



**STAFF REPORT**  
**12/9/2020**

**TO:** Honorable Mayor and City Council Members

**FROM:** Gabriel Martin, Economic Development Director

**SUBJECT:** Resolution No. 2020-78: Authorizing Additional Coronavirus Relief Funds for Round 3 of the Small Business Assistance Program

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**STAFF RECOMMENDATION:**

Staff is requesting the City Council consider adopting Resolution No. 2020-78 authorizing additional Coronavirus Relief Funds for Round 3 of the Small Business Assistance Program.

**BACKGROUND:**

On July 22, 2020, the City Council discussed a Coronavirus Relief Fund (CRF) framework and established funding priorities. During the discussion, Council expressed overall interest in funding programs and projects that provide rent relief, small business assistance, offer opportunities for youth enrichment, and mental health/emotional well-being. The deadline for expending CRF funds is December 30, 2020. Given this short time frame, the City Council requested that staff develop an implementation RFP process for immediate CRF funding.

On August 7, 2020, the City Council adopted Resolution No. 2020-46, which authorized the Coronavirus Relief Fund Request for Proposals process framework and funding priorities. Resolution No. 2020-46, designating \$230,000 of its \$582,612 Coronavirus Relief Funds to be granted through a competitive RFP process. The RFP and application for this grant program was available beginning August 10, 2020 and applicants may submit their responses electronically through August 20, 2020. The following were the approved funding priorities and categories:

- Behavioral Health and Emotional Well-Being: \$80,000
- Small Business Assistance – Round 1: \$50,000
- Youth Enrichment Nonprofit Assistance: \$100,000

On October 14, 2020, the City Council adopted Resolution No. 2020-65, which authorized the Coronavirus Relief Fund Request for Proposals for additional \$50,000 for Round 2 of the Small Business Assistance Program, which would provide \$100,000 in small business assistance from the City's CRF funds. On October 23, 2020, the City Council Adopted Resolution No. 2020-68, which authorized an additional \$75,000 for Round 3 of the Small Business Assistance Program, which would provide \$175,000 in small business assistance from the City's CRF funds. Of the

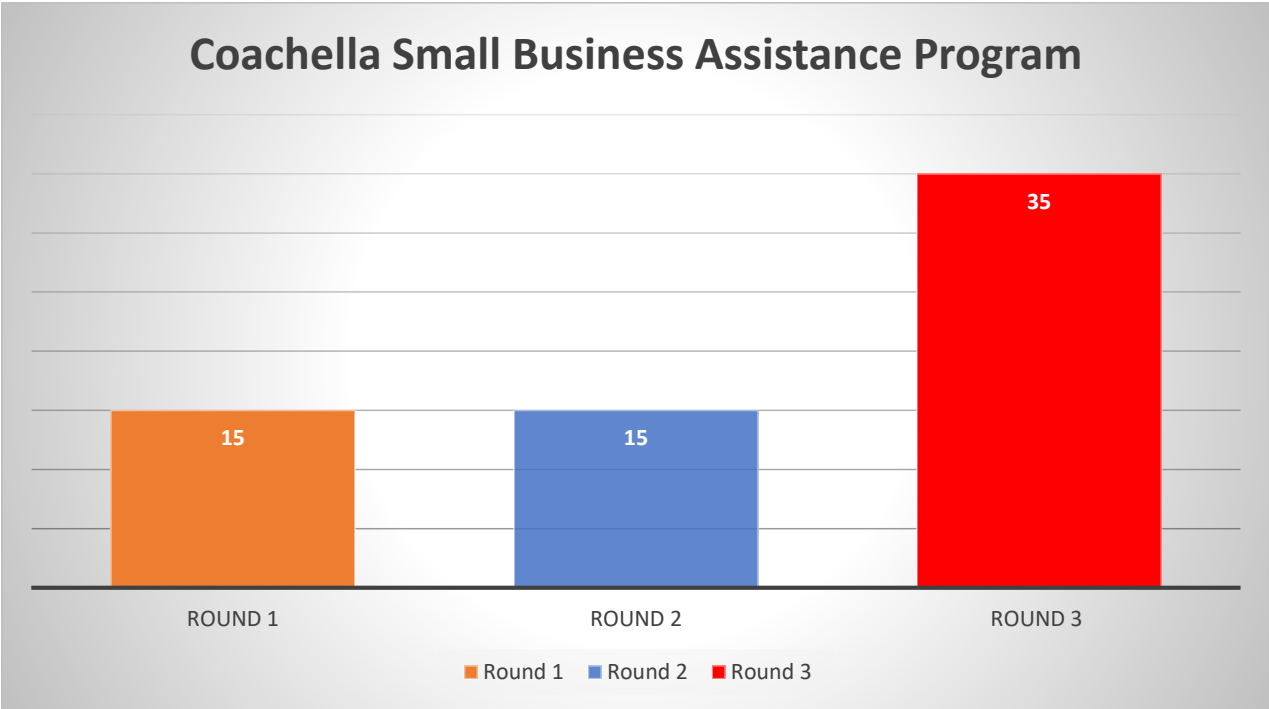
total appropriations, the \$355,000 designated to the economic assistance grant program have been fully awarded. The City has incurred \$152,612 in direct COVID-19 related expenditures that were initially covered by Coronavirus Relief Funds. These funds were re-allocated to the Small Business Assistance Rounds 2 and Rounds 3 for \$50,000 and \$75,000 respectively with remaining Coronavirus Relief Funds of \$27,612 for City direct costs.

**DISCUSSION/ANALYSIS:**

City Staff is requesting an additional appropriation reallocation of \$27,612, for a total of \$202,612, to be granted to the Round 3 of the Small Business Assistance Program through a competitive Request for Proposal (RFP) process.

The first round of the Small Business Assistance Program received 15 applications and second round received an additional 15 applications as well. Due to its high demand, The City’s third round Small Business Assistance Coronavirus Relief Fund received 35 applications. Overall, the City received 65 applications for small business assistance. Due to the extensive need demonstrated by Round 3 applicants and the number of applicants, staff is requesting the additional \$27,612 to more fully cover the requested funds. This round of small business assistance (Round 3) focused on support for other type of small businesses, such as retail, professional services and childcare providers. The funds will also support small businesses in implementing the necessary public health measures required to reopen safely (i.e. sneeze guards, plexiglass, signage, sign boards, fencing, seating for outdoor use, etc.).

**City of Coachella Small Business Assistance Coronavirus Relief Fund Outcomes:**



**ALTERNATIVES:**

1. Adopt Resolution No. 2020-78: Authorizing Additional Coronavirus Relief Funds for Round 3 of the Small Business Assistance Program
2. Not Adopt Resolution No. 2020-78: Authorizing Additional Coronavirus Relief Funds for Round 3 of the Small Business Assistance Program

**FISCAL IMPACT:**

The City has spent all of the \$152,612 in CRF funds initially allocated to reimburse the City for direct COVID 19 costs. The requested re-allocation of CARES act funds for Round 3 Small Business Assistance program will reduce the City's general fund reserve balances by \$27,612 (101) for a total general fund reserve reduction of \$152,612 for both additional rounds of the Small Business Assistance Program. Council re-appropriates \$27,612 previously appropriated in the general fund (101) to the City's grants fund (152) form small Business Assistance.

**ATTACHMENT(S):**

1. Resolution No. 2020-78