



Staff Report

TO: City Council
FROM: Todd Parton, City Manger
DATE January 19, 2021
SUBJECT: Direction to City Staff Regarding the Launch of the Second Round of Beaumont Small Business Assistance Grant Program (BAP)

Background and Analysis:

In August 2020, the City Council launched the City of Beaumont Small Business Assistance Grant Program (BAP) to provide \$3,000 in one-time grants to qualified small businesses that could demonstrate business losses due to the COVID-19 pandemic. City Council allocated \$142,069 for this program. Applications were solicited from September 1 through September 15, 2020, and awards to successful applicants made in October 2020. A total of 24 grants were deemed qualified and \$72,000 awarded leaving a balance of \$70,069 in the program.

The general concept for the BAP was to grant \$3,000 to businesses with staffs of 15 or fewer full-time employees who could demonstrate COVID-19 related losses since March 1, 2020. They were required to have a physical store front, office space, or other physical location within the City and excluded home-based businesses. Applicants were also required to have valid business licenses. Grant funds were restricted to direct costs of the business such as payroll, supply purchases, rent payments, loan payments, etc. It was established that, should qualified grant application requests exceed the program funds of \$142,000, a drawing would be conducted to distribute the funds. Priority was also be given to allocating funds to businesses that had not received financial support through other programs even though such support would not disqualify an applicant (funds would be first allocated to businesses that have not received such financial assistance).

With the initial launch of the BAP, the City Council contemplated launching a second call for grants should a balance of funds remain available after the first call. Approximately half of the original program funds remain unallocated and local businesses are still feeling significant impacts of the COVID-19 pandemic; therefore,

this item is being presented for City Council discussion and direction regarding the implementation of a second round of the BAP.

Should the City Council decide to launch a second round, City staff recommends that the program remain unchanged except as follows:

1. First preference be given to those qualified businesses that did not receive a BAP grant in the first round,
2. Second preference be given to the Beaumont Area Chamber of Commerce, and
3. Final preference be given to those qualified businesses that received a BAP grant in the first round.

City staff anticipates that the first call for grant applications would run from February 1 through February 19 with grant awards being disseminated after March 1, 2021.

Fiscal Impact:

City estimates that preparation of this report cost approximately \$375.

Recommended Action:

City staff is looking for City Council direction to launch a second round of the Beaumont Small Business Assistance Grant Program (BAP).

Attachments:

- A. Beaumont Small Business Assistance Grant Program Application
- B. Beaumont Small Business Assistance Grant Program Agreement