

**RESOLUTION R2020-\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
NAPA, AUTHORIZING THE COMMUNITY DEVELOPMENT  
DIRECTOR OR CITY MANAGER TO ESTABLISH  
ADMINISTRATIVE REGULATIONS TO IMPLEMENT AND  
ADMINISTER A COVID-19 MICROENTERPRISE GRANT  
PROGRAM**

WHEREAS, on March 13, 2020, a national emergency was declared in response to the COVID-19 pandemic, and as a result of this emergency declaration, the Coronavirus Aid, Relief and Economic Security (CARES) Act (Public Law 116-136) was enacted; and

WHEREAS, United States Department of Housing and Urban Development (HUD) has awarded the City \$347,340 in CDBG CARES (CDBG-CV) funding; and

WHEREAS, the Community Development Block Grant Citizen's Advisory Committee held a public meeting on August 13, 2020 and made funding recommendations for five sub recipients and one City administered microenterprise program; and

WHEREAS, on August 18, 2020 the City Council approved the City's Fiscal Year 2019-2020 Amended Annual Action Plan and associated budget adjustments, including an allocation of \$185,344 for a COVID-19 Microenterprise Grant Program ("Program"); and

WHEREAS, HUD has defined a microenterprise as a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise; and

WHEREAS, the Program aims to provide micro-grants of up to \$5,000 to small business owners that meet CDBG eligible income requirements, including an annual household income that does not exceed 80% or less of the Area Median Income (AMI); and

WHEREAS, the Program funds may be utilized by microentrepreneurs for, but are not limited, the following purposes: (1) to pay costs associated with e-commerce (delivery services, website creation or enhancements, updated point of sales system, online marketing costs, etc.); (2) pay rent for commercial property (3) pay utilities associated with commercial rental space; (4) purchase business inventory; (5) purchase of safety materials such as partitions, hand sanitizer, face masks, gloves, etc.; and (6) payroll; and

## ATTACHMENT 1

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meetings of the City Council identified herein, including any supporting reports by City Staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Napa, as follows:

1. The City Council hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the City Council's adoption of this Resolution.

2. The City Council hereby approves City of Napa's COVID-19 Microenterprise Grant Program ("Program") to include the following parameters:

- To be eligible, the applicant must (1) own a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise; (2) have an annual household income that does not exceed 80% of Area Median Income for Napa County; (3) be a for-profit business; (4) have less than \$2.5 million in gross annual receipts in the current and two preceding years; and (5) have experienced proven operating losses due to the COVID-19 pandemic.
- The maximum grant amount per microenterprise shall be \$5,000.
- A total of \$185, 344 will be appropriated to the Program from CDBG CARES (CDBG-CV) funding.
- Program funds may be utilized by microenterprises for, but are not limited, the following purposes: (1) to pay costs associated with e-commerce (delivery services, website creation or enhancements, updated point of sales system, online marketing costs, etc.); (2) pay rent for commercial property (3) pay utilities associated with commercial rental space; (4) purchase business inventory; (5) purchase safety materials such as partitions, hand sanitizer, face masks, gloves, etc.; and (6) payroll; and
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3. The City Council hereby authorizes the Community Development Director or City Manager to establish administrative regulations and procedures to delegate authority to City staff to implement this resolution.

4. This Resolution shall take effect immediately upon its adoption.

## ATTACHMENT 1

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 20th day of October, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_  
Tiffany Carranza  
City Clerk

Approved as to form:

\_\_\_\_\_  
Michael W. Barrett  
City Attorney