



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: AUGUST 3, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RON AHLERS, CHIEF FINANCIAL OFFICER
MICHAEL MCCONVILLE, MANAGEMENT ANALYST

SUBJECT: RECOMMENDATION REGARDING CALABASAS OPEN SMALL
BUSINESS GRANT PROGRAM

MEETING DATE: AUGUST 12, 2020

SUMMARY RECOMMENDATION:

Recommendation that Council (1) reopen and approve revisions to the Calabasas Open Small Business Grant Program and (2) authorize an expenditure of the remaining \$101,481 in first phase Program funds in accordance with either Option listed in the staff report.

CURRENT STATUS:

The Calabasas Open Small Business Grant Program (Program) has provided 45 small businesses with \$398,519 in grants to assist with COVID-19 reopening costs. The FY 2020-21 approved Program appropriation amount is \$1 million, with \$500,000 being utilized for the first phase of the program. This provides \$101,481 in funding for approximately 10 businesses to receive first phase Program grants. The final list of approved and rejected applicants is attached for further reference.

BACKGROUND/DISCUSSION:

Due to the availability of first phase Program funding, and Council's desire to provide much needed resources to the City's struggling small businesses, it is requested that Council consider revising current eligibility requirements.

In accordance with the Program guidelines, healthcare providers were rejected due to their status as Essential Businesses by the LA County Public Health Safer at Home Order. However, it has been brought to staff's attention that many healthcare providers were required to close as a result of other government entities at the federal or state level, in addition to formal requests also made by various medical associations. For this reason, staff would like Council to consider allowing the issuance of grants to healthcare providers such as dentists, orthodontists, physicians, and other small businesses that deliver licensed healthcare services.

During the July 15 City Council meeting, it was also requested that Council consider allowing the issuance of grants for recently opened small businesses. Staff recommends altering the eligibility date to March 1, 2020.

Below are the two options that staff recommend Council choose from to provide direction on Program revisions and spending of additional phase one funds:

Option 1

Council directs staff to revise Program eligibility requirements and open another application acceptance period. Staff would open the application period for two days, or longer if Council desires, with the goal of accepting applications from August 24th to the 25th. Businesses that were rejected during the first application review, but would become eligible with Council revisions, will be asked to resubmit their application to allow for equitable opportunity for businesses who did not apply prior due to eligibility restrictions. All other requirements would remain the same, i.e. first come first served, priority to sales and transient occupancy tax generating businesses. Program terms and policies would be applied in the same manner as the first application acceptance period. The first phase of the Program will conclude once eligible applications are approved.

Option 2

Council directs staff to revise Program eligibility requirements and approve applications that were rejected under initial Program rules. Staff would not open another application acceptance period. The first phase of the Program will conclude once eligible applications are approved.

FISCAL IMPACT/SOURCE OF FUNDING:

The City Council has approved a \$500,000 allocation from the Disaster Recovery Fund (46) (Woolsey Fire Settlement) as the funding source for the first phase of the Calabasas Open Small Business Grant Program. The City has distributed \$398,519 in first phase grants, which provides \$101,481 in funding for approximately 10 businesses to close the first phase of the program.

REQUESTED ACTION:

Recommendation that Council (1) reopen and approve revisions to the Calabasas Open Small Business Grant Program and (2) authorize an expenditure of the remaining \$101,481 in first phase Program funds in accordance with either Option listed in the staff report.

ATTACHMENTS:

1. Calabasas Open Small Business Grant Program - Approved & Rejected Businesses, updated 08/04/2020