

Community LendingWorks

CDBG Reporting – Final Narrative Report – April 2022

Community LendingWorks provided administration & underwriting of a CDBG small business grant to provide emergency assistance during Covid-19 to eligible Linn County businesses. The program fully launched in late Spring 2021, as it experienced a delayed start.

Due to limited interest & submission of qualifying applications, three separate rounds of promotion & disbursement of funds were completed. Four rounds are noted in this narrative; however, Round Two was simply an additional allocation of funds to a Round 1 business. Time frame of the grant did include a project extension thru April 1, 2022.

A total of 15 businesses were funded for the program after a full vetting process of applications received. Five communities within Linn County were provided funds – Sweet Home, Lebanon, Brownsville, Albany and Corvallis – Hwy 34. A total of 118 low-mod income owners & employees have been positively impacted by the funds in 2021 & 2022. The HUD goal was to assist 50 low-income individuals, so it is exciting that this goal was exceeded by 68 individuals.

Two sole proprietor/micro-enterprise businesses qualified due to total household income based on median income levels, all others were small, local businesses with low-mod, full-time and part-time employees, all making less than \$34,000 or \$36,150 annually in their position – depending on date of application utilized.

Please Note: Applications were update June 2021 with new HUD Income Levels. Some part-time employees were combined to create FTE positions according to the grant guidelines. All employees that provided a form have been reported.

Round One: Two sole-proprietors and six small businesses within Linn County qualified and the disbursement of \$62,500 in grants funds and \$6,250 in admin fees was processed. Invoice CDBG Linn 1, dated 9/2/21, total of \$68,750.

- The Point Restaurant (Sweet Home) - \$25,000
- Whole Flower Farms – (Corvallis – Hwy. 34/Linn County Address) - \$5,000
- Pro Auto (Lebanon) - \$5,000
- Main Street Café (Brownsville) - \$5,000
- So Fly Hair Salon (Lebanon) - \$5,000
- Growler Café (Lebanon) - \$12,500
- Molly Slack, DDS (Lebanon) - \$2,500
- Steelhead Fitness (Sweet Home) - \$2,500

Round Two: So Fly Salon (Lebanon) had additional employees that qualified, for an additional \$2,500 grant disbursement and \$250 in admin fees. Invoice CDBG Linn 2, dated 9/13/21, total of \$2,750.

- So Fly Hair Salon - \$2,500

Round Three: Two small businesses within Linn County qualified and the disbursement of \$62,500 in grants funds and \$1,750 in admin fees was processed. Invoice CDBG Linn 3, dated 12/6/2021, total of \$19,250.

- Gateway Imprints (Lebanon) - \$7,500
- Bigfoot Grille (Lebanon) - \$10,000

Round Four: Four small businesses within Linn County qualified and the disbursement of \$53,865 in grants funds and \$5,385 in admin fees was processed. Invoice CDBG Linn 4, dated 3/30/2022, total of \$59,250.

- Jerry's Premier Construction (Albany) - \$15,000
- Bodhi Artisan Bakery (Albany) - \$12,500
- Motel 6 (Albany) - \$7,500
- Veracity Spirits (Albany) - \$13,865
- Waterloo Country Store (Lebanon) – \$5,000

Of the \$150,000 grant allocation, all \$150,000 was utilized. \$136,365 was disbursed directly to businesses located within Linn County. A 10% administration fee was provided to CLW, which should have totaled \$15,000, however, an extra \$1,365 was accidentally allocated to businesses, so a \$13,635 admin fee was charged by CLW – maintaining the \$150,000 grant budget.

Businesses that received funds are extremely thankful that this opportunity was available to them via Linn County. They have expressed that they will be forever grateful as the funds helped them tackle the ongoing obstacles that they continue to experience due to the pandemic - mainly that the funds are allowing them to maintain the employment of key employees and continue day-to-day operations.

The following challenges or areas of concern during this grant project:

- Difficult grant program to promote/market effectively
- Lack of interest and/or knowledge of grant program within the community
- Restrictive qualification criteria
- Sheer amount of required /sensitive documents to be submitted was too much for businesses
- Minimal amount of funds available per employee/sole proprietor
- Burn-out of business community in relation to Covid & government funding opportunities
- Time intensive on the underwriting/processing side - including tracking down of all information required from businesses

Lisa Hartwick

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Community LendingWorks
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