



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
April 9, 2020

Department Administration

Director Approval Kelly Passauer

AGENDA ITEM Reconsider the requirements for “brick and mortar” to qualify for the Emergency Grant Fund.

SUMMARY RECOMMENDATION N/A.

BACKGROUND On April 2, 2020 the City Commission approved an emergency grant program as outlined with some minor amendments.

The eligible businesses listed were:

- Hospitality Industry (excluding hotel/motel)
 - o Defined as restaurant and retail (businesses that sell goods/products)
- Located within the City limits with a permanent address (brick and mortar business location excluding home businesses)
- Owner/Franchisee must live within Montgomery County
- Must hold a current City business license
- Must have been open and operating at the time of the COVID-19 pandemic
- Must reopen within 60 days after the Governor rescinds the Executive Order(s) restricting residents and businesses due to the COVID-19 Pandemic
- Must have been negatively impacted by the COVID-19 pandemic

On April 7, 2020 a subcommittee reviewed the applications consisting of three members of the Economic Development Advisory Board, two City staff members, the Director of the Montgomery County Action Council, and the Mayor.

There were two businesses that generated a lot of discussion regarding whether or not they qualified:

One was a retail business located in a downtown storefront that the owner/operator lived in an adjoining Kansas county less than three miles outside of Montgomery County.

The other business was a food truck which did not meet the definition of a brick and mortar business.

On a 2-1 vote the Economic Development Advisory Subcommittee voted to authorize awarding a grant to a downtown storefront as it was discussed that the spirit and intent of the emergency grant program was to preserve the local brick and mortar retail stores that were owned by a local entity, and that less than three miles outside of Montgomery County should still be considered locally owned.

On a 2-1 vote the Economic Development Advisory Subcommittee agreed to ask the Commission whether or not they wanted to reconsider the requirement for “brick and mortar” and allow food trucks to apply.

There was discussion that food trucks did not have the same overhead costs as typical brick and mortar locations, however, the committee did believe that their businesses could have been negatively impacted and they are part of the restaurant retail industry. It was further discussed that if this grant was provided to a food truck business, that it should be opened up to other food truck businesses that did not apply because the grant stipulations indicated only “brick and mortar businesses excluding home businesses” could apply. The possibility of also allowing catering businesses to apply was also briefly discussed.

BUDGET IMPACT Allowing food trucks to apply would open up the grant to additional businesses seeking grant funds. \$360,000 of the \$400,000 originally allocated has been committed to other businesses.

SUGGESTED MOTIONS

1. I move to allow food trucks to be eligible to apply for Emergency Grant Funding/in the amount of \$_____ per business that must be submitted by _____ date.
2. I move to not allow food trucks to be eligible to apply for Emergency Grant Funding.

SUPPORTING DOCUMENTS Grant Guidelines and Application Approved April 2, 2020



Emergency Response Grant Application

Grant Overview:

In response to the COVID-19 pandemic, the City’s Economic Development Advisory Board recommends funding an Emergency Grant Program which would provide a \$5,000 grant to certain hospitality and retail businesses that have been negatively impacted by the COVID-19 pandemic.

Eligible Businesses:

- Hospitality Industry (excluding hotel/motel) - Defined as restaurant and retail (businesses that sell goods/products)
- Located within the City limits with a permanent address (brick and mortar business location excluding home businesses)
- Owner/Franchisee must live within Montgomery County
- Must hold a current City business license
- Must have been open and operating at the time of the COVID-19 pandemic.
- Must reopen within 60 days after the Governor rescinds the Executive Order(s) restricting residents and businesses due to the COVID-19 pandemic
- Must have been negatively impacted by the COVID-19 pandemic

Applications should be submitted to laceyl@independenceks.gov by 5 pm on Monday, April 6th for review or submit this application online by the due date. Applications will be numbered as received and awarded on a first come, first served basis for those that meet all eligibility criteria.

Grant Application			
Legal Name of Business:		Type of Business:	
Primary Contact Person:		Mobile Phone:	
Email:		Business Phone:	
Business Street Address:			
Date business established:		Business EIN:	
Is your business a hospitality based company:		Is the business located in the city limits of Independence, KS?	
Business Structure (LLC, Sole Proprietorship, Inc.):		Total Grant Requested (Max \$5,000)	
Will this program help sustain your business or re-open after this crisis?			
List any and all other funding you are currently seeking, including but not limited to Bank loans, SBA loans, Public or private loans, grant funding, etc.	<input type="checkbox"/> SBA PPP: <input type="checkbox"/>	<input type="checkbox"/> Banker/Financing	<input type="checkbox"/> Network Kansas/HIRE
	<input type="checkbox"/> EIDL: <input type="checkbox"/>		
	<input type="checkbox"/> City	<input type="checkbox"/> Main Street	<input type="checkbox"/> Foundation
	<input type="checkbox"/> E-Community	<input type="checkbox"/> MCAC CDBG	<input type="checkbox"/> Other
Jobs Retained:	Full Time:		Part-Time
Average Wages:	Full Time wages:		Part-Time Wages:
Will Full or Part-Time jobs be retained as a result of the funds?		What is your annual payroll?	Prior Year Revenues:

<p>Please provide a description of the goods, products, or services provided by your business:</p>	
<p>Please provide a short description of how COVID-19 is negatively impacting the business (e.g. weekly sales average drop for restaurants, sales drop for retail stores, etc).</p>	
<p>Describe how the use of funds enhances the ability of this business to survive.</p>	
<p>What types of working capital will the funds be used for (e.g. commercial loan payments, commercial lease payments, utilities, payroll, accounts payable, etc.)?</p>	
<p>I certify the information submitted is true and accurate; that I have a valid City Occupation Business License; that my business has a permanent address within the City limits that is not a residence; that my business sells product(s); that my business is owned and operated by a Montgomery County, KS resident; that my business has been negatively impacted by the COVID-19 Pandemic; that I agree to have my business open within sixty (60) days after the Executive Order(s) restricting residents and businesses due to the COVID-19 Pandemic are rescinded by the Governor; and that if any information provided is not correct, or if my business is not reopened, any moneys received must be returned to the City within sixty (60) days of being notified by the City that I am not in compliance with this grant agreement.</p>	
<p>Name:</p>	<p>Title:</p>
<p>Company:</p>	<p>Independence Business License Number:</p>

Signature:

Date: