



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: June 14, 2022

Reference: Work Session: Update on Business Rent/Mortgage Grants

Introduction:

City Council allocated \$650,000 of the American Rescue Plan Act (ARPA) funds to a grant program for Coppel businesses that endured a financial loss due to COVID-19. The program, which is called the Coppel Business Rent/Mortgage Assistance Grant Program, was designed to aid businesses with their rent or mortgage payment, and a maximum grant of \$10,000 would be awarded on a first-come, first-served basis to eligible businesses that applied. The program was designed to have a continuous call for applications until all funds had been depleted or re-allocated.

A letter was mailed to every business with a store front in Coppel. The letter was mailed in early May, and the grant application did not go live until 10:00 am on May 31st. The timing was such to provide ample time for all businesses to receive notice of the grant so that everyone was given an equal chance to apply for the grant.

Analysis:

The response to the grant program was robust. Staff received 65 applications for eligible businesses by Wednesday, June 1st. Additional applications were submitted before staff had time to remove the application link from the website. In total, staff received 83 applications prior to the application link being removed. After the link was removed, staff received phone calls and emails from an additional 20 - 25 businesses that were disappointed that they did not apply in time to receive a grant.

Every business that submitted an application has been notified whether they received a grant or did not receive a grant. Payments will be made at the next available check run after all paperwork has been completed and turned in. Many businesses have inquired if additional funds would be made available for a second round of this grant.

City Council also allocated \$100,000 from ARPA funds for the Revenue Recovery Grant Program for the businesses that have been negatively impacted by the Belt Line Road construction. This grant is designed for businesses along Belt Line Road and Denton Tap Road that rely on drop-in traffic, specifically retail, restaurant and personal service businesses. A list of eligible businesses will be created, and not all businesses along Belt line and Denton Tap will be eligible because they do not meet the intent of drop-in business. Eligible businesses will receive a letter from the city notifying them of the grant in early July.

As specified by City Council, priority will be given to the businesses that fall within the construction zone. The grant will open to those businesses on July 25th. The grant will open to all other eligible businesses on August 8th. Any application received on August 8th or later will be considered on a first-come, first-served basis. The maximum grant award for the Revenue Recovery Grant will be \$5,000.

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 Federal Government through ARPA funds.

Recommendation:

No staff recommendation, as this is an update for City Council.