

EXHIBIT 1 TO ORDINANCE 910

The Tenino COVID-19 Recovery Grant Program

1. Legislative Findings and Intent.

A. Findings. The City Council of the City of Tenino finds:

- i. The economic downturn resulting from the application of COVID-19 emergency measures at the national, state, and local level has had an unacceptable negative impact on individual Citizens within the Tenino City Limits, the Tenino Business Community, and the City's own Economic Development efforts.
- ii. The Citizens of the City of Tenino themselves are in best position to determine where the proceeds of this grant program will be most effective in ameliorating the effects of the COVID-19 emergency relative to their own unique circumstances.
- iii. Any monies, but especially those that derive from the payment of taxes to the government, spent at businesses located within the Tenino City Limits is beneficial to the entire City and all of its Citizens.

B. Intent. Through this program, the City Council intends to provide relief on an individual basis by providing a means of directly augmenting the income of those Citizens most adversely impacted by this economic downturn, while simultaneously supporting the Tenino Business Community generally by requiring the proceeds of these grant funds be spent either within the Tenino City Limits, thereby achieving a primary goal of the City's Economic Development Program, or by a credit to a Citizen's utility account. This Program description provides guidelines which the City may adjust as needed. Where these guidelines and ordinance authorizing this grant program are inconsistent, the ordinance will control.

2. General program description and duration.

Tenino's COVID-19 Recovery Grant Program is based on Tenino's response to the economic downturn referred to as "The Great Depression" of the 1930's. The goal is to provide economic relief to those Citizens of Tenino who can prove economic hardship as a direct result of the COVID-19 emergency, and to Tenino businesses, through the use of wooden scrip of \$25 dollar denomination which can be redeemed only by participating businesses within the Tenino City Limits. Citizens may also elect to receive a credit on their City utility account, or a combination of both a credit and scrip. This program will be in effect until 90 days after the emergency is declared to have ended by the Mayor or upon action by the Council.

3. The Scrip.

A. Manufacture. The South Thurston Historical Society will produce the scrip from custom materials provided by the Tenino Depot Museum using equipment available only at the Tenino Depot Museum.

EXHIBIT 1 TO ORDINANCE 910

- i. The scrip will be serially numbered by the Clerk/Treasurer after printing.
- ii. The City of Tenino shall reimburse the South Thurston Historical Society for all expenses incurred in the manufacture of the scrip.

B. Denomination. Scrip will only be produced in denominations of \$25.

C. Amount. The City will guarantee scrip redemption in an amount not to exceed \$10,000.00. The Clerk/Treasurer shall keep a log, by serial number, of each individual scrip. The inventory log is shown at Tab A to this Exhibit. The Clerk/Treasurer shall inventory scrip:

- i. When first received.
- ii. When issued.
- iii. When redeemed.
- iv. On a weekly basis, for any scrip that is on-hand, but unissued.

D. Storage. Scrip shall be stored within the City's vault until it is issued.

E. Authentication. To be valid for redemption, each scrip must be signed by the Mayor of the City of Tenino and countersigned by the Clerk/Treasurer of the City of Tenino. No scrip will be authenticated until the Clerk/Treasurer has been presented with a Certificate of Eligibility for award of a grant.

F. Scrip will be issued only to the bearer of a Certificate of Eligibility.

- i. Certificates of Eligibility will be serially numbered and must be requested from the City. An example Certificate of Eligibility is shown at Tab B to this Exhibit.
- ii. Only a Citizen of the City of Tenino may request a Certificate of Eligibility. For the purposes of this grant, "Citizen of Tenino" means a natural person who can prove residency within the City limits. The request will be made on a form provided by the City as shown at Tab C to this Exhibit.

G. Expiration. Scrip that has been issued, but not redeemed, within the 90 day period after the declared end of the COVID-19 emergency will not be honored. Scrip that has not been assigned a serial number will not be honored. Scrip that does not been signed and countersigned by the Mayor and Clerk/Treasurer will not be honored.

4. Award.

A. Eligibility. Grant eligibility is based solely on two criteria, both of which must be met in order to receive a Certificate of Eligibility

EXHIBIT 1 TO ORDINANCE 910

- i. The potential grantee must actually reside within the Tenino City Limits.
- ii. The potential grantee must demonstrate that the need for the grant is directly related to COVID-19. Proof will consist of a completed COVID-19 Recovery Grant Application form that is accompanied by at least one of the forms of substantiating documentation described in the application. Applications that have not been signed by the requestor, or which are not accompanied by substantiating documentation, are deemed incomplete and will not be accepted for consideration. Grant applications are shown at Tab C to this Exhibit.

B. Approval. Upon receipt of a signed application that is accompanied by the required substantiating documents:

- i. The Utility Clerk will verify the requestor meets the Citizenship Requirement and, if so, will affix her or his signature to the application. If not, the requestor will be notified they do not meet eligibility requirements and the request will be returned.
- ii. The Court Clerk will verify the requestor meets the Need Requirement and, if so, will affix her or his signature to the application and the request will be deemed valid. If not, the requestor will be notified they do not meet eligibility requirements and the request will be returned.
- iii. Upon receiving a valid request, the Clerk/Treasurer will complete a Certificate of Eligibility, obtain the signatures of the Utility Clerk and Court Clerk, and affix an impressed City Seal. Once the Certificate of Eligibility has been prepared, the Clerk/Treasurer will then proceed to prepare the scrip for issue as described in paragraph 5, below.

C. Amount. The amount awarded to any applicant shall be determined according to the schedule as shown on the application. The grant recipient may elect to receive either the total grant amount in the form of wooden scrip, or the total grant amount in the form of a credit to their City of Tenino utility account, or some combination of scrip and credit not to exceed the amount shown on the application.

D. Limitations on Award. Because the duration of the COVID-19 is unknown, and therefore, the extent of the financial hardship resulting from the emergency cannot be predicted with certainty, and because the grant funds are limited, no grant recipient may receive more than \$300 in scrip or credit on account per month. There is no limitation on how many times a single recipient may be awarded a grant (provided that a new grant request must be submitted and result in the issuance of a new Certificate of Eligibility.) All grants are processed on a “first-come, first-served” basis until the program is terminated or all grant funds have been expended. Award of a grant should not be construed as an obligation of the City to award future grants.

Commented [RH1]: Recommend the application include a release of the City of any liability.

EXHIBIT 1 TO ORDINANCE 910

5. Issue. Upon presentation of a valid Certificate of Eligibility, the Clerk/Treasurer will prepare the scrip for issue by:

- A. Recording the issue of scrip, by serial number, on the inventory log kept for that purpose, and noting the serial number of the Certificate of Eligibility for which the scrip has been drawn.
- B. The Clerk/Treasurer shall then indicate the serial numbers of the scrip being issued on the Certificate of Eligibility.
- C. Obtaining the signature of the Mayor and then affixing his or her own signature as countersign on as many scrip as necessary up to the amount indicated on the Certificate of Eligibility.
- D. The bearer of the Certificate of Eligibility shall indicate receipt of the scrip by signing the Inventory Log kept for this purpose. A copy of the signed Certificate will be retained by the Clerk/Treasurer and the original shall be given to the holder of the scrip as proof of eligibility.
- E. The Clerk/Treasurer shall keep all copies of Certificates of Eligibility with the Inventory Log and make both available for inspection in accordance with the Public Records Act (42.56 RCW).
- F. Grant recipients may elect to receive a credit on their City of Tenino utility account either in lieu of wooden scrip, or in combination with an amount of scrip not to exceed the value established by the application form.

6. Redemption.

- A. Scrip may be redeemed by any business within the Tenino City Limits who has agreed to participate with the terms of the Grant Program. Agreement is indicated by the submission of a signed Recovery Grant Participation Agreement as shown at Tab D to this Exhibit.
- B. Scrip may be used to purchase anything sold by a participating business except:
 - i. Alcoholic beverages of any kind.
 - ii. Cannabis products of any kind.
 - iii. Tobacco products of any kind.
 - iv. Personal services, unless those services are provided by a licensed or certified:
 - Auto Repair Facility or Technician;
 - Barber;

EXHIBIT 1 TO ORDINANCE 910

- Child Care Facility or Provider;
- Contractor;
- Cosmetician;
- Accountant, Architect, Doctor, Engineer, Lawyer, Surveyor; or
- Information Technology Service Provider

C. Grant recipients are responsible for the payment of any taxes or fees that apply to any transaction for which scrip is to be redeemed, whether the transaction involves the use of scrip alone, or in conjunction with cash, check, or credit card.

D. Change. The scrip has no cash value. No scrip may be exchanged solely for cash. When scrip is tendered for payment, businesses may not issue change, whether by cash, check, or the extension of credit, in an amount that exceeds \$0.99.

E. Participating merchants may submit a COVID-19 Recovery Grant Reimbursement Request twice each month corresponding with the City's Accounts Payable cycle. Reimbursement requests are shown at Tab E to this Exhibit.

- The due date for submitting the first batch is the close of business on the Friday before the first regularly scheduled City Council meeting in any given month.
- The due date for the second batch is the close of business on the Friday before the second regularly scheduled City Council meeting in any given month.
- The City shall remit payment by issuing a Voucher and Check corresponding to each reimbursement request for the amount of scrip returned to the City at the close of each Accounts Payable cycle.
- The Clerk/Treasurer shall stamp each redeemed scrip with the word "REDEEMED" on the reverse of each scrip actually redeemed and shall indicate the scrip was redeemed by entering a "Y" in the redemption column of the inventory log.
- Redeemed scrip will be donated to the Tenino Depot Museum for use in its marketing and advertising campaigns.
- Upon termination of this program, for whatever reason, the Clerk/Treasurer shall inventory the unissued scrip and preserve them for future use or other disposition that the City Council may direct.

F. Duration. The City will honor scrip until such time, at its sole discretion, the adverse economic effects of the COVID-19 Emergency policies and procedures have abated, or it is determined that discontinuation of the program is in the best interest of the City.

7. Recordkeeping. The City's Public Records Officer shall maintain all records created in furtherance of this program according to the most recent Retention Schedule published by the

Commented [RH2]: Do grant recipients get an IRS 1099 form? I am not sure about tax implications for recipients. The application form should advise recipients that any tax implications are something applicants need to be responsible for after checking with their accountant. Also, I am not sure about the City's obligations to DOR and IRS to report funds distributed. The City should check with its tax expert on this.

Commented [RH3]: Does scrip have an expiration date? Recommend it be on the face of the scrip and be short-term, like 30 days.

Commented [RH4]: Businesses that want to participate should have an agreement to sign where they commit to the grant program guidelines.

Commented [RH5]: I think the City can give notice if there is a termination of the program even if not in this guideline, but recommend they not commit to this. There may be circumstances, such as fraud, a legal ruling, or updated AG guidance, where it would be a good idea to end the program promptly.

EXHIBIT 1 TO ORDINANCE 910

Office of the State Archivist and shall make such records available in accordance with the Public Records Act (42.56 RCW).