


CITY MANAGER'S OFFICE MEMORANDUM
#80-2020

DATE: November 23, 2020

TO: Honorable Mayor Meredith Leighty and City Council Members

FROM: Heather Geyer, City Manager 

SUBJECT: CR-167 – Amendment #1 to CARES Act Funding IGA

PURPOSE

To approve CR-167, a resolution approving Amendment #1 to the Intergovernmental Agreement (IGA) with Adams County for Coronavirus Aid, Relief, and Economic Security Act (CARES Act) additional funding in the amount of \$100,000 for COVID-19 small business grants.

BACKGROUND

On May 5, 2020, Council approved Resolution No. 20-80, accepting CARES Act funding in the amount of \$3,086,617 from Adams County to support COVID-19 response efforts. Amendment #1 to the CARES Act funding IGA brings the total amount disbursed to Northglenn by Adams County to \$3,186,617. Adams County approved the additional funding request to continue the City's small business grant program. The City had requested additional funding for small business grant support and housing support through Maiker Housing Partners. The County acknowledged that Maiker has received other support from the County. It is also the City's understanding that Maiker is maxed out in its ability to process applications.

The City was not anticipating this additional funding and the response time is very tight. Amendment #1 requires the City to return any unused CARES Act funds to the County on or before December 20, 2020. If CR-167 is approved, the Board of County Commissioners will take action on the IGA at their Dec. 8, 2020 meeting.

In order to meet the condition of the additional CARES Act funding, Economic Development has developed a second round of the Elevate Small Business Grant (ESBG) program.

Elevate Small Business Grant Program – Round 2

The proposed second round for the ESBG program will include:

- Rent/Mortgage reimbursements from July 1, 2020 to Dec. 9, 2020 up to a maximum amount of \$5,000
- Approximately \$150,000 will be remaining in the Business is Back grant balance when it closes on Nov. 30, and with the new Adams County \$100,000, will provide approximately \$250,000 to support a second round of funding under the ESBG program.
- Ability to support 50 businesses at \$5,000

Attachment 1 includes an updated version of the ESBG program overview. A summary of the major recommended changes are listed below.

- Remove the payroll and 6-months of financials requirement
- Proof of \$5,000 of rent/mortgage payments
- Change grant amount to not exceed \$5,000 (vs. \$6,000)

- Grant eligibility period for rent/mortgage from July 1 - December 9
- Change operation for at least 3 months prior to applying for the grant (vs. 6 months)
- Not eligible if they have received an Adams County rent/mortgage mini-grant

Staff is also recommending utilizing the remaining funds from the Business is Back grant program in the amount of an estimated \$150,000 to support the second round of the Elevate Small Business Grant Program, with the new Adams County \$100,000 allocation for a total amount of \$250,000.

Attachment 2 includes a list of closed storefronts due to COVID-19.

STAFF RECOMMENDATION

Staff recommends approval of CR-167. If City Council chooses not to support the second round of the Elevate Small Business Program, the City Council should not move forward with approval of the IGA. There are no other recommended programs.

BUDGET/TIME IMPLICATIONS

The additional funding from Adams County in the amount of \$100,000 will provide support to local businesses.

To date, the City has allocated the \$3,086,617 CARES Act funds as follows:

Elevate Small Business Grant (provided rent/mortgage assistance not to exceed \$6,000)

- A. \$850,000 CARES Act Allocation
- B. 129 Business Grants Awarded
- C. \$494,247 Total Grants Awarded
- D. Average Grant \$3,831

Business is Back Grant (provided PPE/technology/space modifications not to exceed \$5,000)

- A. \$500,000 CARES Act Allocation
- B. 110 Business Grants Awarded (as of 11/19)
- C. \$280,750 Total Grants Awarded (as of 11/19)
- D. \$50,000 Award to Almost Home
- E. \$169,249 Remaining Grant Funding Available (as of 11/19)
- F. \$19,249 (estimated) to be spent on new grants through 11/30
- G. Average Grant \$2,552 as of 11/19)
- H. \$150,000 (estimated) balance remaining BIB grant balance as of 11/30 (recommend moving balance to 2nd round of ESBG program)

Dining Mini-Grant Gift Cards

- A. \$125,000 CARES Act Allocation
- B. 40 participating businesses

Total for businesses: \$1,075,000

Other categories/programs list below. Please note these are not the final numbers as

organizations were given the deadline of December 11 to submit invoices for reimbursement.

- A. Maiker Housing Rent and Mortgage Assistance (\$466,200)
- B. Early Childhood Partnerships of Adams County (\$139,817)
- C. Almost Home Rent and Mortgage Assistance (\$90,000 total- \$40,000 from COVID-19 Nonprofit Grant program and \$50,000 allocated from Business is Back grant)
- D. Other Community Organizations Funding through the COVID-19 Nonprofit Grant Program (\$460,000)
- E. Free COVID-19 Testing Site for 18 weeks (\$375,000)
- F. Adams 12 IGA to provide reimbursement for face shields and hydrostatic sprayers (\$135,000)
- G. Community Resource Navigator (\$20,000)
- H. Public Health to include hand sanitizing stations at parks, water bottle refilling stations, COVID-19 wastewater testing (\$35,805)
- I. 15,000 Adult and 6,000 Youth Face Masks (\$106,720)
- J. 8oz Hand Sanitizer, 7,000 total (\$22,370)
- K. Communication and Education to residents and businesses (\$34,000)
- L. Internal City Expenses to include PPE, office modifications, and technology (\$102,000)

Total: \$1,986,912

Combined with the allocation to businesses, the City has allocated \$3,061,912 of the \$3,086,617 from the original IGA, which is a difference of \$24,705. This amount will likely be allocated to incurred operating expenses in support of COVID-19 recovery efforts. Again, this is an estimated projection and the exact number will not be known until after December 11.

STAFF REFERENCE

If Council members have questions, they may contact City Manager Heather Geyer at hgeyer@northglenn.org or 303.450.8706.

ATTACHMENTS

- 1. Elevate Small Business Grant Program – Round 2
- 2. List of closed storefronts due to COVID-19

CR-167 – Amendment #1 to CARES Act Funding IGA



2nd Round of Grant Funding

ELEVATE SMALL BUSINESS GRANT

PROGRAM OVERVIEW

Northglenn small businesses have been negatively impacted by governmental actions enacted to protect the public health and alter the spread of the COVID-19 pandemic. The City of Northglenn is offering a second round of the *Elevate Small Business Grant* (ESBG) for rent/mortgage assistance to qualified storefront businesses with 25 or fewer full-time equivalent (FTE) employees.

Grant funds are to be used solely to pay for rent/mortgage obligations, not to exceed \$5,000. Grants will be awarded generally on a first-come, first-served basis, subject to funding availability.

Use of Funds

The funds are to be used by qualifying businesses solely to pay for rent and associated expenses (common area maintenance, etc.) or mortgage payments and associated expenses (principal, interest and HOA fees) not to exceed \$5,000. The grant funds can be used for rent/mortgage payments made from July 1 through December 9, 2020.

Eligibility Guidelines

To qualify for the ESBG, a business must meet all of the following criteria:

1. Must have a physical Northglenn business, not located in a residence, that has been in operation for at least three (3) months prior to applying for the grant.
2. Must be in good standing with the City of Northglenn for any permits, licenses, utilities, and taxes.
3. Must have 25 or less full-time equivalent (FTEs).
4. Businesses with multiple physical locations in the City of Northglenn may apply for the grant program for only one location. The FTE count shall be based only on the specific location applying for the grant.
5. Individually owned franchise operators are eligible.
6. Locally-owned and operated businesses (owner resides in Colorado and manages business at identified Northglenn location).
7. Businesses must state a financial need for this grant due to COVID-19.

Businesses NOT eligible for the Grant

1. More than 25 FTE employees
2. Less than three (3) months in business in Northglenn
3. Corporately-owned national chain businesses
4. Not in good standing with Northglenn
5. Home-based
6. Banks, credit unions & other related financial institutions
7. Storage, real estate, brokers, property management & assisted living
8. Non-Profit, churches, schools & hospitals

9. If a business is renting (sub-leasing) space, in a larger space from another business they are not eligible (ex. hair salons, massage therapists, brokers, skin care businesses that rent space or booth space).
10. If awarded an Adams County rent/mortgage mini-grant.

Required Supporting Documentation

1. Application: Complete on-line application at www.northglenn.org/elevategrant.
2. Rent/Mortgage Payment: Supporting documentation reflecting payment(s) of monthly rent/mortgage payment(s) not to exceed \$5,000.
3. W-9 Form

Awards and Disbursement of Funds

A Grant Taskforce will determine eligibility and determine the grant amount. Awards will depend upon the number of applicants, availability of funds and demonstrated need.

Grants will be awarded generally on a first-come, first-served basis based on the time a qualifying business's application is filed with the City, subject to funding availability.

Applicants who are awarded funding under the program will receive a Project Award notification with an Agreement which will outline all terms and conditions. Once the Agreement is executed and returned, a check will be processed (may take up to three weeks).

Application Submittal

Applications can be completed at www.northglenn.org/elevategrant. Applicants must complete and sign the application and attach ALL required documentation. Only complete applications will be accepted, and all submissions will become the property of the City of Northglenn.

Disclosure Statement

The City of Northglenn understands and supports the public's right to access public records. Information submitted through this application is a public record and is subject to disclosure under the Colorado Public Records Act (CORA). In addition, the City of Northglenn may be required to disclose information by subpoena, civil-investigative demand, or court-ordered or court-authorized discovery. By submitting an application, the applicant certifies that all information is true and correct. Applicant acknowledges that they may be required to provide additional documentation including most recent tax returns, 941s, credit report, lease agreement, etc.

Staff Contact Information

For questions or assistance please contact:

Debbie Tuttle: 303.450.8743 or dtuttle@northglenn.org
Shannon Fields: 303.450.8938 or sfields@northglenn.org

Closed Storefronts 2020 Due to COVID

Business Name	Address	Start Date	Closed Date	Employees	S/F
Big Beautiful and Lavish Salon and Spa	10620 Melody Drive, Unit F	3/1/2019	8/19/2020	1	0
BESOS Always	10620 Melody Drive, Unit F	2/18/2019	9/15/2020	1	0
Infidel Hair Studio LLC	10620 Melody Drive, Unit F	3/7/2019	9/15/2020	1	0
Eyelash Candy & Skin Care	10620 Melody Drive, Unit F	6/8/2019	9/15/2020	1	0
Hair by Miranda	10620 Melody Drive, Unit F	9/20/2019	9/15/2020	1	0
Do Rolfing LLC	10693 Melody Drive	7/1/2019	9/21/2020	1	190
Artistry Aesthetics LLC	10620 Melody Drive, Unit F	7/25/2019	10/7/2020	1	0
Cinnabox	2145 E. 120th Ave., Unit A	9/1/2015	8/30/2020	5	1,400
Asian Buffet	10695 Melody Drive	10/18/2015	9/1/2020	5	6,804
Periodic Brewing	2100 E. 112th Ave., Unit 1	3/9/2018	9/8/2020	5	4,590
Anytime Fitness	420 E. 120th Ave., Unit B-10	8/1/2008	9/1/2020	5	2,000
Northglenn Fit Body Boot Camp	524 Malley Drive	3/12/2018	9/1/2020	1	3,000
Atlanta Bread	351 W. 104th Ave.	6/1/2005	11/3/2020	25	3,998
Not Reopened Since COVID:					
Cinzetti's	281 W. 104th Ave.	12/13/1999		100	22,185
Jim 'N Nicks	100E 120th Ave., Suite E110	5/5/2015		70	5,524
Imperium Events Center	500 Malley Drive	7/1/2015		2	102,000

SPONSORED BY: MAYOR LEIGHTY

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-167
Series of 2020

Series of 2020

A RESOLUTION ACCEPTING GRANT FUNDS AND APPROVING AMENDMENT NO. 1 TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN ADAMS COUNTY AND THE CITY OF NORTHGLENN REGARDING DISBURSEMENT OF CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT FUNDS

WHEREAS, Adams County has received a direct allotment of funds from the federal government pursuant to the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") to defray costs incurred from the COVID-19 pandemic;

WHEREAS, CARES Act funding is intended to cover necessary expenditures incurred due to the public health emergency caused by COVID-19 which are not included in annual budget;

WHEREAS, the City of Northglenn and Adams County ("the Parties") entered into an Intergovernmental Agreement regarding disbursement of Coronavirus Aid, Relief and Economic Security Act funds on June 4, 2020; and

WHEREAS, the Parties wish to amend the agreement to increase the amount of funds to be disbursed to the City of Northglenn to be used to mitigate and respond to the COVID-19 pandemic in accordance with the requirements of the CARES Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. Coronavirus Aid, Relief and Economic Security Act (CARES Act) Funds in the amount of \$100,000 are hereby accepted and Amendment No. 1 to the Intergovernmental Agreement between Adams County and the City of Northglenn regarding the disbursement of CARES Act funds, attached hereto as **Exhibit 1**, is hereby approved and the Mayor is authorized to execute the same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this ____ day of _____, 2020.

MEREDITH LEIGHTY
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

**AMENDMENT 1 TO INTERGOVERNMENTAL AGREEMENT
BETWEEN ADAMS COUNTY AND THE CITY OF NORTHGLENN
REGARDING DISBURSEMENT OF CORONAVIRUS AID, RELIEF AND
ECONOMIC SECURITY ACT FUNDS**

THIS AMENDMENT 1 is made and entered into this _____ day of _____, 2020, by and between Adams County, Colorado, located at 4430 S. Adams County Parkway, Brighton, Colorado, 80601 (“County”) and the City of Northglenn (“City”), located at 11701 Community Center Drive, Northglenn, CO 80233.

RECITALS

A. WHEREAS, by means of an Intergovernmental Agreement between the parties regarding disbursement of Coronavirus Aid, Relief and Economic Security Act (“CARES”) funds dated June 2, 2020 (“IGA”) the parties set forth the terms and conditions for County to disburse CARES funds to City for use paying costs for and ameliorating effects of the COVID-19 pandemic; and,

B. WHEREAS, the parties now wish to increase the amount of the disbursed funds as set forth in this Amendment 1;

NOW, therefore, in consideration of the promises, conditions and covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The amount of CARES funds to be disbursed by County to Northglenn shall be increased from \$3,086,617 to \$3,186,617 (increased by \$100,000) for the purpose of small business assistance programs. The additional funds shall be paid within 14 days of the date this Amendment 1 is fully executed and upon invoicing.
2. Northglenn will return any unused CARES funds to the County on or before December 20, 2020.
3. Except as modified by this Amendment 1, the terms of the IGA shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused their names to be affixed hereto.

BOARD OF COUNTY COMMISSIONERS
ADAMS COUNTY, COLORADO

Chair

Date

ATTEST:
JOSH ZYGIELBAUM
CLERK AND RECORDER

APPROVED AS TO FORM:

Adams County Attorney's Office

Deputy Clerk

CITY OF NORTHGLENN, COLORADO

Meredith Leighty, Mayor

Date