

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 8, 2020

AGENDA ITEM:	
CARES Act Funding Amendment	
PREPARED BY:	DIRECTOR APPROVAL:
Sandy Langdon, Finance Director	
DEPARTMENT:	
Finance	
ATTACHMENTS:	
Small Business Relief (City of Everett program) Revised budget memo	
BUDGET CODE:	AMOUNT:
SUMMARY:	

In May, the City has entered into an agreement with the WA ST Department of Commerce to receive, through reimbursement, CARES Act funding to mitigate the effects of COVID-19. An estimated budget was created and approved along with the interagency agreement. Many of the community grant funds from the estimated budget have been distributed. Based on this experience and the continuing mitigation of COVID-19 the City desires to adjust the budget to provide more community funding.

Below are CARES Act Community Grants status as of 9/1/2020:

- Business Rental Relief - COMPLETED
 - \$250,000 budget
 - 59 application; 55 awarded - \$247,953
- Community Rental Assistance – 1st deadline complete
 - \$250,000 budget
 - 48 applications; 19 eligible – awarded \$28,500
- Utility Bill Relief – on-going till 10/23/2020
 - \$25,000 budget
 - 35 applications; 8 eligible – awarded \$1,600

The Community Rental Relief need has been less than expected. Small businesses continue to seek funding, as well as home owners for mortgage relief.

To address these concerns staff would like to propose to move \$100,000 from the Community Relief to Small Business Rental Relief (second round). The Community Grant program would be continue to be used to provide rental assistance up to \$1,500 per household to tenants that are impacted by COVID-19 with the addition of mortgage relief. For the Small Business Rental Relief, the proposal would be for use towards operations with a cap of \$10,000 and add home businesses to the relief. To expedite the funding, staff recommends an open application period on a first eligible-first served basis and have all applications reviewed for eligibility by Finance and recommendations forwarded to the Mayor for final award.

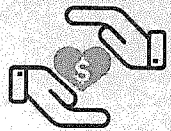
RECOMMENDED ACTION:

Staff recommends that Council authorize the Mayor to initiate and administer the Community Grant Program and Small Business Relief Program, including approving final grant awards.

RECOMMENDED MOTION:

I move to authorize the Mayor to initiate and administer the Community Grant Program and Small Business Relief Program, including approving final grant awards.

EVERETT CARES GRANT PROGRAM



Everett CARES Grant Program



Applications for round two of the Everett CARES small business grant program are now open.

About

The Everett CARES Grant Program allows the City of Everett to award grants of \$10,000 to small businesses with 1 – 20 employees, and of \$20,000 to businesses with 21 – 50 employees.

Our goal is that each Everett CARES grant provides a surge of resources to help an Everett business emerge from this difficult time so that jobs will be retained, and goods and services will be provided. The application process is designed to identify:

1. Businesses that have been injured by the COVID-19 pandemic
2. Businesses that provide jobs
3. Business owners that reflect Everett's diversity
4. Well-operated businesses in all parts of the city
5. Beloved businesses with a loyal customer base

CONTACT US

**For small
businesses:**

EverettCaresBiz@everettwa.gov

For nonprofits:

EverettCaresNP@everettwa.gov

Please contact us for translation and interpretation services

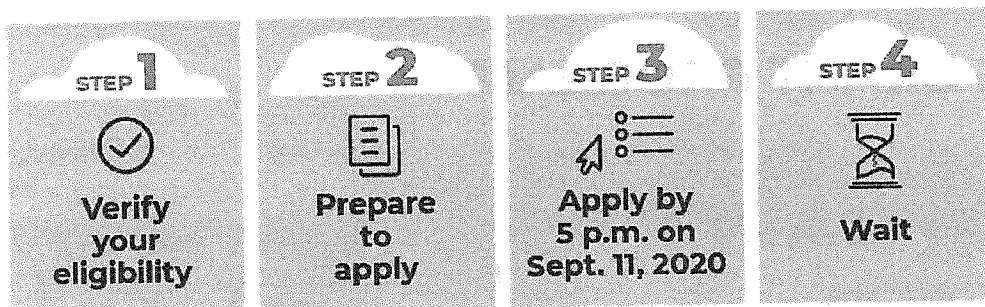
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- 6. Catalytic businesses that multiply economic activity
- 7. Businesses that contribute broad community benefits
- 8. Businesses proactively working toward economic recovery

COVID-19 is causing a catastrophic economic impact on Everett's small business community. The Everett CARES Small Business Grant Program is a positive step, but it does not provide enough funding for every injured business to receive a grant, nor will it fix all the damage caused to those businesses that receive a grant. Unfortunately, many businesses that qualify and are deserving may not receive an Everett CARES grant.

Application process overview



The application process consists of four simple steps, we'll go into more detail as you move through the process, but here's a quick overview:

- 1) First, you'll want to make sure you're eligible before you apply. The eligibility requirements are below under step one.
- 2) Next, there's some pre-work to do before you apply. This step consists of thinking through some things, gathering information and preparing a few documents. This step will take the longest, but will help you complete the application efficiently and accurately.
- 3) If you're eligible and have your documents ready, then it's time to apply. The application is an online form linked below under step three. Applications are due by 5 p.m. on Sept. 11, 2020. You won't earn bonus points by turning it in early, but don't wait until you're down to the wire in case you experience any technical difficulties or connection issues.
- 4) Once you've submitted your application, you will hear back from the City of Everett no later than Sept. 22, 2020 with an update on your application status.

Ready to begin? Please scroll down to step one

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STEP 1: verify your eligibility

*To be eligible, businesses must meet the following requirements:

1. Your small business must be licensed by the City of Everett
2. Your small business, whether brick and mortar or home-based, must be located within Everett city limits
3. Your small business cannot be a national chain
4. All city taxes and fees must be paid and current as of Dec. 31, 2019
5. Your company cannot be facing any pending litigation or legal action
6. Your company has not had state or city compliance or regulatory issues
7. Your small business must currently have 1–50 full-time equivalent (FTE) employees. Owners are counted as employees. Applicants will be asked the total number of FTEs and the total number of people employed as of Jan. 1, 2020 and as of Aug. 1, 2020.
8. Recipients of round one of the Everett CARES Small Business Grant Program are not eligible. However, other grants or loans do not make you ineligible, although you will be asked to list them on your application



STEP 2: prepare to apply

The application form is relatively brief, but requires some pre-work by gathering and preparing information. We suggest doing the following before you begin working on the application:

Tip: we suggest working in a word processing document so you can copy and paste your answers into the application.

1. Write a short description of your business
2. Write two to five specific ways that COVID-19 hurt your business
3. Prepare a list of qualifying expenses that will be submitted for reimbursement if awarded a grant. These include:
 - Wages
 - Lease/mortgage
 - Utilities
 - Debt payments
 - Insurance

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- Cost of goods

- Supplies

Note: if you're awarded a grant, you will be required to provide documentation

4. Determine if your business qualifies as:

- Minority-owned as defined at mbda.gov
- Woman-owned as defined at sba.gov
- Veteran-owned as defined at sba.gov
- LGBT-owned as defined at sba.gov

5. Gather details of employment such as:

- The number of full-time, part-time and full-time equivalent (FTE) employees
- Be ready to compare employee counts on Jan 1, 2020 and Aug. 1, 2020

6. Write two to five actions you've taken to help your business recover from the harm caused by COVID-19



STEP 3: apply by 5 p.m. on Sept. 11, 2020

Click here to
APPLY

Haga clic aquí para
APLICAR



STEP 4: wait

We will contact all applicants with a status update via the email address you provide on your application by no later than Sept. 22, 2020. Please note, we anticipate that demand will exceed available funding, so not all applicants will receive a grant.

FAQs

Q: What do I do if I have a question?

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MARYSVILLE
MAYOR JON NEHRING

Date: May 22, 2020
 To: Marysville City Council
 From: Mayor Jon Nehring
 Subject: CARES Funding

Governor Inslee allocated part of Washington’s federal CARE funding directly to local governments under 500,000 in population, who were otherwise ineligible for direct funding under the CARES Act. Through the Department of Commerce, the state is contracting with local jurisdictions to enable COVID-19 related reimbursements, for expenses occurring between March 1 and October 31, 2020. Cities were allocated funds based on population size. Use of these funds is limited, and not intended to replace lost revenues. Cities will have until October 31 to submit for reimbursement and use the funding. Cities are required to notify the Department of Commerce by October of unspent funds, so that the state can reallocate the remaining amounts to their programs.

Marysville’s allocation is \$2,034,600.00. We have identified the following areas for reimbursement and believe that the funds would be fully expended under this plan:

City of Marysville Fund Expenses:

Families First Compliance	\$ 270,000
Overtime	\$ 160,000
Salaries/Wages related to EOC Activation	\$ 250,000
Salaries/Wages for redirected work	\$ 249,600
Unemployment Costs (up to 50%)	\$ 25,000
PPE/Sanitation/Screening	\$ 150,000
Technology/Infrastructure Upgrades	\$ 180,000

Community Grants:

Small Business Rental Relief	\$ 250,000
PPE Purchasing for Businesses	\$ 25,000
Direct food purchase for Marysville Food Bank distribution	\$ 25,000
Utility payment subsidy	\$ 25,000
Domestic Violence Services (community advocate-DVS)	\$ 25,000
Small Business Rental Relief (second round if needed)	\$

~~150,000~~300,000

Community Relief	\$
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~~250,000~~100,000

I would appreciate your thoughts on the aforementioned plan. We would like to move forward with the community grants swiftly in order to make money available to businesses and community members who have been impacted

(360) 363-8000

Marysville City Hall
1049 State Avenue
Marysville, WA 98270

financially by COVID-19 related circumstances. If the City Council has other considerations or grant ideas, we will work to implement them.