

# Revive Dallas Small Business Relief Fund

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The DEC Network and the private business community is launching a disaster relief and assistance program. In collaboration with the Communities Foundation of Texas and the LiftFund, this partnership will assemble a local advisory board (comprised of small businesses owners, civic staff, women entrepreneurs, and entrepreneurs of color) to promote the program and to be local advocates in the community so that ALL small business owners are aware of the funding and resources that are available to them in North Texas. This fund will allow significant private dollars raised to be distributed directly to small business and entrepreneurs dealing with COVID-19-related revenue loss, and it provides a means to offer guidance and support for recovery and restoration of small businesses.

**Fund Target:** Low income entrepreneurs, minority and/or women-owned businesses, and other small business are eligible recipients. The program will serve as a means of filling the gap or void for small businesses and entrepreneurs who have not been able to get money through the SBA through the EIDL, PPP, and other efforts established to provide relief and assistance in response to the economic shock experienced in the wake of the COVID-19 pandemic disaster. The fund will be limited to businesses primarily located in Dallas County.

## FUND DETAILS

**Revive Fund Size:** Initial goal of \$5 million fund

**Loan Distribution:** Up to \$25k, estimate 100 loans. Loan applications will be funded within 10 business days after all documentation for packaging is received.

**Loan Forgiveness:** A \$5 million fund would deploy @\$3 million initially as loan funds and reserve a portion of the \$5 million of the debt to be forgiven. Based on current guidelines the partners goals are to have 100% of the loans forgiven.

**Charitable Partner:** Communities Foundation of Texas

**Loan Administrator:** LiftFund

### **Selection Process:**

1. Applicant completes basic pre-qualification form via DEC website to determine eligibility to apply.
2. If eligible
  - a. Applicant directed to full application via LiftFund.
  - b. Applicant connected with mentor to help with compile necessary documents
3. If not eligible

- a. For those applicants that receive funding and those who do not we will offer valuable non-monetary resources like core curriculum, content, awareness of additional funding opportunities, and mentorship that will help these organizations not only survive but also thrive during the age of coronavirus
4. All eligible applications will be entered into a lottery where all loan recipients would be decided within one week. There will be separate lotteries for MWBE and non-MWBE loan applicants.

**Fund Costs:** Estimating @\$460k or 9% of funds raised, broken down as follows:

- 8% fee to LiftFund as Loan Administrator;
- \$10,000 fee to CFT as charitable partner; and
- 1% fee to the DEC for administrative support.

**Timeframe:** The lending program will operate for 6 months. If funds are available or assembled after six months an iteration of the fund will be determined amongst the parties. We will launch a funding campaign this week that we hope to bring in a substantial amount of the fund in the next two weeks. We believe that the reality is that we will be able to distribute all of the funds in the first two weeks of the launch of the fund. After the initial fund of up to \$5,000,000 of COVID-19 recovery loans are funded, end loans repaid will be subsequently, relent in the RDSBRF designation on a revolving basis according to LiftFund's lending guidelines, serving the same geographic area.

**Fund contributors:** Professional organizations, corporations, foundations individuals and other parties represented by the Communities Foundation of Texas, The Dallas Regional Chamber, Dallas Citizen Council, Downtown Dallas Inc, North Dallas Chamber of Commerce, and other private businesses who would like to help support entrepreneurs and small businesses.

**Endorsements:** Dallas Regional Chamber, Dallas Citizens Council, Downtown Dallas Inc., Visit Dallas, North Dallas Chamber of Commerce, and City of Dallas.

## **APPLICATION DETAILS**

### **Key Criteria**

1. Firm must be under 15 employees **AND** demonstrates a loss of at least 15% of revenue in the period beginning March 1, 2020 due to the COVID-19 crisis
2. We will have a allocate the majority of fund to be dedicated to MWBE Minority/Women-owned Business Enterprises
  - NOTE: Targeting a minimum of 51% or more of fund to be dedicated to minority- or women-owned businesses
3. Annual gross revenues of not more than \$1.5 million from all business activities in 2019

### **Other key criteria necessary to obtain funding:**

1. Business must be in operation as of August 2019

2. Documentation of registration with Secretary of State and/or County DBA based on business legal formation
3. Must be in good standing with creditors for at least six months prior to the COVID-19 crisis
4. Loans are limited to businesses that are located in Fund designation and will reopen in same location
5. Business financial information must be verified through one or more of the following:
  - Applicable 2019 tax information based on business formation
  - MWBE Certification is not necessary, but applicant must be prepared to submit some documentation
  - Documentation demonstrating a 15% loss or greater of income since March 2020 due to COVID19
    - profit and loss statement from previous year and YTD,
    - 90 days of business bank statements
6. Plan of Action: Applicants will provide a plan of action including an assessment of financials demonstrating feasibility of remaining open or reopening.
7. Non-profits are not eligible.

**Terms of Loan:**

- Deferral of principal repayment for 90 days from the date of the loan
- 0% interest rate
- 2% commitment fee
- 24 month term, if the loan is under \$15k
- 36 month term, if the loan is between \$15k-\$25k
- Loans forgivable up to 100%, if the small business achieves key milestones below.

**Loan Forgiveness Milestones:**

- Joining the [Fast Start Mentor Program](#) or other regional mentor program, meet at least 3 times over the two quarters following fund date
- Submit a 2021 budget
- 2020 P&L projection
- Verified documentation of use of funds directed to payroll, utilities, mortgage or rent, debt servicing, operating expenses, or working capital
- Completion and filing of 2019 tax return

If 100% of funds issued are to be forgiven, a portion of the funds received by CFT and DEC will be reserved for the forgiveness element. For every dollar that is deployed a portion of a dollar is reserved to forgive the loan. For a \$5 million fund, a portion (less than half of the fund) would be reserved for the forgiveness element to make the fund complete and pay the receivable.

**Other Business Support Resources:** It is important that after someone has applied for this funding that they are provided with key resources and access to local organizations, funding alternatives and solutions that can offer additional support as they are trying to survive this covid-19 pandemic for their business.

- Access to the [Fast Start Mentor](#) Program

- Access to the Let's Grow North Texas Business Site
- Customized plan of attack for what other organizations out of the 100+ organizational cohort that created [letsgrowntxbusiness.com](http://letsgrowntxbusiness.com) can provide
- Support and business planning through LiftFund (CDFI) experts to ensure funds are appropriately used and the company can make it through the age of corona.
- Access to the entire ecosystem network for resources, mentor programs and any other resources that can be offered by Business Support Organizations in the region.

### **Contact Information**

If you have any questions about how to contribute to this Fund or how you can support the non-monetary resources such as joining the [Fast Start Mentor](#) program or adding resources to our one stop shop for resources at [www.letsgrowntxbusines.com](http://www.letsgrowntxbusines.com).

**You can reach out to Trey Bowles at [trey@thedec.co](mailto:trey@thedec.co) or contact me at 469.472.1601.**

### **Key Information:**

#### **Let's Grow North Texas Business.com:**

This is a one-stop shop for small business owners and entrepreneurs who are looking for resources to help support them around how to survive in the age of coronavirus. This dynamically changing and constantly updated site offers resources in the form of funding alternatives, media support and resources, events that can connect, explain, and provide information around resources, connection to get a free mentor through available mentor platforms, and a database of Business Support Organizations (BSOs) who offer support services to entrepreneurs and small businesses across the region.

[www.letsgrowntxbusiness.com](http://www.letsgrowntxbusiness.com)

#### **How to become a Mentor:**

You can sign up to be a mentor as a part of the Fast Start Mentor Program by going to <https://bit.ly/FastStartMentor>. If you know of companies that need support please send them to the link above and let them know this is available to them for free.

### **How to Contribute to the Revive Dallas Small Business Relief Fund:**

Checks should be made payable to Communities Foundation of Texas and mailed to:  
Communities Foundation of Texas  
Attn: Sejal Desai  
5500 Caruth Haven Lane  
Dallas, TX 75225

Please add Revive Dallas, in the Memo field.

If you wish to send a donation by ACH or Wire or have any other donation related questions, please email [revivedallas@cftexas.org](mailto:revivedallas@cftexas.org) or call 214.750.4239.

You can also send people to apply for the fund at [www.revivedallasfund.com](http://www.revivedallasfund.com). The site should be ready to accept pre-qualifications in the next couple of days.

### **About The DEC Network**

The Dallas Entrepreneur Center (The DEC Network) is a 501c3 non-profit organization driving innovation and economic impact by helping entrepreneurs start, build and grow their businesses. Since 2013, The DEC has been launching physical hubs and education programs for startups, accelerating connections for founders, and collaborating with investors, corporations and public institutions.

### **About Communities Foundation of Texas (CFT)**

With the goal of building thriving communities for all, Communities Foundation of Texas (CFT) works locally and across the state through a variety of charitable funds and strategic initiatives. The public foundation professionally manages 1,000 charitable funds for individuals, families, companies and nonprofits in addition to powering several key initiatives such as Educate Texas at CFT, W. W. Caruth, Jr. Fund at CFT and CFT's North Texas Giving Day. CFT has awarded more than \$2 billion in grants since its founding in 1953.

### **About LiftFund**

For more than 25 years, LiftFund, a 501(c)(3) nonprofit organization, has helped individuals achieve the American Dream by providing small business lending to those who do not have access to capital from typical lenders, such as traditional banks. Along with vital small business loans, LiftFund provides educational services at no cost to borrowers, which are essential to foster self-sufficiency.