



CITY OF WASHINGTON, ILLINOIS

Finance and Personnel Committee Agenda Communication

Meeting Date: February 15, 2021

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Agenda Item: Possible Washington Business Sustainability Grant – Round 2

Explanation: The City was awarded an Economic Support (ES) program grant in an amount of \$160,000 by the Department of Commerce and Economic Opportunity (DCEO) in December to establish a local grant program called the Washington Business Sustainability Grant (WBSG). DCEO created its subprogram from the Local CURE Program to provide some funds to assist statewide businesses that have been impacted by COVID-19 and have incurred necessary expenses as part of its operations.

The Washington program provided any eligible bakeries, bars, caterers, and restaurants to apply for up to \$5,000 in reimbursement for occupancy and/or utility expenses between March and November. Those businesses also needed to provide documentation of at least a 25% loss in revenue for any of the months in which they incurred the occupancy and/or utility expenses in 2020 as compared to the same period in 2019. Five businesses received the maximum allotment while three others submitted partial applications but did not have sufficient documentation in order to be awarded grants.

DCEO approached staff this week to gauge our interest in seeking a second round of applications in order to utilize more or all of the remaining \$135,000 ES grant. The first round had a short application window in order to meet DCEO's required timeline and only offered the eligible businesses about two weeks to apply, though all were previously notified in late November about the potential for such a grant program if the City was awarded this funding. DCEO has indicated that the grant agreement could be extended through June 30 if there was interest in soliciting a second round. While the eligible occupancy and/or utility expenses would still need to have been accrued in 2020, this would allow for more time for the businesses to secure the necessary documentation.

Additionally, DCEO is allowing grantees to tweak its local grant program parameters provided they do not conflict with the underlying Local CURE Program criteria. As a result, staff would recommend that should there be support for a second round of grants, the maximum award be increased to \$10,000 and the revenue loss be reduced to 20% between 2019 and 2020. Making both of these changes along with allowing for additional time to provide the documentation within the application may create more interest in the program. As with the first WBSG round, this would be a first-come, first-serve program that would only be in place as long as funds remain available and staff would look for a tentative application deadline of March 31. Prior business subawardees would be eligible to receive an additional \$5,000 to maximize a possible new grant ceiling according to DCEO.

Fiscal Impact: There is no local match for this grant program and the consideration of a second round of WBSG's would utilize funds previously awarded to the City by DCEO.

Action Requested: General discussion is planned at the February 15 meeting to gain direction on a possible second round of grants so staff can notify DCEO of its intention on using any of the remaining ES grant funds.