

#### Pandemic Response - Downtown Business Aid (PR-DBA)

**Program Goal:** 

To provide existing retail, restaurants and taverns, and selected personal service businesses with financial aid in the form of a grant to assist them through the harsh winter months where outdoor dining and limited capacity requirements continue to impact business operations.

**Funding Source:** 

Former City of De Pere CDBG-RLF (CDBG-Close)

**Program Funding Amount**: \$300,000

Availability:

Applicant awards will be up to \$5,000 depending on the number of applications received.

Overview:

Aid is in the form of a conditioned grant to help offset rent or mortgage payments, but also may be used for working capital to support payroll expenses, utility expenses, inventory, or other similar expenses that occur in the ordinary course of business. Grant awards will be provided directly to the business entity. If an awarded business owns the building it occupies they will be required to sign a grant disbursement agreement that requires the business to notify the City if the business is no longer in operation at the end of each month. If the awarded business leases the space it occupies then the landlord will also be required to sign a grant disbursement agreement that requires the City to be notified if the business is no longer in operation at the end of each month. As part of the grant agreement, if a business closes then it shall return a prorated amount of the grant calculated for each day they closed before the grant period concludes. For the purposes of this program, the grant period is from January 1, 2021, to May 31, 2021 (150 Days).

**Eligible Businesses:** 

Eligible Business means a business in an industry outlined in any Emergency Order or demonstrates it is otherwise affected by the COVID-19 outbreak. Eligible businesses must demonstrate the following:

- The business must have a physical storefront or location within the De Pere Main Street District/Business Improvement District.
- The business must be able to demonstrate the negative hardship that COVID-19 continues to put onto their business.
- The applicant must be a locally owned business.
- Must be an established business before December 1, 2020.
- Have fewer than 20 FTE employees.
- Business Type: Retail, restaurants and taverns, and entertainment venue businesses. For reference, eligible business shall fall under a 6 digit NAICS Industry Codes beginning with
  - o Retail 445, 446, 448, 451, 452, 453
  - Entertainment Venues 711
  - Restaurants/Bars 722

**Ineligible Businesses:** 

General or professional offices use not typically impacted by spacing and capacity restrictions, property management/landlord for either commercial and/or residential customers, any speculative venture, investment venture, research and development, or home-based occupations. Businesses must be in good standing. Any business with citations and fines within the last six months will not be eligible for business aid.

**Eligible Uses:** 

Grants shall be primarily used for rent or mortgage reimbursement, but also may be used for working capital to support payroll expenses, utility expenses, inventory, purchase of equipment and expenditures to manage COVID-19 outbreak (tents, heaters, Plexiglas dividers, etc.), or other similar expenses that occur in the ordinary course of business. Applicants are encouraged to also work with landlords and mortgage institutions to arrange rent reductions and/or payment deferrals.

Ineligible Uses: Grants shall not be used for reimbursement of expenses incurred before the COVID-19

crisis, any pay off non-business or personal debt, or construction and/or physical property

improvements not related to COVID-19 mitigation efforts.

**Grant Application Period:** 8:00 am December 1, 2020 to 4:00 pm December 14, 2020.

**Approval:** Submission of an application does not guarantee to fund, and all applications will be

reviewed by the review committee. Any applicant can decrease or decline funding upon notification of approval. In the case of receiving more grant applications than funding

allows, the grant review team will review based on the following criteria.

Scoring System	1 Point	2 Points	3 Points	Rationale
Years of Operation	<1 Year	2-4 Years	5+ Years	We care about supporting small businesses that are anchors in their communities. Years of operation is a proxy variable for this.
Minority, Women, and Disadvantaged Business Enterprises	No minority ownership	-	If at least one owner is M/W/DBE	Minority, Women, and Disadvantaged Business Enterprises have less of a cash buffer in the bank than other companies.  This loan aims to stabilize small businesses, therefore the scoring rubric reflects this cash gap.
Gross Receipts	<\$100K	\$100K - \$300k	\$300K+	This score is designed to reflect the contribution to the tax base. These thresholds should change based on metro area. The following ranges are generated for mid-sized metros.
Fiscal Stability (% of funding in the bank to cover operational expenses on a monthly basis)	Less than 25%	25-75%	75-100%	We want to make sure that we are allocating scarce funding to viable businesses, so we want to understand how much cash small businesses have in their accounts.
Business Size	11-20 Employees	6-10 Employees	5 or fewer Employees	The smallest businesses are most likely to fall through the cracks of SBA lending. We want to ensure that they get the support they need.
To what extent does this small business have a vital economic role in its community?	This business followed existing development and is not an anchor of the community it resides in	This business partially plays a role in the downtown. The business has community supporting services	This business played a vital role in the downtown and has or is catalyzing development around it	Geography matters—ideally we are stabilizing neighborhood businesses that serve as important
To what extent has this small business demonstrated adaptability by reconfiguring its existing business model to meet the demands for COVID-19?	This small business has not re-configured its business model and does not demonstrate adaptability	This small business is in the process of re-configuring its business model in a way that demonstrates its adaptability	The small business has demonstrated an ability to re-configure its business model in a way that demonstrates its adaptability	Adaptability. The small businesses that are reconfiguring their business models are more liely to endure COVID-19 and remain open after the crisis.
To what extent will this funding serve as a bridge for the small business to a more stable economic cycle after the Covid-19 pandemic?	It's unlikely that this funding will meaningfully establish a bridge to a more stable business cycle	This funding is likely to establish a bridge to a more stable business cycle	This funding will meaningfully establish a bridge to a more stable business cycle	This fund is designed to serve as bridge funding to more stable economic cycles.

# Pandemic Response - Downtown Business Aid (PR-DBA) Application Process

Applicants shall complete the following information:

- 1) Application
- 2) Business Summary. Provide a brief, less than one page, overview of your business. At a minimum, the business summary should include:
  - a. History of the company's operations
  - b. Business physical address
  - c. Ownership structures and any authorized agent
  - d. Include the number of full-time and part-time employees
- 3) Demonstrate why aid is needed (please attach additional pages if necessary)
- 4) Explain any other factors that should be considered in evaluating this request

# Pandemic Response - Downtown Business Aid (PR-DBA) Review Steps

- 1) Applicants shall review the entire program, application, and draft Aid agreement.
- 2) Review the entire program business operation
- 3) Applicants are encouraged to contact the City of De Pere staff prior to applying for assistance to ask questions regarding the application or approval process.
- 4) Applicants shall submit the application directly to the Development Services Director by email (<a href="mailto:dlindstrom@deperewi.gov">dlindstrom@deperewi.gov</a>) or by mail (335 S. Broadway Street, De Pere, WI 54115)
- 5) City staff will review the application and verify application information before award determination.
- 6) City of De Pere staff will notify grant applicants whether they will receive a grant award and, if so, of the grant distribution processes.

### **BUSINESS OPERATION TIPS FOR LOCAL BUSINESS DURING COVID-19 PANDEMIC**

- If your business is staying open, publish commitment to public health and outline actions for ensuring a clean facility and healthy staff; have hand sanitizer available for customers and latex gloves available for employees.
- Offer digital gift cards that customers and patrons can buy now and use later.
- Start, maintain, and enhance business webpages, online shopping opportunities, and social media presence.
   Make sure to update Google with modified hours of operation.
- Keep customers updated on new experiences or products you'll offer when conditions improve.
- Develop customer membership programs, such as "subscribe and save" on delivery or pickup of coffee beans, fresh produce, etc.
- Develop online shopping list services. For example, many grocery stores offer grocery pickup or delivery to customers who submit shopping lists online.
- Offer digital services and support to virtually sell, answer questions, and provide customer service.
- For experience-based businesses, offer digital services such as web-based classes (yoga, painting, etc.), restaurants offer cooking classes, etc.
- Keep it lively! Offer trivia nights via live stream and provide virtual tours of your shop.

### **Restaurant-Specific Suggestions**

- Provide food-to-go or home delivery.
- Use single-service items such as silverware, condiments, etc. for take-out orders.
- Provide online or telephone order and payment options to limit cash handling and in-person ordering of food. Promote "tap and pay" or payment transfer methods like PayPal.
- Dedicate staff for in-person transactions. This individual would not make or assist in foodservice operations.
- Gloves must be worn by individuals preparing or handling ready to eat food. If gloves are worn for additional activities, such as cash handling, these individuals must wash their hands before putting a new pair on or after taking a pair off.
- Retrain employees on proper handwashing and encourage them to wash their hands more frequently, especially after making contact with items used by guests.
- Increase the frequency of cleaning and sanitizing all common areas in your facility. Pay special attention to frequently touched surfaces such as door handles, workstations, tables, chairs, menus, condiments, credit card machines, etc.
- Ensure the proper sanitizing concentrations are being used in all cleaning products. Make sure to follow all label guidelines or these products.
- Make sure sick employees stay home. If an employee suspects they might have COVID-19, please have them
  contact the Health Department for further instruction. Ensure that all staff understands your facility's sick
  leave policy. Per the 2013 FDA Food Code, employees must be restricted from working in any foodservice
  establishment if they have a sore throat and fever.

# **COVID 19 - Develop Business Continuity/Contingency Plan Suggestions**

- 1. **Evaluate Expenses and Borrowing Capabilities.** Contact your financial institutions to understand current lending capabilities and make any necessary arrangements. Take inventory and understand your current monthly expenses. Consider prioritizing payments based on size, due date, and disaster assistance related support offerings.
- 2. **Double Check Your Insurance Coverage.** You may have business interruption insurance coverage. Contact your insurance agent to review your policy and understand what you are covered for.
- 3. **Anticipate Inventory and Supply Chain Disruptions.** Identify your key partners, suppliers, and contractors and contact them to anticipate any delays or shortages. Identify the raw materials your business needs to function. Ensure you have adequate supplies of inventory for a sustained period of 30 days. If necessary, diversify distributor sources.
- 4. **Avoid Scams.** Encourage all employees to verify the legitimacy of emails, phone messages, text messages, bills, etc.
- 5. **Review Employment Policies and Procedures.** Review, update and communicate your employee leave policies and procedures. Implement a flexible workplace and leave policies. Additionally, do not require a healthcare provider's note for employees who are sick to validate their illness or to return to work, as healthcare provider offices and medical facilities may be extremely busy and not able to provide such documentation in a timely way.
  - Anticipate absenteeism and plan to backfill positions if employees are absent. It is essential to cross-train employees to carry out essential functions. Unemployment will create an economic hardship; therefore, consider alternative ways to keep employees employed, such as temporarily reduced pay or permit flexible work hours like staggered shifts. Where and when appropriate, update all employee contact information and share it with your team.
- 6. **Establishing a Marketing and Communication Plan.** Minimize impact on your customers and business partners by communicating with your customers about the status of your operations. Considering offering creative and incentivizing reasons for customers to patronize your business.
  - Consider converting portions of your business to digital platforms. Use e-commerce to promote digital payment methods, use delivery services, use booking and scheduling to stagger customer flow, offer discounts on shipping, etc.
- 7. Maintain Facility Cleanliness. Maintain facility cleanliness as prescribed by the CDC.
- 8. **Prepare for Social Distancing and Leverage Technology** by opting for video or phone conferencing instead of in-person meetings. Determine which employees are essential or non-essential for your business or organization to operate. Ask each business operations the following questions:
  - a. How can you accomplish critical tasks?
  - b. Do you have the technology and infrastructure needed to support employees working from home?
- 9. **Communicate Clear and Accurate Information and Stay Informed** by establishing a communication protocol to keep your workforce and customers informed.