



AGENDA
CITY COUNCIL SPECIAL MEETING
COUNCIL CHAMBERS - HUTCHINSON, KANSAS
June 23, 2020
9:00 a.m.

1. ROLL CALL

Daveline Soldner Bagwell Garza Piros de Carvalho

2. NEW BUSINESS

a. Consider approval and awarding of \$89,930.00 in CDBG-CV grant funds.

Action - Motion to **approve/amend and approve/deny** the recommendation of the CDBG-CV Review Committee to award \$89,930.00 in CDBG-CV grant funds to 11 small businesses in the City of Hutchinson.

Motion _____
Daveline Soldner Bagwell

Second _____
Garza Piros de Carvalho

3. ADJOURNMENT

Motion _____
Daveline Soldner Bagwell

Second _____
Garza Piros de Carvalho



CITY COUNCIL AGENDA REPORT

DATE: June 19, 2020

SUBMITTED BY: Ryan Hvitlæk, AICP
Director of Planning & Development

THROUGH: Jeff Cantrell
City Manager

COUNCIL COMMUNICATION	
FOR MEETING OF	June 23, 2020
AGENDA ITEM	2a
FOR ACTION	X
INFORMATION ONLY	

REQUEST: Approval and awarding of \$89,930 in CDBG-CV grant funds to 11 small businesses in the City of Hutchinson

CITY COUNCIL ACTION REQUIRED:

Motion to (approve / amend and approve / deny) the recommendation of the CDBG-CV Review Committee to award \$89,930.00 in CDBG-CV grant funds to 11 small businesses in the City of Hutchinson.

BACKGROUND:

The City of Hutchinson was awarded \$132,000 in CDBG-CV funds from the Kansas Department of Commerce on June 2, 2020. These funds were made available for the City to award on a competitive basis to small businesses of up to 50 employees who have at least 51% of their full-time equivalent jobs for persons from low-to-medium income households. Grant funds are on a reimbursable basis and can be used for working capital such as wages, rent and utilities; and to purchase up to 60 days' worth of inventory needed to reopen. City staff solicited applications from interested businesses and reviewed the applications with a review committee consisting of representation from City staff, City Council, Hutch Chamber, the Hutchinson Community Foundation, and StartUp Hutch. The City's Grant Administrator SCKEDD was also part of the committee as technical assistance

ANALYSIS:

On June 18, 2020, the Review Committee met to review the applications received. Staff received 13 applications of which 11 were deemed eligible for grant funds. The Committee reviewed each application for quality, including documentation of losses from COVID and what the grant funds would be used for. Review of the included information about previous year revenues and payroll costs was also used to determine reasonable award amounts. The applications received showed the diversity of our small business community with 8 applications from women-owned business, 3 from minority owned businesses, and 1 veteran-owned business. Exhibit 1 includes the proposed award amounts from the review committee.

Staff proposes a December 31, 2020 deadline to spend any awarded funds so that any unused funds are accounted for and additional awards can be granted prior to the overall grant expiration of June 15, 2021. Furthermore, the review committee proposed to set aside a portion of the

remaining grant funds for micro-grants for home-based daycare facilities. The committee believed that childcare, especially home-based daycare will be vital to getting employees back to work as the economy further reopens. These small facilities make up a significant portion of the childcare capacity in the City and they were often locked out of other COVID relief options such as PPP.

FISCAL IMPACT:

The City received \$132,000 in grant funds, with \$12,000 set aside for payment to our grant administrator. The grant will have \$30,070 remaining if the proposed awards are made and fully utilized. Staff is proposing \$12,500 to be set aside as micro-grants for home-based daycare businesses, with micro-grants capped at \$2,500 each, which would allow for assistance of 5 daycare facilities.

ATTACHMENTS:

Exhibit 1: Hutchinson CDBG-CV Award Budget Sheet

GRANTEE NAME: HUTCHINSON

GRANT NUMBER: 20-CV-032

ACTIVITY	CDBG FUNDS	OTHER FUNDS	SOURCE OF OTHER FUNDS	TOTAL COST
1. Economic Dev./Micro-grants	\$120,000			\$120,000
Aleesa Soaps	\$8,000			\$8,000
Apollo Engraving	\$10,000			\$10,000
Bookends	\$8,430			\$8,430
Bornholdt Plantland	\$10,000			\$10,000
Bride 2 Be	\$2,500			\$2,500
Erica Basgall Daycare	\$2,500			\$2,500
Frameography	\$10,000			\$10,000
Kids Crossing Daycare	\$2,500			\$2,500
Rainbow Kettle Korn	\$9,000			\$9,000
Scuttlebutts	\$7,000			\$7,000
Skaets Steak Shop	\$20,000			\$20,000
Award Total				\$89,930
Amount Remaining				\$30,070
ED/MG Total	\$120,000			\$120,000
2. Meals programs				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
Meal Program Total				
3. Administration	\$12,000			\$12,000
				\$0
				\$0
Administration Total	\$12,000			\$12,000
ALL ACTIVITIES TOTAL	\$132,000			\$132,000