



Administrative Report

N.6., File # 20-1266

Meeting Date: 8/18/2020

To: MAYOR AND CITY COUNCIL
From: MARNI RUHLAND, FINANCE DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING CARES ACT BUSINESS ASSISTANCE GRANTS

EXECUTIVE SUMMARY

For the City's CARES Act grants to the Riviera Village Association and businesses in the Artesia/Aviation commercial corridor, a reimbursement agreement template (attached) has been developed. Per the City Council's direction at its August 4, 2020 meeting, the agreement template limits the reimbursable costs to those arising from the COVID-related utilization of outdoor spaces for dining. However, Temporary Use Permits (TUPs) are also being issued for businesses other than restaurants, such as gyms, hair salons, and nail salons. Additionally, costs have been incurred by the Riviera Village Association in relation to their Special Event Permit (not a TUP) for outdoor dining, outdoor personal services, and sidewalk sales during COVID-19. Therefore, the City Council may want to revise the agreement to expand the eligible reimbursable costs to include those incurred by all businesses in the applicable areas for the utilization of outdoor spaces pursuant to COVID-19 emergency orders. Clarification from the City Council on the limitations is needed to finalize the grant program process.

BACKGROUND

Through the Coronavirus Relief Fund (CRF), the Federal CARES Act provides for payments to state, local and tribal governments dealing with the impact of the COVID-19 outbreak. Only cities with populations greater than 500,000 directly receive funding from the CRF. However, the State of California received nearly \$1.3 billion, of which \$500 million is to be allocated to cities. The City of Redondo Beach is to be allocated \$827,184. The City Council at its August 4, 2020 meeting approved using \$70,000 of the City's allocation for grants to the Riviera Village Association (\$50,000) and businesses in the Artesia/Aviation commercial corridor (\$20,000) to assist with COVID-related outdoor dining expenses.

In the attached reimbursement agreement template, the reimbursable expenses have been limited to those arising from the COVID-related utilization of outdoor spaces for dining. However, Temporary Use Permits (TUPs) are also being issued for businesses other than restaurants, such as gyms, hair salons, and nail salons. Additionally, costs have been incurred by the Riviera Village Association in relation to their Special Event Permit (not a TUP) for outdoor dining and sidewalk sales during COVID-19. Therefore, the City Council may want to revise the agreement to expand the eligible

reimbursable costs to include those incurred by all businesses in the applicable areas for the utilization of outdoor spaces pursuant to COVID-19 emergency orders. Clarification from the City Council on the limitations is needed to finalize the grant program process.

COORDINATION

Development of the reimbursement agreement template was coordinated with the City Attorney's Office and the Financial Services, Community Development and Public Works Departments.

FISCAL IMPACT

Of the City's \$827,184 CARES Act CRF funding, \$70,000 is to be used for business assistance grants to the Riviera Village Association and businesses in the Artesia/Aviation commercial corridor.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

Reimbursement Agreement Template