

## TRANSMITTAL

To: **THE COUNCIL**

Date: **06/17/21**

From: **THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**



(Ana Guerrero) for

**ERIC GARCETTI**  
Mayor

# CITY OF LOS ANGELES

CALIFORNIA

CAROLYN M. HULL  
GENERAL MANAGER



ERIC GARCETTI  
MAYOR

**ECONOMIC AND WORKFORCE  
DEVELOPMENT DEPARTMENT**

1200 W. 7TH STREET  
LOS ANGELES, CA 90017

June 17, 2021

Council File:  
Council District Nos.: All  
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The Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall

Attention: Heleen Ramirez, Legislative Coordinator

**TRANSMITTAL: REQUEST FOR AUTHORITY TO TRANSFER \$50,000,000 FROM THE UNAPPROPRIATED BALANCE IN THE APPROVED 2021-2022 BUDGET, FOR THE IMPLEMENTATION OF BUSINESS ASSISTANCE PROGRAMS UNDER THE AMERICAN RESCUE PLAN ACT**

The General Manager of the Economic and Workforce Development Department (EWDD), respectfully requests that your office review and approve this transmittal and forward to the City Council for further consideration.

## **SUMMARY**

The COVID-19 global pandemic has devastated small businesses in the City resulting in a substantial economic decline, particularly in disadvantaged communities. Studies show that job losses are disproportionately higher for low-wage workers and that “mom and pop” businesses are closing at a higher rate due to drastically declining revenues. Many businesses are struggling to keep their doors open.

The American Rescue Plan Act (ARPA) is a federal economic relief bill signed into law earlier this year to assist families and workers impacted by COVID-19. The U.S. Department of the Treasury released the ARPA Interim Final Rule on May 17, 2021. It provides guidance on the eligible uses of ARPA funds, including provisions to support the communities and populations hardest hit by the pandemic. It addresses inequities that disproportionately impacted certain populations, such as low-income families, communities of color, and impacts along gender lines.

The City has been allocated over \$1.2 billion in ARPA funds to provide much needed relief to Angelenos during the current economic crisis. To support struggling for-profit small businesses, the Mayor and City Council, through the 2021-2022 budget process, allocated fifty million dollars (\$50 million) in ARPA funding to implement a series of programs that promote a strong and equitable economic recovery in the City, consistent with ARPA regulations.

The \$50 million ARPA allocation was transferred to the Unappropriated Balance (UB) account, to allow for further consideration by Council. Through this report, EWDD is requesting authorization to have the ARPA funds transferred to the department to deploy much needed programs to help businesses recover in the aftermath of the pandemic.

Table 1 provides a summary of the proposed programs and related administrative costs to be funded with ARPA funds.

**Table 1**

Activity	Description	Amount
Restaurant and Small Business Recovery Program	Deployment of \$5,000 grants to 5,000 small businesses impacted by COVID-19 including restaurants and other vulnerable industries needing assistance in their economic recovery efforts.	\$25,000,000
Small Business Rental Assistance Program	Grants of up to \$15,000 (or six months' rent, whichever is less) to support rental/lease costs for about 800 small businesses in qualifying industries for both current and arrears rent payments, and to eligible new businesses that need assistance with first and last month rent.	\$12,000,000
Jobs and Economic Development Incentive (JEDI) Zones Business Assistance	Funding to provide JEDI Zone Program incentives, including: <ul style="list-style-type: none"> <li>• \$1.5 million in funding for Building and Safety and Planning permits, to assist approximately 150 businesses</li> <li>• \$1.5 million for façade improvement projects, to assist approximately 20 businesses</li> <li>• \$1 million for upgrading business technology needs, including website, point of sale and internet access, to assist approximately 166 businesses</li> </ul>	\$4,000,000
Good Food Zones Business Assistance Program	Pilot program to assist food-oriented businesses located in approved Good Food Zones. Services and incentives include a Food Business Liaison, outreach and marketing materials, technical assistance and, grants of up to \$25,000 to qualified businesses to expand access to healthy foods. Assistance will be provided to 20 to 40 businesses.	\$1,000,000

**Table 1 (Continued)**

<b>Activity</b>	<b>Description</b>	<b>Amount</b>
Legacy Business Recovery Program	<p>\$4.75 million to provide both technical assistance and grants of up to \$25,000 to support and preserve qualified legacy businesses. Assistance can be provided to approximately 190 businesses, approximately twelve (12) businesses nominated per City Council District.</p> <p>\$250,000 set aside for marketing and outreach to ensure equitable access of this funding opportunity.</p>	\$5,000,000
Program Costs	<p>Technical assistance to support business owners through the application process, particularly applicants with language and technology barriers.</p> <p>Third-party consultants to provide administrative support services for data facilitation and analytics for equitable delivery of programs, eligibility review and funding of grant applications to ensure timely delivery of assistance, and to assist in the marketing, outreach, and translation services to ensure equitable access and to reach businesses that may not have previously received funding assistance.</p> <p>Subrecipient administrative fee for the Restaurant and Small Business Recovery and Rental Assistance Programs.</p> <p>Salaries and related costs for EWDD staff carrying out ARPA activities.</p>	\$3,000,000
<b>TOTAL</b>		<b>\$50,000,000</b>

**RECOMMENDATIONS**

The General Manager of EWDD respectfully requests that the City Council, subject to the approval of the Mayor as required:

1. AUTHORIZE the use of a total of \$50 million of ARPA Funds as follows:

Restaurant and Small Business Recovery Program	\$25,000,000
Small Business Rental Assistance Program	\$12,000,000
JEDI Zone Program Business Assistance	\$4,000,000
Good Food Zones Business Assistance Program	\$1,000,000
Legacy Business Recovery Program	\$5,000,000
Program Costs	\$3,000,000
<b>TOTAL</b>	<b>\$50,000,000</b>

2. AUTHORIZE the General Manager of EWDD to negotiate and execute subrecipient agreement(s) with a Community Development Financial Institution(s) (CDFI) or other third-party service provider for the sub-award of up to \$37,000,000 plus administrative fees, for the implementation of the Restaurant and Small Business Recovery Program and Small Business Rental Assistance Program, subject to the approval of the City Attorney as to form;
3. AUTHORIZE the General Manager of EWDD to negotiate and execute professional services agreement(s) with third-party consultant(s) for up to \$300,000 for assistance in the implementation of ARPA funded programs and projects;
4. AUTHORIZE the General Manager of EWDD to allocate up to \$5,000 for CPA services to conduct fiscal monitoring reviews of selected subrecipients;
5. AUTHORIZE the General Manager of EWDD to negotiate and execute a subrecipient agreement with a third-party service provider for assistance in the implementation of the JEDI Zone Business Incentive Program for up to \$1,000,000 for services to upgrade technology such as website development, point of sale devices and internet access;
6. AUTHORIZE the Controller to establish a new interest-generating fund titled ARPA Funds No. XXX to be administered by EWDD;
7. AUTHORIZE the Controller to:
  - a. Appropriate \$25,000,000 from the Unappropriated Balance Fund No. 100/58 Restaurant and Small Business Recovery Account No. 580355 to the newly established American Rescue Plan Act (ARPA) Programs Fund No. XXX, as follows:

Account No.	Account Name	Amount
22V731	Restaurant and Small Business Recovery Program	25,000,000

- b. Appropriate \$25,000,000 from the Unappropriated Balance Fund No. 100/58 Business Assistance Programs Account No. 580373 to the newly established American Rescue Plan Act (ARPA) Programs Fund No. XXX, as follows:

Account No.	Account Name	Amount
22V112	City Attorney	652
22V122	Economic and Workforce Development	312,120
22V166	Personnel	6,017
22V299	Reimbursement of General Fund Costs	176,211
22V732	Small Business Rental Assistance Program	12,000,000
22V733	JEDI Zone Program Business Assistance	4,000,000
22V734	Good Food Zones Business Assistance Program	1,000,000
22V735	Legacy Business Recovery Program	5,000,000
22V736	Business Assistance Program Costs	2,505,000
	<b>Total</b>	<b>25,000,000</b>

c. Increase appropriations within Fund 100/22 as follows:

<b>Acct #</b>	<b>Title</b>	<b>Amount</b>
001010	Salaries General	252,933
001070	Salaries As Needed	1,500
001090	Overtime General	2,634
002120	Printing and Binding	35
002130	Travel	73
003040	Contractual Services	5,523
003310	Transportation	4
006010	Office and Administrative	5,086
006020	Operating Supplies	7
006030	Leasing	44,325
<b>Total</b>		<b>312,120</b>

d. Increase appropriations within the following Fund 100 accounts:

<b>Acct #</b>	<b>Title</b>	<b>Amount</b>
100/12/001010	Salaries General	652
100/66/001010	Salaries General	6,017

8. Transfer up to \$1,500,000 from the newly established American Rescue Plan Act (ARPA) Programs Fund No. XXX, JEDI Zone Program Business Assistance Account No. 22V733, to the Building and Safety and Planning Departments, upon presentation of proper documentation by EWDD;
9. INSTRUCT EWDD to report on program status of the ARPA funded activities to Mayor and City Council every 60 days, or more often as needed; and
10. AUTHORIZE the General Manager of EWDD to make technical corrections to transactions included in this report, subject to the approval of the City Administrative Officer, to carry out Mayor and City Council intentions, as necessary, and authorize the Controller to implement those instructions.

**FISCAL IMPACT STATEMENT**

Recommendations in this report will have no negative impact on the City General Fund, as all proposed programs will be funded with American Rescue Plan Act (ARPA) funds included in the unappropriated balance in the City’s 2021-22 approved budget.

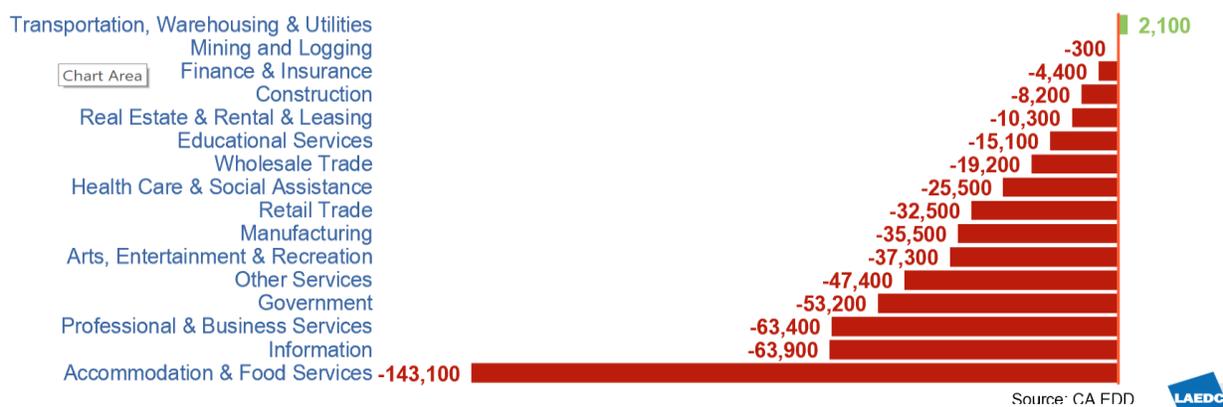
**DISCUSSION**

Since April 2021, some industries have started to turn around when compared to employment in May 2020. However, we see virtually all industries are still struggling to recover. According to the Los Angeles Economic Development Corporation (LAEDC), compared to last year, leisure and hospitality is down 44 percent; professional and business services reported 63,400 fewer jobs than a year ago; other industries are still well below employment levels of the prior year including educational and health services, and

other services (including personal services), manufacturing, information, construction, and financial activities.

As of November 9, 2020, there was a 28.6 percent decline in the number of small businesses that were opened in Los Angeles, and there are at least 15,000 businesses in Los Angeles that have reported closure (including permanent and temporary) from March through August in 2020. The following chart provides the breakdown of year over-year job changes by industry in Los Angeles County, as reported by the California Employment Development Department. The hardest hit industries by total jobs lost was accommodation and food services.

**Year-Over-Year Change in Jobs by Industry, February 2021 (NSA)**



Over the last fifteen months, small businesses in the City have suffered the detrimental effects of the unprecedented COVID-19 pandemic. At the onset of the pandemic, the Mayor and City Council acted swiftly to support these businesses that are the cornerstones of the local economy by implementing emergency programs, like the Emergency Microloan / Recovery Grant Program and the LA Regional COVID-19 Recovery Fund. Nearly six thousand businesses have received assistance through one of the City’s emergency programs managed by EWDD. Table 2 provides a summary of the funds deployed through these programs.

**Table 2**

Program	Number of Businesses Approved for Funding	Amount of Assistance
Emergency Microloan / Recovery Grant Program	835	\$11,514,100
LA COVID-19 Regional Fund	2,687	\$36,065,000
LA COVID-19 Regional Fund Sidewalk Vendor Program	314	\$1,575,000
Childcare Program	683	\$11,500,000
Mayor’s Fund*	1,030	\$5,150,000
Council District Specific Small Business Grant program(s)**	180	\$900,000
<b>TOTALS</b>	<b>5,729</b>	<b>\$66,704,100</b>

\*Funded by private donations.

\*\*CD 13 funded 180 businesses, the program was administered by EWDD.

The Mayor and City Council understand that small businesses still need help. As California fully reopens its economy, small businesses are still facing the impact due to decreasing revenues, particularly those businesses owned by women, minorities, and low-income persons.

ARPA is a federal economic relief bill to provide direct assistance to families and workers impacted by COVID-19. The City has been allocated over \$1.2 billion in ARPA funds to provide much needed relief during the current crisis. The U.S. Department of the Treasury released the ARPA Interim Final Rule on May 17, 2021 that establishes the eligible uses of ARPA funds to respond to negative economic impacts of the pandemic, including provision of resources to support the communities and populations hardest hit by COVID-19. The Interim Final rule refers to “systematic economic challenges” that contributed to the disproportionate impact on low-income families, neighborhoods of concentrated poverty and communities of color. It also addresses socio-economic inequities along gender lines and among workers with lower levels of education.

The Mayor’s 2021-2022 budget included a series of programs to promote a strong and equitable economic recovery, including a \$25,000,000 ARPA fund to issue \$5,000 “Come Back Checks” to 5,000 restaurants and other small businesses in the City.

To further support struggling small businesses, City Council approved an additional \$25,000,000 in ARPA funds, with a \$5,000,000 set-aside for assistance to businesses located in JEDI Zones and Good Food Zones.

The two ARPA allocations, totaling \$50,000,000, were approved in the 2021-2022 budget. However, the funds were transferred to the Unappropriated Balance (UB), to allow for further consideration by Council. Through this report, EWDD is requesting authorization to have the ARPA funds transferred to the department to facilitate the deployment of much-needed programs to help businesses recover in the aftermath of the pandemic. Details of the proposed ARPA programs are provided below. All proposed programs are consistent with the ARPA Interim Final Rule.

### **Restaurant and Small Business Recovery Program**

Through this program, the City will deploy \$5,000 grants to 5,000 small businesses impacted by COVID-19, including restaurants and other vulnerable industries needing assistance in their economic recovery efforts.

EWDD recommends implementing this program using the LA COVID-19 Regional Fund model, which successfully disbursed over \$37 million in grants funded through the CARES Act. A subrecipient of the ARPA funds will be selected to deploy the \$25 million allocated to the Restaurant and Small Business Recovery Program. These funds must be used to cover expenses that comply with ARPA requirements that were incurred on or after March 3, 2021. Eligible uses of funds include those addressing negative economic impacts caused by the COVID-19 crisis, including:

1. Employee payroll
2. Rent, utilities, and insurance
3. Working capital to reopen or continue operations
4. Payment of outstanding business expenses incurred on or after March 3, 2021
5. Adaptive business practices needed to operate the business

Although ARPA regulations allow an allocation deadline of December 31, 2024, due to the urgent need of small businesses in the City, EWDD recommends an implementation period of twenty-four (24) months. However, it is anticipated that the majority of funds will be expended in the first eighteen (18) months.

**Grantee Selection:** Grant recipients will be selected through an online weighted lottery system administered by the selected subrecipient, over several rounds of funding.

Application periods will be open for several days and the program may contain a pre-application phase. Technical Assistance will be available through the City’s BusinessSource Centers to assist business owners through the application process, particularly those applicants who have language or technology barriers.

**Target Grant Recipients:** To provide the most equitable access to this funding opportunity, applicants that meet the following criteria will be weighted more heavily in the lottery system:

1. Businesses located in low- and moderate-income communities (50% and 80% of Area Median Income or AMI) as defined by the U.S. Department of Housing and Urban Development (HUD).
2. Businesses owned by low- and moderate-income owners (50% and 80% of AMI), as defined by HUD.
3. Small businesses with annual gross revenue below \$1 million.
4. CalEnviroScreen Map communities with health hazard ranges at 90% +
5. Socioeconomic Data Composite Score by Census Tract (i.e. poverty rates, educational attainment, median income, etc.) with the areas with disadvantaging factors received higher lottery weightings.

Table 3 provides a breakdown of the anticipated allocation goal for the program.

**Table 3**

Recipient Type	Description	Allocation	% Allocation
Microenterprises	Small businesses with five (5) employees or less, including the owner(s), with less than \$100 thousand in annual gross revenue.	\$3,750,000	15%
Small Businesses	Businesses with less than \$1 million in annual gross revenue.	\$15,000,000	60%
Small/Medium Businesses	Businesses with more than \$1 million but less than \$5 million in annual gross revenue.	\$6,250,000	25%
<b>TOTAL</b>		<b>\$25,000,000</b>	<b>100%</b>

**Process:** The selected subrecipient will lead the process of verifying eligibility of the elected grant recipients; however, currently only City staff can verify the status of a BTRC. Eligible businesses selected for funding will be required to submit the appropriate paperwork to comply with ARPA and program requirements, including:

1. City's Business Tax Registration Certificate (BTRC)
2. IRS form W-9
3. ACH Form and voided check needed for fund disbursement
4. Latest filed federal tax return (2019 or 2020)
5. Data Universal Numbering System (DUNS) number, may be required

### **Small Business Rental Assistance Program**

EWDD is also recommending the selection of a subrecipient to implement this Small Business Rental Assistance Program to deploy \$12 million in grants of up to \$15,000 (or six months' rent, whichever is less) to support rental/lease costs for about 800 small businesses in qualifying industries.

These funds must be used to cover expenses that comply with ARPA requirements that were incurred on or after March 3, 2021. Eligible uses of funds include those addressing negative economic impacts caused by the COVID-19 crisis, including:

1. Current rent/lease payments needed to continue operation of the business.
2. Rent payments that are in arrears that were incurred on or after March 3, 2021.
3. First and last month rent for qualifying new businesses.

Although ARPA regulations allow an allocation deadline of December 31, 2024, due to the urgent need of small businesses in the City, EWDD recommends an implementation period of twenty-four (24) months. Most funds will be expended in the first eighteen (18) months.

**Grantee Selection:** Grant recipients will be selected through an online lottery system administered by the selected subrecipient over several rounds of funding.

Application periods will be open for several days and may include a pre-application phase. Technical Assistance will be available through the City's BusinessSource Centers to assist business owners through the application process, particularly assistance to applicants who have language or technology barriers.

**Target Grant Recipients:** To provide the most equitable access to this funding opportunity, priority will be given to applicants that meet the following criteria:

1. Businesses located in low- and moderate-income communities (50% and 80% of Area Median Income or AMI), as defined by HUD.
2. Businesses owned by low- and moderate-income owners (50% and 80% of AMI), as defined by HUD.
3. Small businesses with annual gross revenue below \$1 million.
4. CalEnviroScreen Map communities with health hazard ranges at 90% +
5. Socioeconomic Data Composite Score by Census Tract (i.e. poverty rates, educational attainment, median income, etc.) with the areas with disadvantaging factors received higher lottery weightings.

**Process:** The selected subrecipient will lead the process of verifying eligibility of the elected grant recipients; however, currently only City staff can verify the status of a BTRC. Eligible businesses selected for funding will be required to submit the appropriate paperwork to comply with ARPA requirements, including:

1. City's Business Tax Registration Certificate (BTRC)
2. IRS form W-9
3. ACH Form and voided check needed for fund disbursement
4. Copy of an executed lease
5. Verification of past amount owed may be required
6. Latest filed federal tax return (2019 or 2020)
7. Data Universal Numbering System (DUNS) number may be required

### **JEDI Incentive Program**

The JEDI Zone Program was designed to provide incentives, services and resources to businesses located within designated JEDI Zones, and to promote economic opportunities in generally underinvested areas of the City that are under economic stress. Although there are no approved JEDI Zones at this time, EWDD will be bringing forth, for City Council consideration, recommendations for the establishment of several JEDI Zones. Once JEDI Zones are approved, funding for this program will help provide incentives and services to businesses in these zones that will help their economic recovery post pandemic.

ARPA funds will provide incentives to businesses located in established JEDI Zones, including the following:

- \$1.5 million in funding for Building and Safety and Planning permits, to assist approximately 150 businesses with permit subsidies of up to \$10,000 per business.
- \$1.5 million for façade improvement projects, to assist approximately 20 businesses improve their storefronts.
- \$1 million for upgrading business technology needs, including website development, point of sale devices and internet access, to help address the digital divide that impact businesses in JEDI Zones through network connectivity and access.

Additional support and other wraparound services will be provided through the BusinessSource Centers and other City Programs to ensure a comprehensive approach in the delivery of services.

**Grantee Selection:** Assistance will be provided to approximately 166 businesses located in approved JEDI Zones. An EWDD Liaison will conduct proactive outreach to promote all programs and incentives available and will assist eligible businesses in applying for assistance. Determination of what assistance will be provided will be based on the approved JEDI policies.

**Target Grant Recipients:** This program will target businesses located within approved JEDI Zones. Priority will be given to those businesses impacted by COVID-19.

**Process:** This program will be managed by EWDD staff with assistance from a subrecipient agency to help in the implementation of the \$1 million allocation for technology upgrade services and equipment.

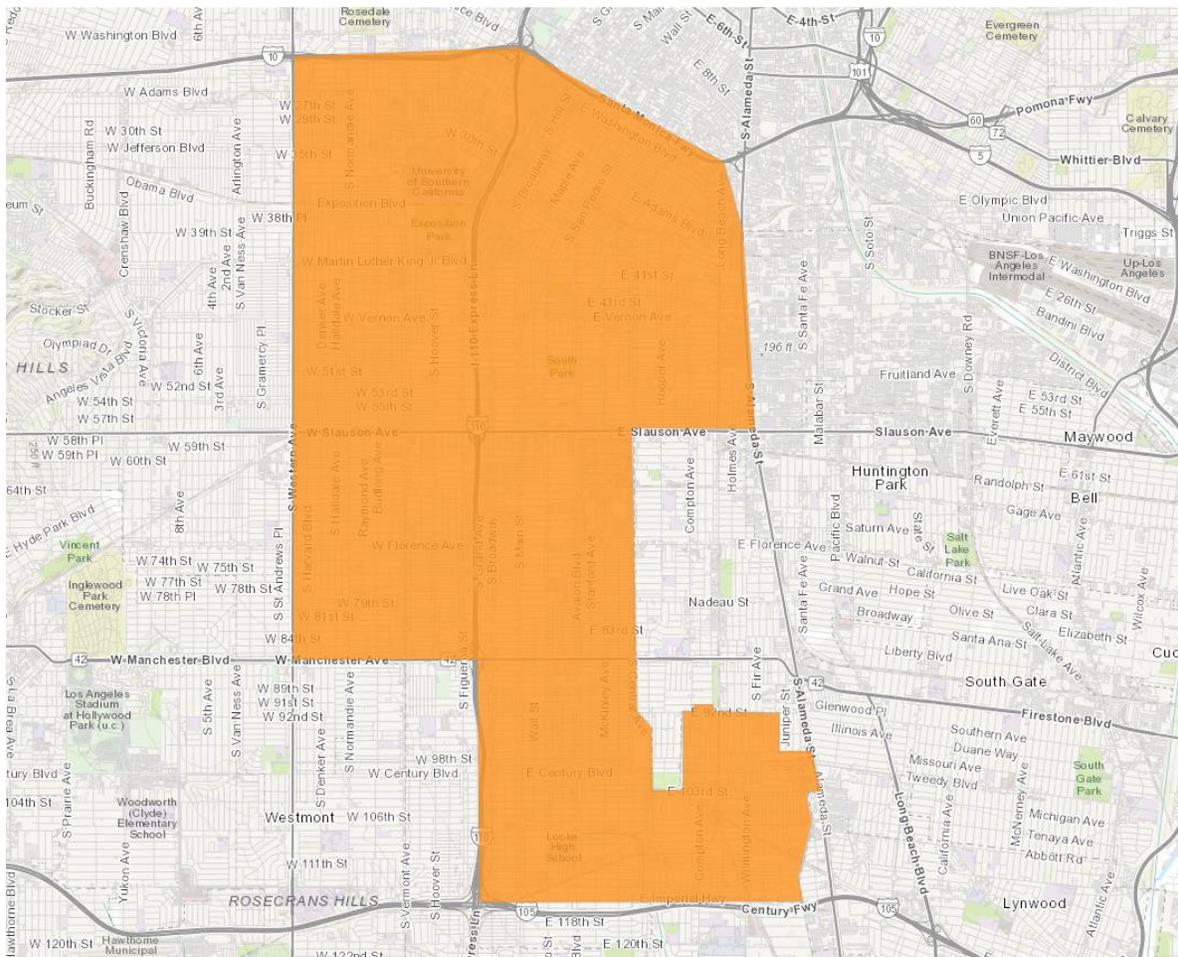
Eligible businesses selected for funding will be required to submit the appropriate paperwork to comply with ARPA requirements based on the type of assistance that is provided. Required documentation may include but is not limited to:

1. City's Business Tax Registration Certificate (BTRC)
2. IRS form W-9
3. ACH Form and voided check needed for fund disbursement
4. Latest filed federal tax return (2019 or 2020)
5. Data Universal Numbering System (DUNS) number may be required

### **Good Food Zones Business Assistance Program**

Good Food Zones promote healthy food options in communities that historically lack access to nutritious, fresh foods. According to a report from the Los Angeles Food Policy Council, decades of divestments in certain areas of the City have resulted in very few grocery stores and saturation with convenience stores and liquor stores that do not normally sell healthy foods. Research shows that lack of access to adequate food resources have higher rates of diabetes, obesity, and heart disease.

In March 2020, City Council adopted establishment policies for Good Food Zones and approved the implementation of a Good Food Zone Pilot program in South Los Angeles, with boundaries of the I-10 to the north, City boundaries to the east, the I-105 to the south and Western Avenue to the west, as shown in the map below.



The approved establishment policy requires for Good Food Zones to be aligned with JEDI zones which would facilitate layered incentive opportunities. It also requires that EWDD evaluation and recommendation for potential Good Food Zones must be initiated by a Council motion.

EWDD has been instructed by Council to work with the Los Angeles Food Policy Council to identify an additional Good Food Zone in the North San Fernando Valley. Recommendations for this additional Good Food Zone are pending and will be presented under a separate transmittal report.

The \$1 million allocation for the Good Food Zone Business Assistance Program would provide economic opportunities for food-industry businesses within these zones, and to promote new business models and innovation needed for them to offer healthier foods. This type of business assistance is critical during COVID-19 recovery efforts to retain and improve neighborhood markets that help address the disparity in availability of healthy foods, while creating or retaining jobs in these communities.

The Business Assistance Program will provide services and incentives that include a Business Liaison, outreach and marketing materials, technical assistance, and grants of up to \$25,000 to qualified businesses to expand access to healthy foods in approved Good Food Zones. Additional support and other wraparound services will be provided through the BusinessSource Centers and other City Programs to ensure a holistic approach in service delivery.

**Business Selection:** Assistance will be provided to 20 to 40 businesses in approved Good Food Zones. EWDD's Business Liaison will conduct proactive outreach to promote the services and incentives that are available and will assist eligible businesses in applying for assistance. Businesses will be selected on a first come-first-served basis until funds are exhausted.

**Target Recipients:** This program will target food-centered industries and related businesses located within approved Good Food Zones. Priority will be given to those businesses impacted by COVID-19.

**Process:** EWDD staff will implement this program and will determine eligibility based on requirements for Good Food Zones. Eligible businesses selected for funding will be required to submit the appropriate paperwork to comply with ARPA requirements based on the type of assistance that is provided. Required documentation may include but is not limited to:

1. City's Business Tax Registration Certificate (BTRC)
2. IRS form W-9
3. ACH Form and voided check needed for fund disbursement
4. Latest filed federal tax return (2019 or 2020)
5. Data Universal Numbering System (DUNS) number may be required

## **Legacy Business Recovery Program**

Legacy businesses have been long-standing staples in our communities. They not only provide needed services to residents in the City but also serve as a major source of employment in some areas. Rent increases, gentrification, and lack of succession planning are some of the challenges that legacy businesses are facing, exacerbated by the negative impacts of the COVID-19 pandemic.

In effort to uphold struggling legacy businesses, City Council directed EWDD to recommend how to implement a Legacy Business Program in Los Angeles. EWDD, under a separate transmittal, is making recommendations for City Council consideration. If approved, \$4.75 million in ARPA funds would be utilized to provide both technical assistance and grants of up to \$25,000 to support and preserve qualified legacy businesses. \$250,000 set aside for marketing and outreach is also recommended to ensure equitable access of this funding opportunity for legacy business owners with language or technology barriers. Additional support and other wraparound services will be provided through the BusinessSource Centers and other City Programs to ensure an all-inclusive approach in the delivery of services.

**Legacy Business Selection:** Subject to City Council approval of the Legacy Business Program, legacy businesses will be evaluated for eligibility and assistance upon Council Office nomination of the business. Assistance can be provided to approximately 190 businesses, about 12 businesses per Council District.

**Target Grant Recipients:** This program will target legacy businesses nominated by Council Offices. Focused outreach will be conducted by EWDD's Business Liaison to promote the program and to assist eligible legacy businesses in applying for assistance.

**Process:** EWDD staff will implement this program and will determine eligibility based on requirements for the Legacy Business as approved by City Council. Eligible businesses selected for funding will be required to submit the appropriate paperwork to comply with ARPA requirements based on the type of assistance that is provided. Required documentation may include but is not limited to:

1. City's Business Tax Registration Certificate (BTRC)
2. IRS form W-9
3. ACH Form and voided check needed for fund disbursement
4. Latest filed federal tax return (2019 or 2020)
5. Data Universal Numbering System (DUNS) number may be required

## **Program Administrative Costs**

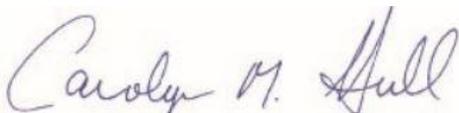
The program administrative cost of \$3,000,000 will include, but not limited to the following:

1. Technical assistance to support business owners through the application process, particularly applicants with language and technology barriers;

2. Third-party consultants to provide administrative support services, data facilitation and analytics for equitable delivery of programs, eligibility review of grant applications, marketing, outreach, and translation services to ensure equitable access and to reach businesses that may not have previously received funding assistance;
3. Subrecipient administrative fee for the Restaurant and Small Business Recovery Program and Rental Assistance Programs; and
4. Salaries and related costs for EWDD staff carrying out ARPA activities.

## CONCLUSION

EWDD is requesting authorization to have the ARPA funds transferred to the department to facilitate the deployment of much-needed capital to assist businesses recover from the current economic crisis. The ARPA programs include the Come Back Checks Program, the Small Business Rental Assistance Program, and the Legacy Business Recovery Program, among others.



CAROLYN M. HULL  
General Manager

CMH:FJ:dh