



City Council
April 17, 2020

Addendum #1
4/16 Packet Update

SUBJECT: DISCUSSION/DIRECTION/ACTION: UPDATE TO RESOLUTION NO. 31, SERIES 2020—A RESOLUTION APPROVING AN EMERGENCY SOLUTIONS GRANT PROGRAM

DATE: APRIL 17, 2020

PRESENTED BY: MEGAN E. PIERCE, ECONOMIC VITALITY DIRECTOR

SUMMARY:

This memo is an update to the materials that were previously published for the special City Council meeting on April 17. The Economic Vitality Committee (EVC) met on both April 13 and April 15. This memo summarizes the changes to the Emergency Solutions Grant Program from the April 15 meeting.

DISCUSSION/DIRECTION:

Discussions from the April 15 EVC meeting helped to clarify the structure of the grant program as well as recommendations on specific eligibility factors and criteria evaluation. The attached application has been revised to capture those discussions. Staff has also worked to organize and add narrative to the document to clarify program intent and data collection. Please note that this document has not been formatted for final presentation; it will be finalized in a format that can be submitted electronically.

Below is a list of the significant application changes made from the April 15 EVC meeting:

- Added notation about \$100,000 of LRC funding
- Added note to remind/promote purchasing goods, services, and employees locally
- Revised program application dates to April 22 – April 24 (three day window)
- Added language about administrative/City staff review process
- Clarified FTE count is as of 3/10/20
- Revised section on business types by making it a check-list, adding definitions, and changing the narrative about eligibility; there are now nine categories based on the two eliminated (food stores and auto dealers/gas service stations)
- Added notation on the W-9 documentation request
- Eliminated requirement for submitting Certificate of Good Standing from the Colorado Secretary of State; added this to Acknowledgment section; staff will verify for all applicants
- Revised the language related to the URA funding and moved it into the Business Information section since it is not an eligibility factor just how funding will be disbursed
- In Privacy Note, changed “best” to “reasonable”

- Revised the section headers on Applicant and Business Information; added clarifying narrative about what is used as criteria
- Added question on frequency of filing Sales and/or Use Tax (monthly, quarterly, yearly)
- Revised the Sustainability section to be Other Information; added narrative that this is data to help inform future support, not criteria. Applicants are not required to answer this section to be considered a complete application
- Eliminated question on percentage profit decline
- Moved question on mandates from Executive Orders to Other Information
- Revised question on profit decline to be revenue decline from March 2019 to March 2020
- Eliminated question about business owner investing own funds
- Moved Acknowledgements/Signature up ahead of Other Information to more closely tie it to the criteria and emphasize what must be submitted
- Removed “employment and/or” from the Acknowledgment about impacts of the COVID-19 pandemic
- Added “in Louisville” to business-related expenses Acknowledgement

From a process standpoint, staff continues to work on the ways to intake, evaluate, and approve applications based on the application draft. Economic Vitality will be the lead on program administration, but we also anticipate assistance from the City Clerk’s Office and the Sales Tax Division of the Finance Department.

Since grant applications will be due by end of business day on Friday, April 24, we will be able to assess the pool of applicants and begin work the week of April 27. While we do not know exactly how many applications we will receive, our discussions and data analysis lead us to believe the eligible applicant pool is under 400 Louisville businesses. With the appropriate procedures in place, I hope we can complete the application review and issue checks to those approved in early May. Because it is a defined application period and not a rolling first-in, first-approved process, we will need time to review all applications and confirm eligibility and then apply the criteria for decisions.

Staff is already also working on the communications strategy to support the grant program and inform our business community. If the program is approved on April 17, we will make immediate notification and then roll out promotions beginning Monday, April 20, including website, email, social media, etc. To facilitate these efforts, staff asks that City Council affirm the program title, since this was not decided at the EVC meeting. Staff has the program with a working title of “Emergency Solutions Grant Program.” Councilmember Dickinson suggested the program have an acronym, LASER, which stands for “Louisville Aid for Stabilization and Economic Recovery for Small Businesses.”

FISCAL IMPACT:

On April 7, the City Council proposed an initial amount of \$250,000 for the Emergency Solutions Grant program; this funding would be from the City’s General Fund. The Louisville Revitalization Commission also wishes to enter into an agreement with the City to contribute \$100,000 for grant funding to businesses within the Highway 42 Urban Renewal Area.

PROGRAM/SUB-PROGRAM IMPACT:

The Emergency Solutions Grant program is related to the sub-program objective to maintain positive business relationships throughout the community and to attract and retain a diverse mix of businesses within Louisville.

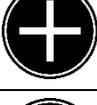
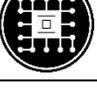
RECOMMENDATION:

Staff recommends approval of the Resolution to launch the Emergency Solutions Grant program for small businesses within the City of Louisville.

ATTACHMENTS:

- 1. DRAFT- Emergency Solutions Grant Program Application

STRATEGIC PLAN IMPACT:

<input type="checkbox"/>	 Financial Stewardship & Asset Management	<input type="checkbox"/>	 Reliable Core Services
<input checked="" type="checkbox"/>	 Vibrant Economic Climate	<input type="checkbox"/>	 Quality Programs & Amenities
<input type="checkbox"/>	 Engaged Community	<input type="checkbox"/>	 Healthy Workforce
<input type="checkbox"/>	 Supportive Technology	<input type="checkbox"/>	 Collaborative Regional Partner

Emergency Solutions Grant Program Application

for Louisville Small Businesses Impacted by the COVID-19 Pandemic

The City of Louisville seeks to support its small business that have been significantly impacted by the COVID-19 pandemic through the Emergency Solutions Grant Program. On April 17, 2020, the City Council approved \$250,000 of funding to be directed toward the grant program. The City's Urban Renewal Authority, the Louisville Revitalization Commission (LRC), has also agreed to contribute \$100,000 of funding; these funds can only be granted to businesses within the boundaries of the Highway 42 Revitalization Area.

Under the Emergency Solutions Grant program, eligible businesses may apply for grants of \$5,000 to assist in offsetting the negative economic circumstances created by the pandemic.

Submitting an application is not a guarantee of a grant award, and the City may terminate the Emergency Solutions Grant program at any time, for any reason.

Please also recall the power of purchasing any goods and services locally. The City appreciates local business efforts to shop, purchase, and employ from our Louisville economy.

The application period will be open for three days, beginning on April 22, 2020 @ 8 AM and closing on April 24, 2020 @ 5 PM. Any applications submitted outside that timeframe will not be considered. Applications must be submitted electronically.

Grant applications will be reviewed by City staff, against the criteria established by the Louisville City Council. Specifically, the Application sections on "Program Eligibility," "Required Documentation," and "Business Criteria" contain the information that will be used to process your request for grant funding.

Please note that incomplete applications will not be reviewed.

Program Eligibility (you must meet all eligibility factors in order to apply)

- Brick-and-mortar business within the City of Louisville
- In operation as of March 10, 2020 (Governor's State of Emergency Declaration)
- Current on all City accounts as of date of application (Sales Tax and utilities, for example)
- Employed 25 or fewer FTEs as of March 10, 2020. Please provide employee headcounts for that date:
 - Full-time:
 - Part-time:
 - Total:
- My business is one of the following business types:

Emergency Solutions Grant Program Application

for Louisville Small Businesses Impacted by the COVID-19 Pandemic

Due to limited program dollars, only the following business types are eligible for program funding at this time. If you are not sure of your business industry classification, please check your taxpayer license ("Type of Business" in lower left-hand corner).

- General merchandise/other retail (#53): Retail stores which sell a number of lines of merchandise, such as dry goods, cosmetics, small wares, and office/household supplies.
- Apparel and accessory stores (#56): Retail stores primarily engaged in selling new clothing, shoes, hats, underwear, and related articles for personal wear and adornment.
- Home furniture/décor/home appliance (#57): Retail stores selling goods used for furnishing the home, such as furniture, floor coverings, draperies, glass and chinaware, domestic stoves, refrigerators, and other household electrical and gas appliances.
- Eating and drinking places (#58): Establishments selling prepared foods and drinks for consumption on the premises; and also lunch counters and refreshment stands selling prepared foods and drinks for immediate consumption.
- Personal/business services (#71): Establishments primarily engaged in providing services generally to individuals such as laundries, drycleaning stores, interior design services, photography studio, tattoo studios, and beauty and barber shops. Also establishments rendering services to businesses such as advertising, credit reporting, collection of claims, mailing, reproduction, photocopying, data processing, and services to buildings (i.e. security monitoring, locksmith services, facilities cleaning services).
- Auto repair and services/other repair services (#72): Establishments engaged in automotive repair or other equipment repair services (i.e. appliance repair, bicycle repair, musical instrument repair) to the general public.
- Amusement/recreation services (#73): Establishments engaged in providing amusement or entertainment services (i.e. exercise studios, rock gyms, arcades).
- Health/medical services (#74): Establishments primarily engaged in furnishing medical, surgical, and other health services to persons (i.e. physician & dentist practices, chiropractic/physical therapy services, eyecare services, health/wellness services).
- Educational services/social services (#76): Establishments providing academic or technical instruction; and providing social services and rehabilitation services to those

Emergency Solutions Grant Program Application

for Louisville Small Businesses Impacted by the COVID-19 Pandemic

persons with social or personal problems requiring special services and to the handicapped and the disadvantaged.

Required Documentation

- Complete and signed application
- W-9 (this allows the City to process a check if your grant application is approved)

Privacy Note

All applications will become property of the City of Louisville, and all applications are subject to the Colorado Open Records Act, C.R.S. § 24-6-200.1, *et seq.*, provided that the City will use reasonable efforts to maintain the confidentiality of any confidential financial information submitted, as permitted by law.

Questions/Contact

Megan E. Pierce, Economic Vitality Director- City of Louisville

mpierce@louisvilleco.gov or 303-335-4531

Submissions

Due to the pandemic and application window, all applications must be submitted electronically. The City will confirm receipt of all submissions.

Submit your application directly to: **XX**

Applicant/Business Information

First Name:

Last Name:

Phone Number:

Email Address:

Business Name:

Business Address, Street:

Business Address, City, State, and Zip Code:

Business Phone Number:

- My business is located within the Highway 42 Revitalization Area. Because some grant funding is being provided by the Louisville Revitalization Commission (LRC), please indicate whether your business is within the Highway 42 Revitalization Area (see map below/next page).

Emergency Solutions Grant Program Application

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The LRC can only grant funds to businesses within these boundaries, but this does not impact your program eligibility.



Evaluation Criteria (this section is specific information to rank your application)

How often do you file your Sales and/or Use Tax with the City of Louisville? (select one)

- Monthly Quarterly Yearly

Business Opening Date in Louisville (day/month/year):

Acknowledgements/Signature

Please check each statement acknowledging that you have read and affirm the information you have submitted within this application is true and accurate to the best of your knowledge.

- Business meets program eligibility and requirements laid out in the Application Checklist

Emergency Solutions Grant Program Application

for Louisville Small Businesses Impacted by the COVID-19 Pandemic

- Business has experienced or is projecting to experience a significant decline in revenue as a result of the COVID-19 pandemic
- Business is in good standing with the City of Louisville with respect to taxes and fees; and is in good standing with the County, State, and Federal governments
- Business is in Good Standing with the Colorado Secretary of State (the City will verify you have a Good Standing Certificate)
- Business is engaged in activities that are legal under City and State law
- As of March 10, 2020, business is not subject to an administrative order, civil lien, or civil judgment held by or on behalf of any federal, state, county, or municipal government; political subdivision; or special district; or criminal restitution order
- Any grant monies received will be used on business-related expenses in Louisville, including rent, mortgage, payroll, or other essential payments needed in order to stay in or restart operations. Eligible expenses also include those related to purchases or changes needed to operate during the pandemic

Business Signature:

Business Signature Title:

Date:

Other Information (this section is not required; the data is helpful to understand future strategies for business support but will not be used to evaluate your application)

Number of current employees or number anticipated through April 30, 2020:

- Full-time:
- Part-time:
- Total:

Based on the Governor's Executive Orders, was your business (select one):

- Defined as non-critical and forced to close for the Order duration
- Defined as non-critical and shifted to online only orders or offerings
- Defined as critical but must restrict operations (offer only take-out/delivery, etc.)
- Defined as critical and allowed to operate while implementing remote work or changes to work places for social distancing/sanitizing

Emergency Solutions Grant Program Application

for Louisville Small Businesses Impacted by the COVID-19 Pandemic

- Other, please describe

Please tell us more about the specific impacts your business has experienced due to the COVID-19 pandemic. (check all that apply)

- Business closure
- Reduced hours of operation
- Employee layoffs/furloughs
- Revenue decline
- Increased operating costs (i.e. employee paid leave)
- Restricted access to capital to address increased costs
- Inability to serve customers
- Decreased customers
- Inability to respond to home-delivery requests
- Interrupted supply or delivery from vendors
- Employee absenteeism
- Lack of rent deferral or abatement
- Utilization of reserves

Please describe your plans to stabilize and continue your business during and after the Stay at Home Order.

What was the percentage change in your revenue between March 2019 and March 2020?

How would your business anticipate using grant funds? (check all that apply)

- Rent/mortgage payment
- Employee support (salaries, insurance, paid leave)
- Utilities
- Purchase of COVID-19 supplies for protection/cleaning
- Purchase of supplies to offer alternative services (curbside pick-up, delivery)
- Expenses associated with increased material costs from suppliers or alternate suppliers
- Expenses associated with marketing

Have you applied for other funding? (check all that apply)

- Economic Injury Disaster Loan (EIDL) through the US Small Business Administration
- Paycheck Protection Program Loan (PPP) through the CARES Act
- Other, please indicate:
- Have not applied, but plan to apply
- Applied and have received funding
 - If yes, how much?

COOPERATION AGREEMENT
Emergency Solutions Grant Program Funding

This Agreement is made as of _____, 2020, by and between the CITY OF LOUISVILLE, COLORADO (the “City”) and the LOUISVILLE REVITALIZATION COMMISSION (the “LRC”). The City and the LRC are sometimes referred to herein individually as a Party and collectively as the Parties.

RECITALS

A. The City is a home-rule city and municipal corporation duly organized and existing under and pursuant to Article XX of the Colorado Constitution and Charter of the City (the “Charter”).

B. The LRC is a public body corporate and politic authorized to transact business and exercise its powers as an urban renewal authority under and pursuant to the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”).

C. The Act and Section 18, Article XIV of the Colorado Constitution authorize the Parties to enter into cooperation agreements, and the Parties desire to enter into this Cooperation Agreement respecting financial assistance for the City’s Emergency Solutions Grant Program (the “Program”).

D. The Program authorizes grants to small businesses who have been impacted by the COVID-19 Pandemic, many of which are located within the Highway 42 Revitalization Area (the “Plan Area”) described in the Highway 42 Revitalization Area Urban Renewal Plan (the “Plan”). The Program will assist business owners within the Plan Area address the devastating financial impacts of COVID-19, including business closures and social distancing requirements, will encourage continued presence of businesses consistent with the Plan vision, and will prevent the spread of blight within the Plan Area by a proliferation of abandoned storefronts, all in furtherance of the purposes of the Act and Plan.

E. The Plan provides for financing the activities and undertakings of the LRC by means of property tax allocation or tax increment financing (“Property Tax TIF”) in accordance with Section 31-25-107(9) of the Act.

F. The City and the Commission previously entered into an Amended and Restated Cooperation Agreement dated April 5, 2011 (the “2011 Cooperation Agreement”) which provides that the Commission shall repay to the City certain City Costs and Expenses incurred by the City for the provision of Operating Funds and Support Services for the Commission, as further defined and set forth in the 2011 Cooperation Agreement.

DRAFT for LRC and City Council Review

G. The Parties previously entered into that certain Amended and Restated Cooperation Agreement dated November 17, 2015 (the “2015 Cooperation Agreement”), which provides that the LRC shall repay to the City Costs and Expenses incurred by the City for the provision of Operating Funds and Support Services for the LRC, as further defined and set forth in the 2015 Cooperation Agreement.

H. The parties also previously entered into that certain Tri-Party Agreement with the County of Boulder dated December 5, 2006 (the “Tri-Party Agreement”), which provides that commencing on January 1, 2015, there shall be paid to the County certain County TIF Revenues, as further defined and set forth in the Tri-Party Agreement.

I. The LRC previously entered into that certain Property Tax Increment Rebate Agreement with 712 Main Street LLC and 722 Main Street LLC, which provides Property Tax TIF financing for a redevelopment project known as Terraces on Main Street (the “Terraces Agreement”).

J. The LRC issued its Property Tax Increment Revenue Bonds (DELO Project), Series 2014 on October 23, 2014, in the principal amount of \$4,500,000 (the “2014 Bonds”) and pledged the Property Tax TIF revenue from the Core Project Area (as defined in the 2014 Bond Resolution authorizing the 2014 Bonds) to the payment of the 2014 Bonds on a basis that was subordinate to the payments required under the Tri-Party Agreement and the 2011 Cooperation Agreement (replaced by the 2015 Cooperation Agreement). Pursuant to the terms and provisions of the 2014 Bond Resolution, all Property Tax TIF revenue from the Core Project Area remaining after any required payments under the Tri-Party Agreement and the 2011 Cooperation Agreement have been made are required to be applied to the payment of the 2014 Bonds until the 2014 Bonds are paid in full or until the Bonds are discharged on December 1, 2033.

K. The Parties intend that LRC financing assistance for the Program be limited to certain Property Tax TIF revenue available to the LRC after payment of any amounts required to be paid pursuant to the 2015 Cooperation Agreement, Tri-Party Agreement, amounts the LRC may reasonably require for ongoing operating, administrative, consulting and other costs (LRC Operating Expenses), the Terraces Agreement, and the 2014 Bonds.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the following terms and conditions, the Parties agree as follows:

1. Administration of Program. The City will administer the Project through the City General Fund budget. The Parties shall cooperate to take any and all reasonable steps necessary to finance the Program as set forth herein.

DRAFT for LRC and City Council Review

2. LRC Financial Assistance. a. In accordance with Section 31-25-107(9)(a)(II) of the Act, the LRC has established a special fund (the “Special Fund”) and deposited therein all Property Tax TIF revenue from the Plan Area upon receipt from the Treasurer of Boulder County, except for such amounts as the LRC may reasonably require for payment of obligations under the 2015 Cooperation Agreement, the Tri-Party Agreement, payment of LRC Operating Expenses, the Terraces Agreement, and the 2014 Bonds (“Pledged Revenues”), subject to the limitations set forth in Section 2.c., below.

b. The Parties agree that the Pledged Revenues in an amount not to exceed \$100,000 shall be used and expended exclusively for the Program, and paid to the City to reimburse grants made to businesses located within the Plan Area in accordance with the Program criteria. The Pledged Revenues available for the Program shall be periodically transferred from the Special Fund to the City General Fund at such time(s) as shall be determined by the City Finance Director.

c. Notwithstanding any provisions of this Agreement to the contrary, the Parties agree the LRC may use for any lawful purpose amounts not required for payments under this Agreement.

d. Upon request of the LRC, the City agrees to give reasonable consideration to subordinating its rights under this Agreement to the Payment of Pledged Revenues to any bonds, loans, advances, indebtedness, or other obligation of the LRC.

e. The Parties shall each keep, or cause to be kept, proper and current books and accounts in which complete and accurate entries shall be made of the amounts deposited into and paid out from the Special Fund and Capital Projects Fund for the Project.

3. Continuing Cooperation; Additional Agreements. The Parties shall cooperate to carry out and complete the Program approved by the City Council. The Parties agree to cooperate and give timely consideration to any additional agreements or amendments to this Cooperation Agreement that may be necessary or convenient in connection with such activities and undertakings; provided, however, nothing in this Cooperation Agreement shall preclude or require the commitment of additional revenue, financing, or services by either Party beyond those provided for herein in connection with such activities and undertakings.

4. Obligations Subject to Act, Charter, and Constitution. The covenants, duties and actions required of the Parties under this Cooperation Agreement shall be subject to and performed in accordance with the provisions and procedures required and permitted by the Charter, the Act, any other applicable provision of law, and the Colorado Constitution. Without limiting the foregoing, all financial obligations of the City are subject to annual budgeting and appropriation of funds in the discretion of the City Council, and nothing in this Agreement is intended or shall be deemed or construed as creating any multiple fiscal-year direct or indirect debt or financial obligation of the City.

5. Enforced Delay. Neither Party shall be considered in breach of, or in default in, its obligations with respect to this Cooperation Agreement in the event of delay in the performance of such obligations due to causes beyond its control and without its fault, it being the purpose and intent of this provision that if such delay occurs, the time or times for performance by either Party affected by such delay shall be extended for the period of the delay.

6. Prior Agreements. Nothing in this Cooperation Agreement is intended or shall be construed to operate as an amendment to the 2015 Cooperation Agreement or to enlarge, diminish or impair any provisions of, or any rights, duties or obligations under, such 2015 Cooperation Agreement or the Tri-Party Agreement.

7. No Third Party Beneficiaries. Neither the City nor the LRC shall be obligated or liable under the terms of this Cooperation Agreement to any person or entity not a party hereto.

8. Severability. In case any one or more of the provisions contained in this Cooperation Agreement or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Cooperation Agreement, or any other application thereof, shall not in any way be affected or impaired thereby.

9. Binding Effect. Subject to compliance with Section 11, below, this Cooperation Agreement shall be binding upon and inure to the benefit of the Parties, their successors, legal representatives, and assigns.

10. City and Commission Separate. Nothing in this Cooperation Agreement shall be interpreted in any manner as constituting the City or its officials, representatives, consultants, or employees as the agents of the LRC, or the LRC or its officials, representatives, consultants, or employees as the agents of the City. Each entity shall remain a separate legal entity pursuant to applicable law. Neither of the Parties hereto shall be deemed to hereby assume the debts, obligations, or liabilities of the other. The LRC shall be responsible for carrying out its duties and functions in accordance with the Act and other applicable laws and regulations, and nothing herein shall be construed to compel either Party to take any action in violation of law.

11. Assignment. This Cooperation Agreement shall not be assigned in whole or in part by either Party without the prior written approval of the other Party.

12. Governing Law. This Cooperation Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado.

13. Headings. Section headings in this Cooperation Agreement are for convenience of reference only and shall not constitute a part of this Cooperation Agreement for any other purpose.

DRAFT for LRC and City Council Review

14. Additional or Supplemental Agreements. The Parties mutually covenant and agree that they will execute, deliver and furnish such other instruments, documents, materials, and information as may be reasonably required to carry out this Cooperation Agreement.

15. Entire Agreement; Amendment. This Cooperation Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof. No addition to or modification of the Cooperation Agreement shall be effective, except by written agreement authorized and executed by the Parties.

IN WITNESS WHEREOF, the Parties have caused this Cooperation Agreement to be duly executed and delivered by their respective officers as of the date first above written.

THE CITY OF LOUISVILLE,
a Colorado municipal corporation

Attest:

Mayor

City Clerk

LOUISVILLE REVITALIZATION COMMISSION

Attest:

Chairman

Secretary