



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#20-0406

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: June 16, 2020

TITLE: Resolution Creating the Fort Lauderdale Emergency Business Investment Program, Approving the Public Service Homeless Initiative Program and Approving Funding for Each Program - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

It is recommended that the City Commission approve a Resolution creating the Fort Lauderdale Emergency Business Investment Program for the Northwest Progresso Flagler Heights (NWPFH) and Central City Redevelopment Areas and other qualified areas within the City; approving the Public Service Homeless Initiative Program, approving an allocation (not to exceed \$500,000) of Community Development Block Grant -Cares Act funds for the Fort Lauderdale Emergency Investment Program and an allocation for the Public Service Homeless Initiative Program, making certain findings, delegating authority to the City Manager to execute certain instruments and take certain actions.

Background

On March 1, 2020, pursuant to Governor Ron DeSantis' Executive Order 20-51, the State Surgeon General and State Health Officer declared a Public Health Emergency in the State of Florida arising from Novel Coronavirus Disease 2019 (COVID-19), a highly contagious respiratory disease that spreads easily through human to human transmission. Soon thereafter, the Governor declared a State of Emergency under Executive Order 20-52, as extended by Executive Order 20-114. The Governor subsequently issued Executive Order 20-122, with an effective date of May 18, 2020, which permits a Full Phase I Reopening, as published in Executive Order 20-112, as modified by Executive Order 20-120. Executive Order 20-123 further modifies Executive Order 20-112 and permits indoor seating for restaurant up to 50% of indoor seating capacity and for retail stores up to 50% of building occupancy. This public health threat of COVID-19 and subsequent limitations on the operations of business establishments have had a major impact on the viability of small businesses here in Fort Lauderdale and throughout the country. It is well settled that COVID-19 is a continuing threat and may have long term economic and financial consequences.

On May 14, 2020, Broward County issued Broward County Administrator's Emergency Order 20-1 which imposed a number of business requirements on restaurants, retail establishments and personal and professional businesses such as requiring hand sanitizers, gloves, facial coverings for employees, health monitoring supplies and disposable or digital menus and other protective measures. While practical and necessary to protect the public, such requirements may increase the cost of doing business at the same time revenue is declining.

Pursuant to his authority, Mayor Dean J. Trantalis issued the City of Fort Lauderdale Declaration of Emergency Regulations, on May 16, 2020, effective May 18, 2020, which authorizes a Phase One Reopening in accordance with the Governor's Executive Orders and Broward County Administrator's Emergency Orders.

The United States Congress has taken legislative action such as passing the Paycheck Protection Program to mitigate the economic impact of the public health threat posed by COVID-19. However, some small businesses (with 10 employees or less) have not been able to access these programs due to inexperience in completing the applications or because of an absence of preexisting relationships with lenders. Also, as reported in the Wall Street Journal on May 18, 2020, there have been complaints from small business owners of restaurants, hair salons and others that the window to spend the loan funds was too small and the requirement to spend 75% of the loan proceeds on payroll was too onerous.

Limiting the capacity of small businesses to serve customers and increasing operational requirements such as the use of hand sanitizers and other disinfectants and intensive cleaning, while protecting the public, may reduce the net revenue of small businesses and increases the cost of doing business which can lead to loss of jobs. Further, such loss of revenue capacity impacts the long-term growth and viability of businesses. The City of Fort Lauderdale seeks to fill this gap and create a business investment program for small businesses in the NWPFH and Central City areas and in low and moderate income census tracts or to support businesses which meet other national objectives throughout the City. The goal is to stabilize small businesses by providing working capital for short term needs.

Fort Lauderdale Emergency Business Investment Program

Staff recommends approval of the Fort Lauderdale Emergency Business Investment Program (with funding available from CRA funds not to exceed \$500,000 for NWPFH and \$340,000 for Central City) to remove obstacles to redevelopment created by the public health threat of COVID-19, to stabilize the micro economy, reduce commercial vacancy rates and stabilize rents in the two CRA areas and other areas in Fort Lauderdale. The program will provide working capital not to exceed \$10,000 for small businesses with ten employees or less to assist in rent/mortgage payments, employee payroll or utilities. The program will also provide assistance (not to exceed \$500,000 from CDBG-CV) throughout the City which includes the two CRA areas and eligible businesses in low- and moderate-income census tracts throughout the City or businesses which meet other national objectives.

Funding from the two Redevelopment Trust Funds is subject to approval of the Related CAM (#20-0401) by the Board of Commissioners of the Fort Lauderdale Community Redevelopment Agency. The program creates a working group, composed of staff from the NWPFH and Central City CRA, Division of Housing and Community Development and Nighttime Economy Department, who will review the applications and make recommendations to the City Manager with final authority vesting in the City Manager to approve or deny all applications and takes such actions he deems reasonable and appropriate.

Public Service Homeless Initiative Program

In response to the economic hardship on families and individuals, the US Congress passed the Coronavirus Aid, Relief and Economic Security (CARES) Act under which the City has received an allocation of \$934,515 of CDBG-CV funds in response to the COVID 19 crisis. The Public Service Homeless Initiative Program, in the form of hotel voucher, is intended to provide shelter for qualified individuals and families while the stay at home order is in effect to prevent the spread of the Coronavirus 19.

Allocation

CRA funds not to exceed \$840,000 will be used to fund the Emergency Business Investment Program. Additionally, City staff recommends an allocation not to exceed \$500,000 for the Emergency Business Investment Program from the CARES Act, with the remainder of the CARES allocation funding the Public Service Homeless Initiative Program for a total of not to exceed \$934,515. This allocation is subject to approval of an Amendment to the Annual Action Plan (CAM #20-0445).

Resource Impact

Funds for this program are available in Fiscal Year 2020 in the account listed below. These programs are funded from the CARES Act Allocation and will not have a general fund impact.

Use:

<i>Funds available as of June 8, 2020</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
108-GCARE20BI-C134	Community Development Block Grant - COVID-19	Grant Services/ COVID Cares Act	\$934,515	\$934,515	\$934,515
TOTAL AMOUNT →					\$934,515

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- Business Development Focus Area

- Goal 5: Build an attractive global and local economic community marketplace
- Objectives:
 - Nurture and support existing local businesses
 - Create a responsive and proactive business climate to attract emerging industries.
- Neighborhood Enhancement Focus Area
- Goal 4: Build a thriving and inclusive community of neighborhoods.
- Objectives:
 - Work with partners to reduce homelessness by promoting independence and self-worth through advocacy, housing and comprehensive services.
 - Ensure a range of affordable housing options.
 - Create a continuum of education services and support.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community and We are Prosperous*.

Related CAMs

20-0401

20-0445

Attachments

Exhibit 1 – Fort Lauderdale Emergency Business Investment Program

Exhibit 2 – Resolution

Prepared by: Lynn Solomon, Assistant General Counsel,
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