



## AGENDA ITEM # 17

### AGENDA ITEM EXECUTIVE SUMMARY Village Board Meeting February 14, 2022

**Item Title:** ARPA COVID Relief Grant Funding Program

**Staff Contact:** Matthew Galloway, Economic Development Analyst

#### **VILLAGE BOARD ACTION**

**Receive a staff presentation and recommendation for an ARPA COVID Relief Grant Funding Program.**

#### **Executive Summary:**

As part of the FY22 Budget, the Board approved \$100,000 of the American Rescue Plan (ARPA) funds to be used to assist local businesses through relief grants. Staff has prepared two categories of grants for the Board to consider: the *COVID-19 Business Reimbursement Grant*, and the *Business Resiliency Grant*. Both proposed grant categories follow similar eligibility and application requirements to the Village's existing TIF grant program including:

- The business must be in operation upon the date of a grant application.
- The business must not have a recent or pending bankruptcy or foreclosure at the time of application.
- A current business license or business registration must be on file upon application.
- The business must have a physical presence within the Village on property zoned for commercial use.
- The business must be in good standing with Village fees and permits at the time of application.
- The business may not be a home-based operation.
- Written agreements and proof of expenses and other documentation are required for all grants and reimbursements.
- Business owner/applicant is required to continue operations for a period of not less than one (1) year from grant reimbursement. If the owner or business fails to meet this standard a pro-rata reimbursement of grant funds will be required.
- Business owner/applicant shall display a Village-provided placard to identify the public-private funding associated with improvements made to the physical space.
- No grant may be issued to any business/property owner for which all eligible expenditures have been previously reimbursed through federal or state grants, local TIF grants, or forgivable loans.

A comprehensive program guide/application process is attached to this memo for Board review. Individual highlights of each grant category are as follows:

## **COVID-19 Business Reimbursement Grant**

The COVID-19 Business Reimbursement Grant is intended to provide reimbursement to business or property owners for funds *already spent* to maintain business activity during the challenges of the COVID-19 pandemic. A variety of expenses have been identified to demonstrate grant-eligible opportunities. Examples include, but are not limited to the following:

- Design and/or construction costs to create a business environment establishing proper social distancing for customers, employees or visitors.
- Design and/or construction costs implementing environmental changes to the space: i.e., HVAC, fans, air circulation, window installation, touchless plumbing, sanitation stations, partitions, etc.
- Expenses (rental or purchase) related to the creation of outside dining, including tents, heating/cooling units, furniture, etc.
- Technology expenses to enhance or initiate eCommerce platforms, POS systems or touchless payment implementation.
- Other creative solutions implemented by business or property owners that established sustainable changes to routine operations, consistent with the program goals.

## ***Program Details***

- Grants are based upon reimbursement of actual costs following project completion and documentation of expenses.
- Reimbursement is based upon expenses incurred between March 1, 2019 and December 31, 2021.
- Grants may fund up to 50% of approved project costs. Minimum grant application shall be \$1,000. Maximum grant funding is \$10,000.

## **Business Resiliency Grant**

The Business Resiliency Grant is intended to provide funding for projects and initiatives that would minimize economic loss and limit business operation in the future. This grant is similar, but not identical to the COVID-19 Reimbursement Grant. It is oriented toward future projects and places a greater emphasis upon permanent solutions. A variety of expenses have been identified to demonstrate grant-eligible opportunities. Examples include, but are not limited to the following:

- Design and/or construction costs to create a business environment establishing proper social distancing for customers, employees or visitors.
- Design and/or construction costs implementing environmental changes to the space: i.e., HVAC, fans, air circulation, window installation, touchless plumbing, sanitation stations, partitions, etc.
- Modernization of space to improve physical accessibility, code compliance, fire protection/suppression systems, or upgrades to water and sewer system.
- Expenses to create space for permanent outside dining, including structures, electrical, lighting, patio space, heating/cooling units.
- Technology expenses to enhance or initiate eCommerce platforms, POS systems or touchless payment implementation.
- Other creative solutions proposed by business or property owners that will establish sustainable changes to routine operations, consistent with the program goals.

## ***Program Details***

- Grants are based upon reimbursement of actual costs following project completion and documentation of expenses.
- Grants may fund up to 50% of approved project costs. Minimum grant application shall be \$1,000. Maximum grant funding is \$10,000.
- The business must have been in operation since March 1, 2019 and must be in operation upon the date of a grant application.

## **Staff Recommendation**

Based upon Board direction, staff is prepared to initiate a marketing campaign through Village branded materials to be published and directed towards commercial property owners and businesses at large. General marketing of the ARPA grant program will also be conducted through the Village's social media, e-news, and website. The application process will mirror the existing TIF grant program as fully described in the attached program guide.

Staff will continuously update the Board on the status of grantees and success of the program through ongoing economic development reports. The Board will also be notified of all successful grantees and their respected ceremonial events.

## **Implications:**

**Is this item budgeted?** Yes. The FY22 Budget includes \$100,000 of ARPA funds to be used for business assistance grants.

**Any other implications to be considered?** Since this is a new program, interest and participation in the program will be an unknown. The current budgeted amount will provide a guide to the level of funding in 2022, with future amounts to be determined within the budget process. Based upon Board direction, staff will prepare a resolution for formal adoption at a future Village Board meeting.

## **Attachments:**

COVID Relief Grant Funding Program Guide/Application



# COVID Relief Grant Funding Program Guide

## OVERVIEW

As a result of the economic downturn caused by the COVID-19 pandemic, the federal government approved a program authorizing the distribution of fiscal recovery funds to State and Local Governments. The American Rescue Plan supports a number of funding objectives that will strive to strengthen the national, state and local economies.

The Village of Roselle is seeking to utilize a portion of these funds to assist businesses with the financial impacts of the pandemic, as well as support economic resiliency moving forward. This program guide outlines opportunities for receiving funding assistance.

## INCENTIVE GOALS

To implement locally established goals for the use of American Rescue Plan funding, the Village of Roselle has identified broad objectives to be achieved. Use of incentive funding is intended to:

- ✚ Provide funding assistance for certain types of COVID-19 related business expenses not already reimbursed under any other Federal or State relief assistance.
- ✚ Encourage initiatives to enhance the sustainability of business activity during continued or future health challenges.
- ✚ Utilize these funds in accordance with the intent of the American Rescue Plan.

## INCENTIVE PROGRAM GRANTS

Two categories of grant funding are available. They include the *COVID-19 Business Reimbursement Grant*, and the *Business Resiliency Grant*. Specific details and grant conditions will be identified within a written agreement to be executed for successful applicants. A program summary of each grant category is identified as follows:

### **1. COVID-19 Business Reimbursement Grant**

The COVID-19 Business Reimbursement Grant is intended to provide reimbursement to business or property owners for funds *already spent* to maintain business activity during the challenges of the COVID-19 pandemic. A variety of expenses have been identified to demonstrate grant-eligible opportunities. Examples include, but are not limited to the following:

- Design and/or construction costs to create a business environment establishing proper social distancing for customers, employees or visitors.
- Design and/or construction costs implementing environmental changes to the space: i.e., HVAC, fans, air circulation, window installation, touchless plumbing, sanitation stations, partitions, etc.
- Expenses (rental or purchase) related to the creation of outside dining, including tents, heating/cooling units, furniture, etc.
- Technology expenses to enhance or initiate eCommerce platforms, POS systems or touchless payment implementation.
- Other creative solutions implemented by business or property owners that established sustainable changes to routine operations, consistent with the program goals.

### ***Program Details***

- Grants are based upon reimbursement of actual costs following project completion and documentation of expenses.
- Reimbursement is based upon expenses incurred between March 1, 2019 and December 31, 2021.
- Grants may fund up to 50% of approved project costs. Minimum grant application shall be \$1,000. Maximum grant funding is \$10,000.
- Eligible business grant applicants shall meet the following requirements:
  - The business must be in operation upon the date of a grant application.
  - The business must not have a recent or pending bankruptcy or foreclosure at the time of application.
  - A current business license or business registration must be on file upon application.
  - The business must have a physical presence within the Village on property zoned for commercial use.
  - The business must be in good standing with Village fees and permits at the time of application.
  - The business may not be a home-based operation.
- Written agreements will be required for all approved grant applications. Reimbursement will be made for approved grants following submittal and confirmation of all required documentation of expenses.
- Business owner/applicant is required to commit to operation for a period of not less than one (1) year from project reimbursement. If the owner or business fails to meet this standard a pro-rata reimbursement of grant funds will be required.
- Business owner/applicant shall display a Village-provided placard to identify the public-private funding associated with improvements made to the physical space.

### ***Application Process***

- Prospective applicants are required to schedule a pre-application meeting with the Village to discuss their grant application prior to submittal.

- The formal application process begins with submittal of an online application form, associated documentation of expenses. If applicable, the application should also include any plans formulated for physical improvements of the space.
- Applications will be evaluated by a review committee and selection shall be at the sole discretion of the Village of Roselle. All grant applications are subject to the availability of budgeted funds.
- Final approval will be in the form of a grant agreement approved by the Village Administrator.
- No grant may be issued to any business for which all eligible expenditures have been previously reimbursed through federal or state grants, local TIF grants, or forgivable loans.

## **2. Business Resiliency Grant**

Due to the unknown duration of the pandemic, and concerns pertaining to on-going health-related challenges that may face the business community in the future, the Village is offering funding assistance to business and property owners to take proactive steps to mitigate these impacts.

The Business Resiliency Grant is intended to provide funding for projects and initiatives that would minimize economic loss and limit business operation in the future. This grant is similar, but not identical to the COVID-19 Reimbursement Grant. It is oriented toward future projects and places a greater emphasis upon permanent solutions. A variety of expenses have been identified to demonstrate grant-eligible opportunities. Examples include, but are not limited to the following:

- Design and/or construction costs to create a business environment establishing proper social distancing for customers, employees or visitors.
- Design and/or construction costs implementing environmental changes to the space: i.e., HVAC, fans, air circulation, window installation, touchless plumbing, sanitation stations, partitions, etc.
- Modernization of space to improve physical accessibility, code compliance, fire protection/suppression systems, or upgrades to water and sewer system.
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- Technology expenses to enhance or initiate eCommerce platforms, POS systems or touchless payment implementation.
- Other creative solutions proposed by business or property owners that will establish sustainable changes to routine operations, consistent with the program goals.

### ***Program Details***

- Grants are based upon reimbursement of actual costs following project completion and documentation of expenses.
- Grants may fund up to 50% of approved project costs. Minimum grant application shall be \$1,000. Maximum grant funding is \$10,000.
- Eligible business grant applicants shall meet the following requirements:

- The business must have been in operation since March 1, 2019 and must be in operation upon the date of a grant application.
- The business must not have a recent or pending bankruptcy or foreclosure at the time of application.
- A current business license or business registration must be on file with the Village upon application.
- The business must have a physical presence within the Village on property zoned for commercial use.
- The business must be in good standing with Village fees and permits at the time of application.
- The business may not be a home-based operation
- Written agreements will be required for all approved grant applications. Reimbursement will be made for approved grants following submittal and confirmation of all required documentation of expenses.
- Business owner/applicant is required to commit to operation for a period of not less than one (1) year from project reimbursement. If the owner or business fails to meet this standard a pro-rata reimbursement of grant funds will be required.
- Business owner/applicant shall display a Village-provided placard to identify the public-private funding associated with improvements made to the physical space.
- Unless otherwise stated in the grant agreement, projects must be started within 90 days of grant approval and completed within 180 days.

### ***Application Process***

- Prospective applicants are required to schedule a pre-application meeting with the Village to discuss their project prior to submittal.
- The formal application process begins with submittal of an online application form, associated drawings, project schedule, project bid/proposal results (no fewer than two quotes) or other required documentation.
- Applications will be evaluated by a review committee and selection shall be at the sole discretion of the Village of Roselle. All grant applications are subject to the availability of budgeted funds.
- Final approval will be in the form of a grant agreement approved by the Village Administrator.
- No grant may be issued to any business for which all eligible expenditures have been previously reimbursed through federal or state grants, or forgivable loans.

## **STAFF ASSISTANCE REGARDING PROGRAMS.**

Program questions and applications shall be directed to:

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 31 South Prospect

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*1/31/2022*

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