provide documents demonstrating negative economic impact during March 3, 2021, through September 30, 2024 due to the COVID-19 pandemic.

Grantee Eligibility Requirements:

To be eligible to receive grant funds, an applicant must be:

- a business officially registered with the Texas Secretary of State and operate as a legal for-profit business (Eligible Business);
- have no more than 500 employees, or if applicable, meets the size standard in number of employees established by the Administrator of the U.S. Small Business Administration;
- are a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632) and classified as a small business under the size standards of the U.S. Small Business Administration;
- in existence on or before March 1, 2018;
- a registered vendor/supplier with the city of Dallas. (If you are not registered, you may register to be a New Vendor [on Bonfire](#)); and
- physically located and operating within Dallas city limits (Service Area), or is a disproportionately impacted business in the City of Dallas (City) as defined by the U.S. Department of the Treasury as: small businesses operating in [Qualified Census Tracts](#) as defined by the U.S. Department of Housing and Urban Development (HUD)

Application Requirements:

Each applicant must provide documentation demonstrating negative impacts resulting from COVID-19 between March 3, 2021 through September 30, 2024, which may include:

- decreased revenue or gross receipts during the pandemic due to the pandemic;
- financial insecurity;
- increased costs of new products designed to assist those disparately impacted by the pandemic;
- increased costs;
- capacity to weather financial hardship;
- loss of revenue from loss of, canceled, or terminated sales or contracts;
- challenges covering payroll, rent or mortgage, and other operating costs; and/or
- a temporary shutdown.

Please note, ***it is not necessary*** for an applicant classified as a disproportionately impacted business in the Service Area as defined by the U.S. Department of the Treasury as small businesses operating in [Qualified Census Tracts](#) as defined by the U.S. Department of Housing and Urban Development (HUD) to submit documentation demonstrating negative impacts resulting from COVID-19.

Ineligible Grantees for Small Business Assistance:

- Grants shall not be awarded to a business that have ceased operations or permanently closed excluding short-term or temporary closures resulting from an exposure or need for facility cleaning due to a diagnosis of COVID-19 or due to staffing shortages resulting from COVID-19 diagnosis or exposure
- Grant Funds shall not be awarded to a business that requires a sexually oriented business license under Chapter 41A of the Dallas City Code, or a liquor store, a pawn shop, a body piercing studio, or a tattoo studio as those terms are defined by the Dallas Development Code.
- Grant Funds shall not be awarded to a business that has outstanding city liens or tax liens, that is party to a lawsuit against the City, that is currently in default under any other agreement with the City, or that has, in the previous 5 years, been party to a contract with the City that was terminated due to default. All expenditures for services will be subject to state and local procurement laws.
- Grant funds shall not be awarded to a business that does not meet (or is unable to provide documentation that it meets) all eligibility requirements.

Application Review Process: City staff will review all grant applications for completeness and eligibility. Applicants may be asked to provide additional information or documentation. Complete and eligible applications will then be reviewed by City staff. Each application must be completed online and will be awarded on a first come, first served basis.

Assistance Program: Microgrants of \$5,000 or less will be awarded to eligible small businesses for Eligible Uses to support its ability to continue operations considering revenue loss due to the COVID-19 pandemic.

Eligible Uses of Funds for Small Businesses: An Eligible Small Business that receives Grant Funds (Grantee) must use the Grant Funds for Eligible Uses in accordance with all applicable laws, regulations, and guidelines, including U.S. Department of Treasury laws, regulations, and guidelines and City guidelines related to Coronavirus State and Local Fiscal Recovery Funds. Grant funds may be used for Eligible Uses. All Eligible Small business may use the Grant Funds for operational expenses, including payroll and benefits; costs to retain employees; technical assistance to support business planning; and mortgage, rent, or utilities. For an Eligible Small Business classified as a Disproportionately Impacted Small Business, in addition to operational expense, an Eligible Use includes capital expenses, such as: commercial property rehabilitation, storefront/façade improvements, or expansion costs. A Grantee's use of Grant Funds must be for an enumerated Eligible Use as set forth under "Assistance to Small Businesses" in the Coronavirus State and Local Fiscal Recovery Funds Final Rule 31 CFR Part 35 effective April 1, 2022, which implements the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act. Please note that all use

of Grant Funds must also be for a permitted use as it pertains to the property under the Dallas Development Code.

Ineligible Uses of Funds for Small Business Assistance:

- Costs incurred prior to March 3, 2021
- Loss that bears no relation or is grossly disproportionate to the type or extent of harm experienced due to the pandemic
- Payment of non-business expenses (e.g., personal credit cards, family car, home repairs)
- Direct financing to political activities
- Religious activities, such as worship, religious instruction, or proselytization and/or those that promote or inhibit religious interest
- Economic hardship incurred for reasons **other than** the pandemic
- Costs previously covered by alternate federal, state, or local grant funding
- Payment of fines or federal or state taxes
- Purchase of drugs, tobacco, or alcohol
- Food and entertainment
- Bonuses
- Non-business travel

Grantee Reporting Requirements: Unless there are extenuating circumstances, each Grantee must spend the microgrant within 30 days of receiving it. All Grantees must submit proof that the Grant was used for expenditures incurred between March 3, 2021 through September 30, 2024. Documentation of eligible expenditures must include sufficient information for the City to determine what the expense was for, to whom it was paid, and when it was paid. Supporting documentation may include copies of cancelled checks, bank statements, credit card statements, and/or vendor receipts. Furthermore, the City may require Grantee to submit additional information in their final grant report, including, but not limited to, living wage data, employee demographics, photos of purchases/improvements, and a microgrant success story. A Grantee may be subject to operational review and audit of the Grant use by the City and are required to agree to submit requested documentation to the City as requested by the U.S. Department of Treasury as the federal awarding agency.

Administration of Funds: Grant Funds will be administered by the Small Business Center through a published application on a first come first served basis. Applications will only be available online.

Amendments to Program Statement: This Program Statement may be amended by the City Manager or designee as appropriate according to changes in applicable laws, and regulations, including 2 CFR Part 200 and 31 CFR Part 35, federal awarding agency guidance documents, or to meet changing needs and funding requirements.

Important Information:

- Priority will be given to disproportionately impacted small businesses e.g., a small business operating in [Qualified Census Tracts](#) as defined by the U.S. Department of Housing and Urban Development (HUD) and small businesses operating outside the Southern Dallas Investment Fund targeted area, see map below.

- Small businesses that have received funding from the federal Paycheck Protection Program, are eligible for a microgrant.
- Meeting eligibility requirements does not obligate the City to provide grant funds to any small business.
- The City of Dallas, Small Business Center (SBC), reserves the right to determine eligible use of funds.
- Applicant understands that the City must comply with Texas Government Code, Chapter 552 (TPIA) as interpreted by judicial ruling and opinions of the Attorney General of the State of Texas (OAG). Applicant agrees to make available to the City contracting information under this Agreement. Such information shall be promptly (but not later than three (3) business days of Applicant's receipt of City's written request) provided to the City at no cost. Applicant agrees to clearly identify documents and information provided in writing that it contends to be a trade secret, proprietary or confidential. If the City receives an information request related to Applicant, the Services, or this Agreement, the City shall make a good faith attempt to notify Applicant of the request in accordance with the TPIA, and Applicant may seek an OAG decision that the information is exempt from disclosure. The parties acknowledge that to object to the release of records, Applicant must submit a letter brief to the OAG explaining why the claimed exceptions apply to the information. The City shall not be obligated to submit a letter brief supporting those claimed exceptions; Applicant shall be solely responsible for submitting the brief that the information is exempt from disclosure and providing a copy of the documents to the OAG. If the OAG issues a determination indicating that all or part of the information must be disclosed, the City shall disclose the information unless Applicant notifies the City that is has timely filed or intervened in a suit against the OAG in accordance with TPIA. Nothing in this Agreement shall require the City to fund, reimburse, institute or participate in any litigation relating to an information request. Applicant agrees to comply with the TPIA, a subpoena, court order, search warrant, or other legal process. Applicant acknowledges that the City **does not guarantee that any information it receives will be kept confidential**, and this Agreement is not a basis to withhold information under the TPIA, a subpoena, court order, search warrant, or other legal process.