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**To:** Mayor Nelson and Members of the City Council

**From:** Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

**Date:** October 29, 2020

**Subject:** Coronavirus Relief Fund Business Grants

The City of Spring Lake Park received \$482,931 in Coronavirus Relief Funds (CRF) from the State of Minnesota as a pass-through from the Federal Government.

The CARES Act requires that payments from the CRF can only be used to cover expenses that:

1. Are necessary expenditures incurred dur to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. Were incurred during the period that begins on March 1, 2020 and ends on November 15, 2020.

Additional guidance from the Department of Treasury states that CRF funds can be used to provide grants to small businesses to reimburse the costs of business interruption caused by required closures.

To this end, the City Council, at its August 3, 2020 meeting, authorized the use of up to \$100,000 in CRF funds for a small business grant program with the maximum grant award per recipient being \$10,000. The City previously received 9 applications for grant assistance. Those grant applications were reviewed and recommended for approval to the City Council. The grants were awarded by the City Council on September 21, 2020.

Staff had received an additional grant inquiry from Dala Thai Restaurant. The City Council expressed support to consider this application at the last City Council meeting. Staff has reviewed their application and recommends awarding a business relief grant in the amount of \$10,000.

The grant award is conditioned upon the applicants signing a grant agreement with the City (see attached) submitting a completed W-9 form and submitting a business relief grant reporting form within 60 days of the date of the executed grant agreement.

If you have any questions regarding the City's Business Relief Grant Program, please don't hesitate to contact me at 763-784-6491.

