



Legislation Text

File #: 24-444, Version: 1

STRATEGIC PRIORITY: Economic Development
AGENDA DATE: February 28, 2024
COUNCIL DISTRICT(S): All
DEPARTMENT: Small Business Center Department
EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

Authorize **(1)** a Small Business Microgrants Program Statement for microgrants (\$5,000.00 or less) to eligible small businesses in Dallas for assistance with qualified operational expenses incurred between March 3, 2021 and September 30, 2024 due to COVID-19 pandemic to mitigate negative financial impact from the COVID-19 pandemic; and **(2)** the allocation of funds for the Small Business Microgrants Program - Not to exceed \$230,000.00 - Financing: **American Rescue Plan Act** Coronavirus State and Local Fiscal Recovery Fund

BACKGROUND

The Novel Coronavirus Disease ("COVID-19") pandemic and its resulting economic impacts have put a strain on many local small businesses. The City of Dallas small businesses have experienced negative economic impacts or disproportionate impacts and continue to struggle with unmet needs, due to decreased revenue, increased costs, inflated product costs, and other financial hardships.

The City has seen, and continues to see, significant demand for small business assistance from financial institutions and governmental agencies to close gaps for employee payroll, financial sustainability, and other essential operating costs for small businesses and minority owned businesses in underserved communities impacted by or during the COVID-19 pandemic.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic. To demonstrate need, applicants will be required to provide documents demonstrating negative economic impacts directly related to the COVID-19 pandemic for the period of March 3, 2021 through September 30, 2024. Such negative economic impacts could be due to an increase in a contract or patronage provided, an inability to meet payroll obligations, loss of revenue from sales or loss of contracts, increased costs due to COVID-19, or costs of new products designed to assist those disparately impacted by the pandemic and its economic effects.

Applicants that are located within Qualified Census Tracts, as defined by the U.S. Department of Housing and Urban Development or other communities determined to be highly impacted by the pandemic as outlined in Treasury guidance for use of ARPA State and Local Fiscal Recovery Funds, will be presumed to be disproportionately impacted by the pandemic, and therefore eligible for this microgrant.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 23, 2021, the City Council authorized application for and acceptance of a direct allocation from the Coronavirus Local Fiscal Recovery Fund of the Treasury in the total amount of \$355,426,891.00, by Resolution No. 21-1149.

On September 22, 2021, the City Council approved the Fiscal Year 2021-22 Budget, which authorized the appropriation of \$355,426,891.00 from the American Rescue Plan Act in Local Fiscal Recovery Funds, including \$16,000,000.00 for relief to small businesses, nonprofits, or impacted industries based on established criteria by Resolution No. 21-1590.

[The Economic Development Committee was briefed by memorandum regarding this matter on January 9, 2024. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=11422163&GUID=B6DF1969-C589-493E-B534-0E7949DADA41>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=11422163&GUID=B6DF1969-C589-493E-B534-0E7949DADA41)

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
American Rescue Plan Act , Coronavirus State and Local Fiscal Recovery Fund	\$230,000.00	\$0.00	\$0.00

MAP

Attached