



City Council Meeting

Item #4: Update on Small Business Assistance Grant Program and Approval of Related Budget Amendments

April 28, 2020

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Agenda

- Background
- Pre-Launch Preparation & Timeline
- Application Launch and Review
- Program Funding
- Next Steps

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Background

- On April 8, 2020 City Council City Council:
 - Approved the Small Business Assistance Grant Program
 - Allocated \$500,000 to fund the effort

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Background

- Businesses and nonprofits with at least one but no more than 25 full-time employees who demonstrate a loss of income due to COVID-19
 - \$10,000 grants for those deemed non-essential*
 - \$5,000 grants for those deemed essential*
- Grants will be awarded on a first-come, first-serve basis for qualified applicants

*Per the County of Santa Clara Public Health Department order dated March 16, 2020.

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Background

- Applicants must:
 - Demonstrate loss of income due to COVID-19
 - Operate out of a physical commercial storefront in Santa Clara
 - Have an active City of Santa Clara Business License
 - Be in good standing with the City
 - Have been in operation in Santa Clara for at least one year as of March 1, 2020

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Pre-Launch Preparation

- Finalized draft documents
- Coordinated with the City Attorney's Office on draft documents aimed at launching an application process that was efficient, consistent and user friendly
 - As a result, program exclusions for franchises and 18 and over only business were deleted.

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Pre-Launch Preparation

- On Tuesday, April 14, 2020, the City began promoting the Grant Program
 - Video from Mayor Gillmor announcing the program
 - Press Release
 - Social Media

 **City of Santa Clara @SantaClaraCity - Apr 17**
APPLY TODAY! The City commits \$500,000 for the Small Business Assistance Grant Program to assist small businesses and nonprofits. Grant applications will be accepted starting 10 a.m. Friday, April 17. Visit santaclaraca.gov/smallbusinessg... for eligibility requirements and to apply.



Financial Relief Coming to Santa Clara Small Businesses and Nonprofits through City's New Grant Program
City to begin accepting online applications at 10 a.m. Friday, April 17
 Post Date: 04/14/2020 4:25 PM

SANTA CLARA, Calif. – In a [video message](#) released Tuesday, April 14, Mayor Lisa M. Gillmor announced the City of Santa Clara is ready to help small businesses and nonprofits, straddled by the coronavirus pandemic, through a grant program that's launching this week.

"Many of our small businesses and nonprofits are suffering financially during this public health emergency. They are the economic drivers for our community, and we recognize the next few months will be challenging," explained Mayor Gillmor. "Through the City Council's leadership, we are moving quickly to provide small businesses and nonprofits in Santa Clara with grants that will help support both our workers and local businesses. While the \$500,000 available in grant funding won't be enough to cover all financial needs, it's a start in helping our small businesses find some relief during the COVID-19 crisis."

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Small Business Assistance Grant Launch Video

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Pre-Launch Preparation



Small Business Assistance Grant Program
Grants

Application Period Opens 10 a.m. PDT on Friday, April 17

This page is continually updated.

To mitigate the impact of COVID-19 on Santa Clara small businesses and their employees, the City of Santa Clara has committed up to \$500,000 in one-time funds to create a Small Business Assistance Grant Program.

Dedicated webpage:

- Program overview
- Eligibility requirements
- Application materials
- "How To" Video



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Small Business Assistance Grant "How To" Video



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Pre-Launch Preparation

- Dedicated Email Address
 - Applicants required to submit complete applications to a dedicated email address: SmallBusiness@SantaClaraCA.gov
 - Emails received prior to the final application materials being made available on April 15 was added to an interest list.
 - Staff ensured this group of approximately 30 people was notified via email when the final application materials were made available.

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Application Launch & Review

- Grant Program began accepting applications at 10:00 a.m. on Friday, April 17, 2020.
- The City received more than 200 applications within the first ten minutes
- As of Monday, April 20, 2020, the City had received over 500 applications.

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Application Launch & Review



- On Monday, April 20, 2020, coordination with Finance staff was accomplished to ensure the first round of grant awards could be issued beginning Friday, April 24, 2020, one week after the program opened for applications
- Critical to the success of this turnaround time included:
 - The use of the application as a contract with the City
 - Requiring the submission of information necessary to process the payment (e.g., a W-9 form or ACH).

Application Launch & Review

Staff began notifying applicants of their status on April 22



Business Name	Grant Amount
Hungry Hound	\$5,000
Makaboom LLC	\$10,000
Just Breathe Yoga	\$10,000
Joe Grasso Elite Training	\$10,000
Athena Grill	\$5,000
Mio Vicino	\$5,000
Gogo Pho	\$5,000
Alta Eye Care	\$5,000
iGurukul	\$10,000
Able Glass Company	\$10,000
Arena Soccer Centers, Inc	\$10,000
A Slice of New York	\$5,000
Calculi Corporation	\$10,000
SHAQ	\$5,000
Beijing Restaurant	\$5,000
Korean Charcoal Spring Bbq.	\$5,000
ACSATM, Inc	\$10,000
Sumiya Inc	\$5,000
San Jose Art Academy	\$10,000
Applied Tactics & Fitness	\$10,000
Best Chiropractic Center	\$5,000
Mirandus Consulting LLC	\$10,000
Kabab & Curry	\$5,000
Amazing Stars Montessori, Inc	\$5,000
Vrushali Sharma, D.D.S., Inc	\$5,000
Woodhams Sports Lounge	\$10,000
Chicken and More dba ChiMek	\$5,000
Eyers Hitch Center Inc	\$5,000
Create with Context, Inc	\$10,000
Blinky's Lounge Inc	\$10,000
S&J Cosmos Inc	\$10,000
Anchor Electronics	\$5,000
Cedar Tree Cleaners	\$5,000
TOTAL REQUESTED	\$240,000



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Program Funding

- Today's recommended action seeks Council approval for a budget amendment in the amount of \$250,000 as requested on April 8.
- Given the demonstrated need for assistance to Santa Clara's small business community, today's recommended action seeks approval for an additional \$300,000 (for a total of \$800,000).
- These funds would allow for the funding of an additional 30-60 small businesses depending on the mix of essential and non-essential businesses.

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Next Steps

- Once all grant funds have been awarded and disbursed, Staff will shift to a program monitoring phase.
- Grantees receiving funding are required to:
 - Certify via a written statement how many jobs were retained or how many months of lease payments for the business premises were paid allowing the business to continue operations.
 - Submit evidence that the grant funds have been spent in the manner and for the purposes stated in this application within thirty (30) days of the payment date.

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Next Steps

- Grantees are also encouraged to:
 - Adopt Federal and State guidance for operating their businesses (social distancing, clean down procedures, limiting in-store occupancy, etc.)
 - Prioritize delivery of food and services to seniors and economically vulnerable populations.
- Staff will be working to ensure the follow-up requirements are met and grant agreements can be closed out. Staff will also continue to work with the Silicon Valley Central Chamber of Commerce to explore opportunities to grow the fund.

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Recommendation

- Note and file the Update on Small Business Assistance Grant Program.
- Approve the related FY 2019/20 Budget Amendments, decreasing the Non-Departmental budget by \$250,000, returning \$15,540 to the Budget Stabilization Reserve and augmenting the City Manager's Office operating budget by \$234,460 for a total Small Business Assistance Grant Program cost of \$800,000 in the General Fund.

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The image shows the official seal of the City of Santa Clara, California. The seal is circular with a white border containing the text "CITY OF SANTA CLARA CALIFORNIA" at the top and "THE MISSION CITY" at the bottom. Inside the seal, there is a depiction of a mission building with a red roof and a bell tower, set against a blue sky with clouds and a green field. The year "1852" is written in the center of the seal. The seal is positioned on the left side of a dark blue background that features a diagonal orange stripe.