



Staff Report

For Special City Council Meeting - 12/22/2020

Subject - Old Business - Discussion - Allocation of \$40,000 in Federal CARES Act Funds to Small Business Applicants

Synopsis: The CARES Act established the \$150 billion Coronavirus Relief Fund (CRF). At the December Council Meeting, the City Council committed \$40,000 of Gearhart's available \$50,000 toward Gearhart Small Businesses via CEDR. However, the funds are being returned as CEDR was unable to distribute in the manner motioned by Council. Moving quickly, a City of Gearhart Small Business Emergency Relief Program was created for business owners to apply for relief directly. The application was released after the Special Council Meeting the evening of the 16th. Applicants were to demonstrate a need directly related to COVID-19. Unfortunately, the application window was small due to the CARES Act deadline. Applications were due yesterday. Tonight, the Council is to review and approve the distribution of \$40,000 in funds. Checks will be distributed TOMORROW with the expectation of immediate deposit.

Recommendation: Applicants were advised funds would be awarded "up to \$2,000" to the first (20) applicants. The intention is to evenly distribute funds amongst applicants while acknowledging there may be cause for exception based on the number of applications received.

Legal Analysis: *Recipients must cash their checks immediately.* It is imperative business owners cash their checks no later than December 29th. *The City must show all CARES Act funds were spent by December 30th to ensure reimbursement.*

Financial Analysis: The City has already submitted paperwork on \$10,000 of the \$50,000 in CARES Act funds. This \$40,000 in Small Business grants will close out the City's CRF.

Respectfully Submitted,


Krysti for Chad



City of Gearhart Small Business Emergency Relief Grant Program Application

Under the CARES Act, the City of Gearhart has received funding to address hardships created by the COVID-19 Pandemic. City Council has allocated funds for a Small Business Emergency Relief Grant Program to provide financial assistance directly to businesses located within the City that have been adversely affected by the economic conditions associated with the COVID-19 Pandemic.

Applications for the City of Gearhart Small Business Emergency Relief Grant Program are available now. Applicants may apply by printing out and completing a hard copy, then scanning and attaching all necessary information and sending as email attachments to Krysti Ficker, Executive Administrative Assistant, at: krysti@cityofgearhart.com. Applications can also be dropped in the drop box outside of City Hall at 698 Pacific Way. Mailing is not advised due to the short time constraint.

All applications are due by 5:00 pm on Monday, December 21st, 2020.

Grant applications will be reviewed December 22nd with funds distributed between the 23rd and 28th of December.

**Grants will be awarded in an amount up to
\$2,000 to the first (20) applicants.**

Award checks MUST BE deposited to the award recipient's financial institution by Tuesday, December 29th in order to meet the deadline instituted by the CARES Act Coronavirus Relief Fund (CRF).

An Ad Hoc Committee composed of the Gearhart City Council will make all final award selections. To access the application online, please download from the City's website at <https://www.cityofgearhart.com>.

For additional information or questions, please contact Krysti Ficker, Executive Administrative Assistant, at: krysti@cityofgearhart.com.



Business Name: _____

This application is for a business that meets all of the following eligibility requirements:

- The Business is located in Gearhart, headquartered in Oregon and has a City of Gearhart Business License.
- If required by Oregon law to be registered with the Oregon Secretary of State to do business in Oregon, the Business is so registered.
- The Business has 50 or fewer employees.
- The Business was adversely affected in either one of the following two ways:
 - Small Businesses that lost revenue due directly to the implementation of COVID-19 restrictions;
 - Small Businesses that have not received COVID-19 related funding from CEDR as of October 2020.

The following Businesses are ineligible to apply for or receive funding under the Program:

- Businesses that are delinquent on federal, state or local taxes that were due before April 1, 2020.
- Businesses that do not comply with all federal, state and local laws and regulations.
- Businesses that do not otherwise meet the eligibility requirement set forth above.



Contact Name: _____ Phone: _____

Email Address: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Employer Identification Number (Federal EIN): _____

Business Identification Number (Issued by Oregon Employment Dept): _____

NAICS Code (as listed on businesses most recent federal tax filing): _____

Description of product(s) or service(s) offered:

Company Principals

Name: _____ Title: _____

Percent Ownership: _____

Name: _____ Title: _____

Percent Ownership: _____

Name: _____ Title: _____

Percent Ownership: _____

Name: _____ Title: _____

Percent Ownership: _____

Amount of funding requested (up to \$2,000): _____

If a Business has been awarded funds in 2020 from another COVID-19 Relief fund, such as CCET's Program, the Paycheck Protection Program, Small Business Administrations' Economic Injury Disaster Loan Emergency Advance Program or other federal programs, please list the award amount here:

*The receipt of grant funds from another program, with the exception of the previously noted CARES Act award through CEDR, does not automatically mean a business is ineligible for the City's Small Business Emergency Relief Grant Program. However, if a business has received funding from another program, this will be considered in the event that the amount of funds requested by eligible applicants exceeds the total amount of grant funds available.



How many jobs will be retained at your business as a result of the grant? Include jobs lost since February 29, 2020 that can now be retained because of the grant.

Please describe the hardship sustained by your business as a result of COVID-19 and the positive impact this grant would have on your operations moving forward:



Certifications and Representations:

The information in this application, including all attachments and certifications, are, to the best of the knowledge of the undersigned, complete current and accurate. The application presents fairly the conditions of the eligibility of the undersigned. Proceeds of the award are intended to solely support the operations and reopening expenses of the applicant business. Initial all of the following certifications that apply:

- ___ The applicant business was adversely impacted as a direct result of the COVID-19.
- ___ The applicant business had 50 or fewer employees as of February 29, 2020.
- ___ The applicant business is located in Gearhart, headquartered in Oregon and has a City of Gearhart Business License.
- ___ The applicant business is currently registered with the Oregon Secretary of State to do business in Oregon if such registration is required.
- ___ The applicant business is compliant with all federal, state and local laws.
- ___ The applicant business agrees to provide business, financial and ownership information necessary to determine and verify eligibility.
- ___ The applicant business will only use these proceeds to support business-related expenses to maintain operations and/or re-open and that the City's Small Business Emergency Relief Grant Program proceeds will not be used for personal purposes.
- ___ Unless otherwise directed by Executive Order, the applicant is open, or has re-opened for business.

Failure to comply with eligible use of proceeds or making a material misrepresentation about the business and its operations to qualify for an award, will be a provision of default of the award and subject the award to recapture. The City of Gearhart reserves the right to request additional documentation from the applicant to verify the accuracy and authenticity of the information provided.

Should the City determine a misrepresentation exists creating a default, the award may be forfeited and subject to repayment. Failure to repay or cure a default will result in any and all collection actions permissible by law, including through third part collection services or the Oregon Department of Revenue. The applicant agrees to allow the City to pursue such collection actions.



General Certification

I certify to the best of my knowledge that all information, contained in this application including all attachments and certifications, is valid and accurate. I further certify that, to the best of my knowledge:

- The application has been reviewed and approved by the authorized owner(s), managers with appropriately delegated authority, and/or in accordance with the organization’s articles of incorporation, articles of organizations or bylaws and;
- Signature authority is verified.

Check one:

Yes, I am authorized to submit on behalf of the applicant within authority granted in the applicant’s articles of incorporation, articles of organization, or bylaws (e.g. President, Secretary, Chief Executive Officer, Board Chair, etc.)

No, I am not authorized to submit on behalf of the applicant within authority granted in the applicant’s articles of incorporation, articles of organization, or bylaws so I have attached documentation that verifies my authority to sign on behalf of the applicant.

The City will only accept applications with proper signature authority documentation.

Business Owner Signature: _____ Date: _____

Printed Name

Printed Title