



## Memorandum

**Date:** 9/19/2023  
**Meeting of:** City Council

**File No.** AM No. 23-128  
**Type:** Consent Item

**TO:** Members of the City Council  
**FROM:** Mayor Angela Birney  
**DEPARTMENT DIRECTOR CONTACT(S):**

Planning and Community Development	Carol Helland	425-556-2107
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**DEPARTMENT STAFF:**

Planning and Community Development	Seraphie Allen	Deputy Director
Planning and Community Development	Philly Marsh	Economic Development Manager

**TITLE:**

Approval of ARPA Small Business Resiliency Grant Subrecipient Contract

**OVERVIEW STATEMENT:**

Approval of a contract with OneRedmond to administer the 2023 ARPA Small Business Resiliency Grants. The small business grant program will provide 100 businesses with \$5,000 cash grants along with an introduction to financial education and capacity building programs available to small businesses.

OneRedmond will provide funding and technical assistance to applicable Community Based Organizations (CBOs) to market this grant opportunity; to assist in the application process for members of their community; and to develop initial programming with the CBOs focused on an introduction to financial capacity building. Technical assistance may include briefings and trainings with the CBO workgroup on the program, translated materials, and coordination of in-person/one-one-one assistance.

☒ **Additional Background Information/Description of Proposal Attached**

**REQUESTED ACTION:**

☐ **Receive Information**      ☐ **Provide Direction**      ☒ **Approve**

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
2030 Comp Plan Policies:
  - EV-19** Participate in partnerships with other agencies, businesses, nonprofits and other organizations that further the City's economic vitality goals.
  - EV-20** Implement, in conjunction with business, education and other community partners, the Strategic Plan for Economic Development to...Identify strategies to retain existing businesses and help them

succeed.

**EV-21** Initiate or participate in the following activities in support of economic vitality:

- Monitor future trends and economic conditions;
- Prepare information for businesses on available public sector financing;
- Support federal and state funding of cost effective business financing programs;

- **Required:**

Council Approval is required for contracts over \$50,000

- **Council Request:**

N/A

- **Other Key Facts:**

OneRedmond Administered the 2020 CARES Act Funded Small Business Resiliency Grant Program.

### **OUTCOMES:**

This program will not only support businesses with cash grants helping to mitigate the impacts of COVID, but also work with partners to provide in-language programming to help diverse small businesses accesses future capital needed to successfully operate and grow their business. This program will help to keep businesses in operation in Redmond.

### **COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**

October-December 2023

- **Outreach Methods and Results:**

OneRedmond staff conducted calls with representatives from the cities of Bellevue, Newcastle, and SeaTac which leveraged ARPA funding to support small business needs to understand how their programs were structured. Staff also conducted a call with the Washington State Department of Commerce to learn more about the State Small Business Credit Initiative (SSBCI) that will launch five capital access programs for small businesses. Programs include a Micro and Small Business Loan Fund, a Revenue-based Loan Program, and other programs aimed at broadening access to capital for small businesses. In addition, Commerce's Small Business Resilience Network (SBRN) is also working on a Credit Building Pilot Program to provide capital to build credit for small businesses and entrepreneurs.

- **Feedback Summary:**

Access to capital remains a key challenge for many small business owners. This coupled with the lack of understanding and financial education needed to access existing and new loans programs is a key barrier for all businesses, in particular our minority-owned businesses. This grant opportunity provides the opportunity to incentivize business owners to learn more about the financial resources and other mechanisms of funding including loan products available. Experienced business owners who have successfully accessed capital through other financial products will be invited to share their experience and wisdom with participants.

### **BUDGET IMPACT:**

#### **Total Cost:**

The total cost of this program funded by the American Rescue Plan Act Federal Award is \$570,0000

- 100 cash grants of \$5,000 per grant (\$500,000)
- Administration and program development (\$50,000)
- Community Based Organizations Subcontracts (\$20,000)

Approved in current biennial budget: ☒ Yes ☐ No ☐ N/A

**Budget Offer Number:**  
000250 (Community and Economic Development)

**Budget Priority:**  
Vibrant and Connected

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A  
*If yes, explain:*  
N/A

**Funding source(s):**  
Federal Award Assistance Listing No. 21.027 - Coronavirus State and Local Fiscal Recovery Funds Federal Award # SLT-1220

**Budget/Funding Constraints:**  
N/A

☐ Additional budget details attached

**COUNCIL REVIEW:**

**Previous Contact(s)**

Date	Meeting	Requested Action
9/12/2023	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

**Proposed Upcoming Contact(s)**

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

**Time Constraints:**

The timing of this grant leverages opportunities for businesses to be ready to access anticipated capital loan products from the State of Washington.

**ANTICIPATED RESULT IF NOT APPROVED:**

Businesses will not receive funding and access to capital resulting in potential business closures in Redmond.

**ATTACHMENTS:**

Attachment A: ARPA Subrecipient Agreement with OneRedmond  
Attachment B: Small Business Resiliency Grant Program Proposal  
Attachment C: 2020 Small Business Grant Recap