

Council Business Meeting

April 6, 2021

Agenda Item	Consideration of Small Business Grants Offered by the City of Ashland	
From	Adam Hanks	City Manager Pro Tem
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SUMMARY

This item was moved from the March 16, 2021 Council Business meeting due to lack of time.

This item is a request for discussion and consideration of developing a small business grant program to assist local businesses with the economic impacts associated with the COVID-19 crisis. Councilors Moran and DuQuenne made the request for this item to be placed on the agenda.

POLICIES, PLANS & GOALS SUPPORTED

N/A

PREVIOUS COUNCIL ACTION

May 5, 2020 – Consideration of small business grants offered by the City of Ashland

BACKGROUND AND ADDITIONAL INFORMATION

In the early stages of the COVID-19 crisis, City staff took a number of actions to support local businesses, including the following:

- Deferral of utilities payments, TOT (Lodging) and Food & Beverage Tax payments
- No utility late fees or shut-offs for non-payment
- Moratorium on utility rate increases
- Coordination with Chamber on local business access to CARES Act funding
- Regular meetings with state and federal legislators to advocate for funding relief and adjustments to processes to ensure funds reach our local businesses
- Coordination with Chamber on advocacy and grant application for EDA/USDA funding for recovery planning and implementation
- Participation with building owners, businesses and community partners to develop an events and activities plan for summer and fall and ensure downtown is cleaned up and ready for activity

In late June of 2020, the City of Ashland was awarded matching funds from the Oregon Business Development Department (Business Oregon) to facilitate a COVID-19 Emergency Business Grant program with \$140,000 available for small businesses and non-profits.

The match funds were allocated by the Oregon Legislature, in partnership with the Governor, as part of \$5 million from the State General Fund, which will be combined with \$5 million redirected from existing programs at Business Oregon. The purpose is to provide financial assistance to small businesses and non-profits adversely affected by economic conditions associated with the COVID-19 pandemic that have not received federal emergency assistance under the federal CARES Act or other federal program for emergency pandemic funding.

This grant program was managed directly by City Administration Department staff and was followed by several additional rounds of similar state level funding that was managed by Southern Oregon Regional Economic Development Inc (SOREDI) with Ashland businesses being eligible applicants.

Discussion points for the development of a local business relief grant program include the following:

- Desired funding source for the grants
- Evaluation of funding effectiveness
- Eligibility and criteria standards

FISCAL IMPACTS

Staff will be able to respond to questions from Council on the financial impacts of suggested alternative uses for the funds.

STAFF RECOMMENDATION

With the projected revenue shortfalls for the remainder of the biennium, staff has not identified any existing funding sources that would be available for a local grant program that would not negatively impact the ability for the City to maintain necessary funding levels to maintain service levels for those operations that reside within the general fund such as Police, Fire, Ambulance, Parks and Community Development. Staff recommends that Council provide direction that includes the ability for staff to provide additional detailed financial impact analysis for any proposals that arise from this discussion prior to a final decision being made.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

None

REFERENCES & ATTACHMENTS

None