



**City Council
Special Meeting**

**Item #3: Small Business
Assistance Grant Program
in Response to COVID-19**
(RTC# 20-440)

April 8, 2020

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**City of
Santa Clara**
The Center of What's Possible

Agenda

- Background
- Program Development Process
- Small Business Assistance Grant Program
- Small Business Utility Assistance
- Recommendation

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Background

- At the March 24, 2020 City Council meeting:
 - Staff reported to Council on the various programs at the Federal, State and Local levels for small businesses
 - Council directed staff to develop a COVID-19 relief program for small businesses in Santa Clara
 - Council approved the allocation of \$250,000 for the relief program

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Background

- City Council also expressed interest in the following:
 - Working with the Silicon Valley Central Chamber of Commerce (Chamber) on assistance with growing the City's initial investment
 - Minimizing “red tape” to distribute funds quickly

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Benchmarking

City	Program Type	Fund Amount
Berkeley	Grant	\$1 million
Hayward	Grant	\$380,000
Mountain View	Pending	\$400,000
Sacramento	Loans	\$1 million
Seattle	Grant	\$2.5 million
San Francisco	Grant & Loan	\$10 million

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Grant Versus Loan

- Grant program allows City to get capital to small businesses without burden of additional debt
- A loan program doesn't necessarily help a small business in the long run
- Grant program can be administered with current City staff
- Loan program would require City to engage a 3rd party administrator

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Grant Program Overview

- 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

⁷ *Per the County of Santa Clara Public Health Department order dated March 16, 2020.

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Eligibility Requirements

- 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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Outreach & Promotion

- Application period opens week of April 13, 2020
- City will promote the program via the City's website, social media, press releases and e-Notify
- City will work with the Silicon Valley Central Chamber of Commerce to promote the program through its communication channels

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Other Small Business Programs

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Small Business Utility Assistance

- Flexible payment plans for Water and Sewer and Electric utilities for businesses impacted by COVID-19
- Interested small businesses shall include the Economic Injury Worksheet to demonstrate loss of income from COVID-19
- Flexible utility bill payment plans are not tied to applications for the Small Business Assistance Grant Program and can be submitted independently

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Business Assistance Webpage

- For a summary of available resources at the federal, state and local levels we encourage businesses and employees to visit: SantaClaraCA.gov/CoronavirusUpdates

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Recommendation

- Approve Small Business Assistance Grant Program and direct staff to continue working with the Silicon Valley Central Chamber of Commerce or other organization to leverage additional resources for the program

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