



## MEMORANDUM

**To:** Mayor and City Council

**From:** Mindi Hurley, Director of Community Development

**Date:** March 8, 2022

**Reference:** Presentation of Business Support Program

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### Introduction:

Numerous businesses in Coppell are struggling to recover to full operation levels after COVID-19. Staff has prepared two proposed grant programs to assist any eligible businesses who are struggling to stay in operation. Before proceeding, staff is seeking input and direction from City Council on the proposed programs.

The first proposed program is designed to assist small businesses with rent/mortgage as they continue to rebuild their businesses. This program is similar to the program that was offered using CARES Funds in 2020 and 2021. Staff is proposing to utilize funds provided through the American Rescue Plan Act (ARPA) for this grant program. The proposal is to dedicate \$650,000 in funds for the program, and all funds will be granted on a first-come, first-served basis. The program is designed as follows:

### BUSINESS RENT/MORTGAGE ASSISTANCE GRANTS:

The Business Rent/Mortgage Assistance Grant Program is designed to assist small businesses who have endured financial distress. This business assistance program is designed to aid small businesses with their rent/mortgage. All eligible Coppell small businesses, as defined by the SBA, are eligible to apply for the grant, and the maximum grant amount for this program will be \$10,000. The business must meet the following specific criteria to qualify for the grant:

- Must be located within the city limits of Coppell;

- Must be in current compliance with the City of Coppel Code of Ordinances, including all applicable zoning and land use ordinances;
- Must not be in any litigation with the City of Coppel or the County in which they are located;
- Must have a physical store front in the City of Coppel;
- Must have a current utility bill showing a Coppel address for the business.

This program would award a one-time grant of \$10,000 to eligible businesses that apply. Grants will be awarded on a first-come, first-served basis once applications are available, and there will be a continuous call for applications until all funds have been distributed.

The second proposed program is designed to assist businesses impacted by the reconstruction of S. Belt Line Road. While this program will be offered to businesses located in the construction zone, it will also be extended to identified retail businesses that are impacted by traffic detours off of Denton Tap Road. The proposal is to dedicate \$100,000 in funds for the program from the General Fund fund balance, and all funds will be granted on a first-come, first-served basis. Staff is currently conducting an evaluation of alternative funding sources, specifically the American Rescue Plan Act (ARPA). The program is designed as follows:

#### **REVENUE RECOVERY ASSISTANCE GRANTS:**

The Revenue Recovery Assistance Grant Program is designed to assist all retail, restaurant and personal service businesses that will be negatively impacted by the road construction on S. Belt Line Road. All eligible retail, restaurants and personal service businesses identified will be eligible for a one-time grant of \$5,000 for revenue recovery. The list of eligible businesses will be available at the time the application is released. The businesses must meet the following specific criteria to qualify for the grant:

- Must be identified as an eligible business that is located on S. Denton Tap Road/S. Belt Line Road, south of Sandy Lake Road;
- Must be in current compliance with the City of Coppel Code of Ordinances, including all applicable zoning and land use ordinances;
- Must not be in any litigation with the City of Coppel or the County in which they are located;
- Must be open and operational at the time of grant application and award.

This program would award a one-time grant of \$5,000 to eligible businesses that apply and are approved. Grants will be awarded on a first-come, first-served basis once applications are available, and there will be a continuous call for applications until all funds have been distributed.

The city will also design and promote shopping campaigns for retail businesses negatively impacted by the road construction throughout the duration of the project.

**Analysis:**

Businesses identified as eligible for the Revenue Recovery Assistance Grants are eligible to receive both proposed grants.

If City Council would like to proceed with these programs, staff will bring forward a Resolution for consideration and approval in April. The grant applications will be made available shortly thereafter. Applications will be reviewed on a weekly basis and will be awarded to all eligible businesses until all funds have been distributed.

**Legal Review:**

N/A

**Fiscal Impact:**

Funding for the Business Rent/Mortgage Assistance Grant Program grant programs is being provided by the Federal Government through ARPA funds. Funding for the Revenue Recovery Assistance Grant Program is being provided by the General Fund fund balance.

**Recommendation:**

Staff is seeking input and direction from City Council on the proposed programs.