

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - B-TAP and D-TAP Service Expansion

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$500,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides increased appropriation to expand technical assistance through service contracts with participating organizations and providing new services with additional specialized service providers.

Proposed Action Detail: CPED will offer competitive grants to the community-based organizations as a component of the BTAP and DTAP program to fund technical assistance. CPED will develop guidelines to increase B-TAP contract in addition to cultural district funding and expand D-TAP resources and emerging developer supports based on procurement and public purpose of funds requirements.

Staffing: Staff from the Small Business Team in CPED are working on this project.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Business activity has waned during the pandemic impacting all businesses and many BIPOC-owned business activity.

Results:

- Support the 1700 business forced to close due to the Stay-at-Home orders.
- Reduces short-term overhead expenses to allow for business resources to rehire staff.
- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SPREAP priority.

Budget detail - Low-Level Department Code: 8900330

Account Code (s) for all non-personnel spending and amounts: 602003

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - CDFI Support

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$330,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides seed or supplemental funds for Community Development Financial Institution (CDFIs) that lend money on a more flexible basis than traditional lenders to expand capacity to increase small business loan activity.

Proposed Action Detail: CPED would administer this program as component of its small business lending program. CPED will develop funding guidelines to seed or supplement funding in service contract contracts for demographically representative to the percentage of the population and the disparate impact of historic lending practices.

Staffing: Current staff from the Business Development team in CPED are working on this program.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Business activity has waned during the pandemic impacting all businesses and many BIPOC-owned business activity.

Results:

- Support the 1700 business forced to close due to the Stay-at-Home orders.
- Reduces short-term overhead expenses to allow for business resources to rehire staff.
- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SPREAP priority.

Budget detail - Low-Level Department Code: 8900320

Account Code (s) for all non-personnel spending and amounts: 513007

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - Commercial Property Development Fund

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$10,000,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides capital funding to be added to the Commercial Property Development Fund to continue to fund projects in the program pipeline.

Proposed Action Detail: CPED would increase funding and continue to administer this existing program. Following existing program guidelines these funds could fund 4 to 8 real estate additional project this year. Each award is subject to City Council approval.

Staffing: Current staff from the Business Development team in CPED are working on this program.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Business activity has waned during the pandemic impacting all businesses and many BIPOC-owned business activity.

Results:

- Support the 1700 business forced to close due to the Stay-at-Home orders.
- Reduces short-term overhead expenses to allow for business resources to rehire staff.
- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SPREAP priority.

Budget detail - Low-Level Department Code: 8900320

Account Code (s) for all non-personnel spending and amounts: 801501

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - Co-operative Creation and Support Fund

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$330,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides funds to finance working capital and cover start-up costs for Co-operative businesses development.

Proposed Action Detail: CPED will work on guidelines on a program with community partner Nexus Community Development. This program provides funding for important company conversions into collective-ownership wealth building ownership models.

Staffing: Current staff from the Small Business Team in CPED are working on this program.

Equity Impact: Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) are less likely to purchase businesses. Co-op conversion provide opportunity for wage-workers to begin to earn wealth though the equity value of a co-op business.

Results:

- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SPREAP priority.

Budget detail - Low-Level Department Code: 8900330

Account Code (s) for all non-personnel spending and amounts: 602003

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - Minneapolis Recovery Fund

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$17,700,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides fee reductions for businesses forced to close due to economic hardship from the pandemic and who want to reopen their licensed business in Minneapolis.

Proposed Action Detail: CPED would administer this program in Licensing & Consumer Services. Staff will develop guidelines for a 50% rebate on license fees after achieving six months of sustained operation.

Staffing: Licensing & Consumer service staff will work on this program.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Business activity has waned during the pandemic impacting all businesses and many BIPOC-owned and operated business activity.

Results:

- Support the 1700 business forced to close due to the Stay-at-Home orders.
- Reduces short-term overhead expenses to allow for business resources to rehire staff.
- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SPREAP priority.

Budget detail - Low-Level Department Code: 8900340

Account Code (s) for all non-personnel spending and amounts: 513007

American Rescue Plan Act Proposal Round 1

Proposal Title: Arts and Culture Workforce Support

Goal Area: Economic Rebuilding

Implementing Department: Coordinator, Arts, Culture and the Creative Economy

2021 Dollar Amount: \$500,000

Problem Statement: Along with the tourism sector, the creative sector is among the most affected by the current crisis. Nationally, financial losses by nonprofit arts organizations are estimated to be \$16.5 billion with 99% of producing and presenting organizations reporting cancelled events. Additionally, local businesses such as restaurants, lodging, retail and parking have been impacted by cancelled events and have seen a decline in audience ancillary spending. The U.S Census Bureau reports that arts, entertainment and recreation will take longer than 6 months to recover. Within the creative sector the workforce is by far the hardest hit with artists/creative workers in the gig economy and women showing the biggest job and income losses. National data sources indicate that 94% of creative workers report lost income, 62% are fully unemployed and 66% are unable to access the resources they need for their work. Prior to the pandemic, data on creative jobs in the Minneapolis Metro showed significant employment disparities between BIPOC and white workers.

Proposed Action Summary: This proposal provides funding for small for and nonprofit arts and cultural enterprises so they can hire, contract and train artists/creatives to assist with their pivots and re openings. This initiative enables creative enterprises to message their plans for present and future programming and re-engage audiences and donors. The proposal creates jobs for creatives with a focus on those that are the most impacted by COVID closures. Research shows that creative sector catalyzes and accelerates economic recovery, a growth in arts employment has a positive and casual effect on overall employment.

Proposed Action Detail: This is a new initiative; however, it complements research conducted by ACCE on the creative workforce and supports efforts to prevent an increase in regional employment disparities among BIPOC and women creative workers. Funding supports accelerating reopening for an sector that was one of the first to shut down and is predicted to be one of the last to re-open due to the nature of its products, services and venues. This proposal will buy contracts with for profit and nonprofit creative enterprises who will execute plans to contract, hire and train creative workers as part of their re-opening strategies thereby providing much needed employment for creative workers.

Staffing: This funding request includes resources to hire consultants and 2 temporary staff to execute the program, ACCE staff will manage these contracts. Job titles: Program Manager, job code: 05463C 51 and Project Coordinator job code: 08430C 171

Equity Impact:

- According to national data sources, BIPOC nonprofit arts organizations are more likely to report that they currently lack the funds they need to return to in-person programming than non-BIPOC organizations (55% vs. 38%). This proposal will prioritize the needs of the most impacted organizations and provide funding to return to in-person programming.
- Nationally, BIPOC artists had even higher rates of unemployment than white artists in 2020 due to the pandemic (69% vs. 60%) and lost a larger percentage of their creative income (61% vs. 56%). This proposal will allow BIPOC organizations to hire BIPOC artists and creatives.
- Prior to the pandemic the employment rate for BIPOC creative workers in the Minneapolis Metro was at 13% well below the 30% national employment rate for BIPOC creative workers. By

prioritizing the needs of the most impacted organizations, this proposal prevents the increase of employment disparities for BIPOC creative workers in the Minneapolis Metro.

Results: This investment will provide the following results:

- The most impacted for-profit and nonprofit creative organizations will have access to resources to support and accelerate re-opening marketing and donor relationships as well as other associated costs allowing them to reopen sooner.
- Creative workers and creatives in the gig economy will see an increase in demand for their services.
- Local businesses such as retail, restaurants, parking and lodging will benefit from ancillary audience spending when arts events and programming returns.
- Local government revenues through the 3% city-wide entertainment tax will increase.

We will collect data on the number of creatives hired using ARP funding. Organizations receiving funding will be required to complete a report as part of their contract with the City. The report is the primary mechanism for collecting disaggregated demographic and geographic data on contracted employment and training.

Budget detail - Low-Level Department Code: 001008400210

Account Code (s) for all non-personnel spending and amounts: (this can be changed during implementation if needed)

American Rescue Plan Act Proposal Round 1

Proposal Title: Career & Skill Building - Ambassador Program

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: 1,000,000

Problem Statement: Economic Impacts from COVID-19 caused mass layoffs. In Minneapolis more than 140,000 people filed for unemployment insurance in 2020 and the overall unemployment rate exceeded that of the State. Further the economic shocks impacted BIPOC residents at a higher rate than their white counterparts. There is a disparity between white and non-white people in educational attainment rates, wages earned, and unemployment or underemployment in Minneapolis. Addressing these disparities stabilize families and provide for opportunities to grow generational wealth.

Proposed Action Summary: This program expands outreach to people looking to connect into the workforce development system and gain job skill training assistance. It uses people with community connections, to act as resource ambassadors to break down barriers to program access. These ambassadors will target areas of the City with lower workforce participation rates.

Proposed Action Detail: Provide a description of the proposal in 200 words or less; please address the following:

This is a new initiative adding additional resources to reduce barriers to the access job training programs. Using contracts for service from community-based partners, it will employ people to act as ambassadors who target those most affected by existing disparities adding needed capacity to outreach and access to career training options into growing sectors for the region's economy. This proposal enhances existing workforce resources improving the supply of participants.

Staffing: Current staff from the Minneapolis Employment & Training team in CPED are working on this project.

Equity Impact: Unemployment rates, wages levels after training, and participation in career track jobs in BIPOC communities lag behind the white communities. This proposed program targets resources to address these gaps by connecting directly with BIPOC communities.

Results:

- Provides more opportunities for job opportunities for the over 140,000 people in Minneapolis who filed for unemployment benefits in 2020.
- Provides employment resources to people living in and around areas or 2020 unrest which have a high population of BIPOC residents.
- Reductions on employment related disparities in Minneapolis.
- Increase in trained workforce for the expanding green industry.

Budget detail - Low-Level Department Code: 8900610

Account Code (s) for all non-personnel spending and amounts: 504005

American Rescue Plan Act Proposal Round 1

Proposal Title: Career & Skill Building - Green Industry Pathways

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$100,000

Problem Statement: Economic impacts from COVID-19 caused mass layoffs. In Minneapolis more than 140,000 people filed for unemployment insurance in 2020 and the overall unemployment rate exceeded that of the State. Further the economic shocks impacted BIPOC residents at a higher rate than their white counterparts. There is a disparity between white and non-white people in educational attainment rates, wages earned, and unemployment or underemployment in Minneapolis. Addressing these disparities stabilize families and provide for opportunities to grow generational wealth.

Proposed Action Summary: This program provides focus on creating new career pathways within emerging and/or expanding green industries, such as solar, energy efficiency, and emerging technologies. It provides grants to community-based workforce training partners and industry partners to develop and deliver programing for people to gain skills in identified green sectors.

Proposed Action Detail: This proposed program expands the City's career pathways programming increasing contracts for service providers for green industry career pathways programs. The City would award the funding through a competitive process targeting service providers with connections to growing companies in the green sector.

Staffing: Current staff from the Minneapolis Employment & Training team in CPED are working on this project.

Equity Impact: Unemployment rates, wages levels after training, and participation in career track jobs in BIPOC communities lag behind the white communities. This proposed program targets resources to address these gaps by connecting directly with BIPOC communities.

Results:

- Provides more opportunities for job opportunities for the over 140,000 people in Minneapolis who filed for unemployment benefits in 2020.
- Provides employment resources to people living in and around areas or 2020 unrest which have a high population of BIPOC residents.
- Reductions on employment related disparities in Minneapolis.
- Increase in trained workforce for the expanding green industry.

Budget detail - Low-Level Department Code: 8900610

Account Code (s) for all non-personnel spending and amounts: 504005

American Rescue Plan Act Proposal Round 1

Proposal Title: Career & Skill Building - Minnesota Works

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$660,000

Problem Statement: Economic Impacts from COVID-19 caused mass layoffs. In Minneapolis more than 140,000 people filed for unemployment insurance in 2020 and the overall unemployment rate exceeded that of the State. Further the economic shocks impacted BIPOC residents at a higher rate than their white counterparts. There is a disparity between white and non-white people in educational attainment rates, wages earned, and unemployment or underemployment in Minneapolis. Addressing these disparities stabilize families and provide for opportunities to grow generational wealth.

Proposed Action Summary: This program is a multi-pronged approach working with community-based partners that combines job creation, training, employment, and entrepreneurship targeting people in areas impacted by the 2020 unrest.

Proposed Action Detail: This proposed program expands the City's career pathways programming increasing contracts for service providers for career pathways programs for people living in areas impacted by 2020 unrest. The City would award the funding to a community-based partner to recruit people in the impacted areas to participate in multi-phased program.

Staffing: Current staff from the Minneapolis Employment & Training team in CPED are working on this project.

Equity Impact: Unemployment rates, wages levels after training, and participation in career track jobs in BIPOC communities lag behind the white communities. This proposed program targets resources to address these gaps by connecting directly with BIPOC communities.

Results:

- Provides more opportunities for job opportunities for the over 140,000 people in Minneapolis who filed for unemployment benefits in 2020.
- Provides employment resources to people living in and around areas or 2020 unrest which have a high population of BIPOC residents.
- Reductions on employment related disparities in Minneapolis.

Budget detail - Low-Level Department Code: 8900610

Account Code (s) for all non-personnel spending and amounts: 504005

American Rescue Plan Act Proposal Round 1

Proposal Title: Cultural District Activation

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: Total Amount: \$2,800,000

Community Coordination: \$350,000

Community Events and Festivals: \$175,000

Cultural District Service Offerings: \$350,000

Enhanced Tech Assistance: \$175,000

Façade Grants: \$175,000

Internal Building Improvements: \$525,000

Low Interest Rate Loans: \$1,050,000

Problem Statement: The City established Cultural Districts to further racial equity, prevent displacement, preserve cultural identity, and fuel economic growth through the creation and prioritized implementation of new investment tools, policies, and practices historically disadvantaged neighborhoods of Minneapolis. COVID-19 prevention measures devastated small businesses in these areas, especially with BIPOC-owned businesses.

Proposed Action Summary: The Cultural District Activation provisions will increase capacity for community business organizations with funding to provide small-business navigation support and outreach, provide funding for community events and festivals to attract residents and visitors to the district, provide grants or funding to make capital or service improvements, advocate B-TAP services and subcontracted professional services as needed, provide matching funds for external building improvements, provide forgivable loans for internal building improvements and provide low- or no-interest loans for capital improvements for businesses and commercial property owners.

Proposed Action Detail:

Community Coordination: As part of the Business Technical Assistance Program (BTAP) this program will provide \$50,000 in contracts to organizations in each of the 7 established Cultural Districts in Minneapolis to fund activities.

Community Events and Festivals: CPED will offer competitive grants to the community-based organizations in a similar way to Great Streets Business District Support Grants to fund community events. These grants allow for up-to-\$25,000-per-district.

Cultural District Service Offerings: CPED will work with district businesses on specifics designs of the program to determine whether to offer these funds through competitive grants or coordinated service contracts. Services may include snow/trash removal, seasonal lights and greenery, street furniture, etc. This program assumes that the offerings are an enhancement beyond what may be currently provided, and that these services would not be charged back to business/property owners.

Enhanced Tech Assistance: CPED will offer competitive grants to community-based organizations as a component of the BTAP program to fund technical assistance. Grants allow up-to-\$25,000-per-district.

Façade Grants: CPED would increase the 2021 appropriation of the Façade Improvement Program to increase awards to applicants in Cultural Districts to administer this program.

Internal Building Improvements: Staff will include the program as a component of the Notice of Funding Availability (NOFA) for the Great Streets Façade program, which invites community-based organizations to apply for funds to administer the program.

Low Interest Rate Loans: CPED would administer this program as component of its small business lending program. Staff will develop guidelines for this program as a participation loan program, similar to the current 2% loan program, and subject to current ordinance, cap City-funded portion of the loan at \$100,000 with 0% interest. Loan proceeds would revolve into future loans.

Staffing: Current staff in CPED are working on this program.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Activity in the Cultural Districts has waned during the pandemic impacting many BIPOC-owned business activity.

Results:

- Activation of cultural districts.
- Stabilization and growth of previous/current businesses in ACP50 areas. Grow BIPOC-owned businesses with a focus on Black business owners and cottage industries.
- Retention of locally owned businesses located in cultural districts.
- Maintain or increase number of businesses in cultural districts that are BIPOC-owned.
- Increase in business size (revenue, employees) for businesses located in cultural districts.
- Increase in commercial property ownership by businesses located in cultural districts.
- Decrease in commercial vacancies within cultural districts.
- Private leverage and total investment in improving current building inventory and new construction.

Budget detail - Low-Level Department Code:

Community Coordination: 8900610

Community Events and Festivals: 8900330

Cultural District Service Offerings: Public Works

Enhanced Tech Assistance: 8900330

Façade Grants: 8900320

Internal Building Improvements: 8900320

Low Interest Rate Loans: 8900320

Account Code (s) for all non-personnel spending and amounts:

Community Coordination: 504005

Community Events and Festivals: 513007

Cultural District Service Offerings: 513007

Enhanced Tech Assistance: 602003

Façade Grants: 513007

Internal Building Improvements: 513007

Low Interest Rate Loans: 801502

American Rescue Plan Act Proposal Round 1

Proposal Title: Minneapolis Guaranteed Basic Income Pilot

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$3,000,000

Problem Statement: Minneapolis households earning 50% AMI or below often have to make difficult choices to prioritize immediate needs over longer-term growth opportunities. This can result in inadequate or unstable housing and inability to complete training or educational opportunities. Existing assistance programs cover certain costs and exclude others, limiting flexibility that households need to make the best decisions for their individual situations.

Proposed Action Summary: Provide an income boost of up to \$500 per month for 24 months to seed household financial growth and stability for approximately 200 households.

Proposed Action Detail: This is a new, pilot initiative. The expenditures would include direct assistance payments and contracts with program administrator and referral partners for administrative expenses. The selected Program Administrator would be responsible for any IT needs for program administration.

To be eligible, a program participant must be a Minneapolis resident, have a household income of 50% AMI or below, and be referred through a program Referral Partner. Program participants would receive direct financial assistance of up to \$500 a month for 24 months. The program would serve approximately 200 households.

Referral Partners will be chosen based, in part, by their pre-existing wrap around service model for their participants. Priority populations include but are not limited to: families facing housing insecurity due to high rent or mortgage burdens, participants in job training or educational programs at risk of dropping out due to financial or housing insecurity, and young adult headed households.

This proposal intersects with both the work of CPED's Housing and Economic Development divisions, supplementing existing programs to increase housing and financial stability outcomes. The Program Administrator would be an external partner. The Referral Partners could be a combination of internal and external partners providing housing stability and job training/placement services.

Staffing: N/A

Equity Impact: The economic impacts of COVID-19 affected BIPOC residents at a higher rate than their white counterparts. There is a disparity between white and non-white people in educational attainment rates, wages earned, and unemployment or underemployment in Minneapolis. Addressing these disparities stabilize families and provide for opportunities to grow generational wealth.

Results: Overall, the benefit of the program would be increased financial and/or housing stability for the households. The outcome data will vary per households, depending on the individualized goals set upon entering the program.

The Referral Partner will complete an intake meeting with the households to communicate available resources or referrals and to set individualized goals for the program term. The Referral Partner will remain engaged with and/or available to the households throughout the 24-month period to provide support and access to additional resources and referrals to meet or make progress toward those goals.

At a minimum, data collected from each household will include: demographic information (including households size and composition, age, race/ethnicity, address), employment status, household income (at program entry and exit). Additional measures may include percentage of housing cost burden, educational/training completion rates, and other measures related to the completion of individualized goals.

Budget detail - Low-Level Department Code: 8900110

Account Code (s) for all non-personnel spending and amounts: 507000

American Rescue Plan Act Proposal Round 1

Proposal Title: Small Business Acceleration - 2% Loan Program

Goal Area: Economic Rebuilding

Implementing Department: CPED

2021 Dollar Amount: \$500,000

Problem Statement: Pandemic prevention measures devastated small businesses due to mandatory closures, capacity restrictions, and other measures to slow the spread of the virus creating financial holes and increasing the time for full recovery to a pre-pandemic state. Historically during recovery periods, BIPOC entrepreneurs, especially Black-owned businesses, lag white entrepreneurs having more difficulty obtaining capital to rebound.

Proposed Action Summary: This program provides low- or no-interest loans for capital improvements for businesses and commercial property owners throughout the city.

Proposed Action Detail: CPED would administer this program as component of its small business lending program. These funds will provide additional loan capital for the 2% loan program with additional funds to buy-down the interest rate of the private-lender match to make the total loan more affordable for borrower.

Staffing: Current staff from the Business Development team in CPED are working on this program.

Equity Impact: Businesses owned by Black, Indigenous, Asian or Pacific Islanders, Latinx, immigrants, and other people of color (BIPOC) have been less likely to be eligible for and to receive relief funds throughout the crisis. Business activity has waned during the pandemic impacting all businesses and many BIPOC-owned business activity.

Results:

- Support the 1700 business forced to close due to the Stay-at-Home orders.
- Reduces short-term overhead expenses to allow for business resources to rehire staff.
- Reduces economic impact of the pandemic on small businesses allowing for quicker rebound.
- Accelerates small business and real estate development economic activity.
- Supports employment in small businesses.
- Reduces barriers to access to capital and increases private leverage in economy.
- Addresses Economic Development SREAP priority.

Budget detail - Low-Level Department Code: 8900320

Account Code (s) for all non-personnel spending and amounts: 801502