

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 65-20

A RESOLUTION REVISING AND ESTABLISHING A SECOND COVID IMPACTED BUSINESS GRANT PROGRAM AND DETERMINING THAT THE EXPENDITURE IS NECESSARY DUE TO THE PUBLIC HEALTH EMERGENCY

RECITALS:

On May 6, 2020, the City Council approved Ordinance 4920 authorizing temporary assistance by and through an appropriation of \$540,000.00 to the Business Stabilization and Recovery Fund ("Fund.") The City's Fund, which was administered by the Business Incubator/Small Business Development Center ("BIC/SBDC") as a revolving loan fund, was to support business with a physical location in Grand Junction with expenses directly and indirectly related to forestalling foreclosure, rental assistance and temporary mitigation of other financial impacts due to COVID-19.

The Fund, with the assistance of the BIC/SBDC loaned approximately \$120,000.00 in accordance with the terms of the Ordinance. The City Council thanks the SBDC/BIC, and the other Economic Development partners for their assistance in developing and implementing the Fund and its continuing assistance with the administration of this grant fund.

With the approval of the Coronavirus Aid Relief and Economic Security (CARES), a \$2.2 trillion-dollar economic relief package, small business and economic disaster loans and certain business tax credits were made available; however, determining which expenditures are eligible under the CARES Act has not been perfectly clear. On October 19, 2020 the US Treasury issued Guidance that makes clear that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by closures due to COVID. Eligible expenditures may include, for example, a grant program to benefit small businesses that have closed to promote social distancing measures or that are affected by decreased customer demand and loss of revenue, which is not reimbursed or reimbursable by another Federal program(s), as a result of the COVID-19 public health emergency.

The Guidance establishes that the City has discretion to determine what payments are necessary and accordingly, with approval of this Resolution, a program for assisting small businesses with grants to help cover the costs of business interruption caused by required closures will be authorized. The grants will be administered by the BIC/SBDC and shall be awarded and expended in furtherance of the purposes of this Resolution and in response to and because of the declared COVID-19 emergency.

Given the unprecedented economic impacts of the COVID-19 outbreak on the local, regional, State and national economy the City Council finds and determines that the expenditure of

funds for the purposes described in this resolution should be CAREs Act eligible and the expenditure of up to \$300,000.00 for these purposes is necessary, proper and will further the general health, safety and welfare of the community.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1) The City Council directs the City Manager to provide up to \$300,000.00 to the BIC/SBDC to fund grants to Grand Junction businesses as provided in this Resolution. With the funding of this grant program, the Business Stabilization and Recovery Fund shall be closed, except for the BIC/SBDC administration of the loans heretofore made. Unspent money disbursed to the BIC/SBDC in accord with the Business Stabilization and Recovery Fund, Ordinance 4920, shall be returned to the City as a precondition to funding this grant program. Disbursement for approved grants must be timely made by the City to BIC/SBDC and in event on a biweekly basis; and,
- 2) Grants authorized by this Resolution shall not exceed \$7500.00 per applicant business. A business that received a loan from the City pursuant to the Business Stabilization and Recovery fund may apply for grant funding; however, no business may receive more than \$7500.00 total; and,
- 3) Grants authorized by this Resolution shall be disbursed on or before December 11, 2020 with an accounting of the awards, in a form required by the City, to be filed with the City Manager on or before December 16, 2020.



C.E. "Duke" Wortmann
President of the Council

ATTEST:



Wanda Winkelmann
City Clerk

