SUB 1 to 2020 RES-424

AUTHORIZING A CONTRACT WITH

DANE BUY LOCAL FOUNDATION. INC. FOR AN EMERGENCY

SMALL BUSINESS GRANT PROGRAM

DCDHS - HAA DIVISION

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The ongoing COVID-19 pandemic has significantly impacted small businesses. Some of the industries that have been hardest hit include restaurants, retail, gyms/fitness facilities, and the service industry. Small business are an integral part of the Dane County community and make this county an attractive place to live, work, and play.

In March President Biden signed the \$1.9 trillion American Rescue Plan authorizing historic investments to respond to and recover from the pandemic across multiple areas of need. The act includes \$50 billion in funding to support small businesses. Dane County is poised to receive over \$50 million in funding for 2021 through the bill. One of the clearly stated intents of this funding is to provide assistance to individuals and businesses impacted by the pandemic. Continuing to provide a bridge to help Dane County's small businesses until that federal support comes online is critical.

In January of 2021, \$4 million in additional CARES emergency small business grant funding was made available to local businesses hardest hit by the COVID-19 pandemic through a contract with Dane Buy Local (DBL). When the application for these funds closed in February, DBL had received more than \$51 million dollars in requests for assistance from Dane County businesses.

To help address this continued need, the Dane County Department of Human Services (DCDHS) Housing Access and Affordability (HAA) seeks to contract with Dane Buy Local Foundation Inc. in the amount of \$15 million dollars to allow DBL to continue to administer an emergency small business grant program as a bridge to future federal assistance. The anticipated outcome of county funding to Dane Buy Local is that small business are able to continue to exist while waiting both for other assistance and for the economy to reopen and recover.

In 2020, Dane Buy Local Foundation Inc. provided this service following Dane County's first federal CARES allocation, administering an over \$10.6 million emergency small business grant program that awarded funds to 2,692 local businesses. Of that number, 25% of the total funding was awarded to business owners of color, and 57% to women business owners. Businesses with a mailing address inside the City of Madison received 54.4% of the funds, and businesses with a mailing address outside the City of Madison received 45.6% of the funds. The county has ongoing statistics regarding the initiative and will share that information regularly with the County Board.

To be eligible for the funding, a business must be for-profit, independently owned, and have a main office based in Dane County. Funding for the grant will be prioritized for businesses which have demonstrated a current financial need to save or pivot their business in order to provide services throughout 2021, such as restaurants, retail, gyms/fitness facilities, independent contractors (hair stylists, auto mechanics, etc.), the service industry, and start-up businesses in operation prior to March 15, 2020. Applications from other businesses will be considered on a case by case basis as available funding allows.

Up to 1.2% of the total is available for Dane Buy Local Foundation, Inc. to administer the program. Dane Buy Local will partner with the Latino Chamber of Commerce and Madison's Black Chamber of Commerce as well as the Wisconsin Women's Business

Initiative Corporation to identify local businesses to receive the grants. The minimum grant amount available will be \$1,000 and the maximum grant amount available will be \$50,000.

NOW, THEREFORE, BE IT RESOLVED that the County Board approves a contract in the amount of \$15,000,000 with Dane Buy Local Foundation Inc. and;

BE IT FURTHER RESOLVED that Dane Buy Local shall provide its funding via multiple rounds, and shall prioritize those applicants that have been disproportionately impacted by the COVID-19 pandemic.

BE IT FURTHER RESOLVED that the following revenue account be added to the Housing Access and Affordability Division of the Dane County Department of Human Services and that the revenue increase be credited to the County General Fund and transferred from the General Fund to the following expenditure account in the Department of Human Services:

Revenue

 Account NumberAccount TitleAmount80000 NEWARP Revenue\$15,000,000

Total Revenue: \$15,000,000

Expenditure

 Account Number Account Title Amount 8000 NEW ARP Business Assistance \$15.000.000

Total Expenditure: \$15,000,000

 BE IT FURTHER RESOLVED that the following contract awarded and that the CountyExecutive and the County Clerk are hereby authorized and directed to sign the agreement on behalf of Dane County, and that the Controller is authorized to issue checks for payment of contract services.

VendorAmountDane Buy Local Foundation, Inc.\$15,000,000

BE IT FINALLY RESOLVED that the County Board requests monthly Dane Buy Local reports

be shared with members of the County Board, and that the Health and Human Needs Committee review the monthly reports on a quarterly basis and discuss how the information presented addresses anticipated program outcomes.

Committee.

presented addresses anticipated program outcomes.

The substitute resolution underscores that the funding will assist small businesses to continue to exist while other funding and the economic recovery unfold, and requests that ongoing

information be shared with the County Board and discussed at the Health and Human Needs

The Health and Human Needs Committee on April 29 amended the resolution (Line 60) clarifying how Dane Buy Local should distribute grants to small businesses negatively impacted by the COVID-19 pandemic.