

Attachment A

Schertz Economic Development Corporation

COVID-19 Business Retention Grant Evaluation Criteria

Eligibility: For-profit Primary job employers with fewer than 150 but employees more than 20 employees located in Schertz, Texas. Must have been in operation on or before January 1, 2010.

Grants will be considered between June and July 2020.

Employees include full time and part time.

How is the amount of the grant determined under SEDC BRG

Applicant will be requested to submit evidence validating monthly payroll costs to include:

1. Salary, wage, commission, or similar compensation.
2. Payment of cash tip or equivalent.
3. Payment for vacation, parental, family, medical, or sick leave.
4. Allowance for dismissal or separation.
5. Payment for healthcare benefits.
6. Payment for retirement benefits.
7. Payment of payroll taxes.

Sum items 1-7, subtract any salaries over \$100,000 per year. The grant award amount is obtained by multiplying two times the monthly payroll costs.

MAXIMUM GRANT AMOUNT MAY NOT EXCEED: \$100,000.

ALLOWABLE USES OF COVERED GRANT:

Grant proceeds may be used for:

- Payroll costs
- Group healthcare benefits during the covered period, including paid sick, medical or family leave, and insurance premiums
- Employee salaries, commissions, or similar compensations
- Payments of rent of facility or mortgage interest (excluding principal)

CONSIDERATIONS:

In evaluating eligibility of a grantee, the City of Schertz Economic Development Corporation shall consider whether the company has applied for SBA PPP loan or other Federal or State supported loan product.

Must commit to retaining the same number of employees on the payroll as of March 1, 2020 for five years.

If they cease operations before January 1, 2022 they have to pay back 100% of the grant.

If they cease operations before January 1, 2023 they have to pay back 80% of the grant.

If they cease operations before January 1, 2024 they have to pay back 60% of the grant.

If they cease operations before January 1, 2025 they have to pay back 40%

If they cease operations before January 1, 2026 they have to pay back 20%
(Plus 4% interest and legal fees.)

Must annually certify total number of employees and total annual payroll.

Grant Summary

The purpose of the grant program is to serve as a gap for primary job companies that have fewer than 150 but more than 20 employees to be used for the same purposes of the Small Business Administration Payroll Protection Program. In evaluating eligibility of a grantee, the City of Schertz Economic Development Corporation shall consider whether the company has applied for SBA PPP loan or other Federal or State supported loan product.

Companies will commit to retaining the number of employees they have on record when they apply for the grant for a period and stay in Schertz for 5 years. If they cease operations, or do not certify employment numbers and annual payroll amounts, they will be in default and will have to pay back all or a portion of the grant.