

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: June 17, 2020

TO: Supervisor Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

FROM: Shakita LaGrant, Interim Director, Department of Health and Human Services
Prepared by James Mathy, Housing Administrator, Housing Division

SUBJECT: **Report from the Interim Director, Department of Health and Human Services, requesting authorization to enter into a purchase of service contract with WWBIC for \$250,000 to administer Milwaukee County's Small Business Grant Program using Community Development Block Grant COVID-19 funds**

Background

In May, the County Board approved a plan for the use of additional Community Development Block Grant (CDBG) funds that were allocated across the county to rapidly respond to COVID-19. This funding was included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Milwaukee County's allocation of CDBG for this purpose is \$992,237 and is available for immediate use. The County Board approved the allocation of this funding which included \$250,000 to the Small Business Grant Program under File 20-353 in May.

Milwaukee County has historically dedicated CDBG funds annually for microbusiness loans to assist in the startup of new businesses. DHHS recommended a sizable investment in CDBG COVID funds to assist small businesses in retaining existing employees and funding other business needs during a period in which businesses have shut down and been unable to obtain funds from other sources. The adopted recommendation provides \$250,000 for this purpose. All funds will be distributed no later than December 31, 2020.

Issue

The Milwaukee County Housing Division, in collaboration with the Economic Development Division and Community Development Business Partners (CDBP), is requesting to enter into an agreement with the Wisconsin Women's Business Initiative Corporation (WWBIC) to administer the grant funds. WWBIC has received CDBG funds from Milwaukee County for several years to provide support for businesses and they have been successful with grant management.

This grant program will be available to for-profit small businesses located in Milwaukee County (excluding the Cities of Milwaukee, Wauwatosa, River Hills and West Allis) that meet the following criteria:

- 20 or fewer full-time or full-time equivalent employees excluding sole proprietorships
- 2019 net revenue greater than \$0 but less than \$1 million
- Must be current on property taxes owed to the prescribed municipality
- Employees will self-certify that their household is low to moderate income
- Duplication of Benefits (DOB) Affidavit (Have you applied for/received funds elsewhere)

Businesses can receive a grant up to \$10,000. Final allocations will depend on available funding and demand for the program. WWBIC will receive an administrative fee of \$25,000 to provide the staffing and grant oversight.

The following types of businesses will be eligible:

Retail Trades:

- General Merchandise Stores
- Variety Stores
- Food and Beverage/Event Places
- Retail Bakeries
- Apparel
- Accessory Stores
- Florists

Construction Trades:

- HVAC
- Plumbing
- Electric
- Carpentry
- Landscaping

Services:

- Dry Cleaners
- Barbershops/Beauty Salons
- Spas/Massage
- Nail, Tattoo, and Tanning Salons

- Physical Fitness and Yoga/Dance Facilities
- Veterinary/Pet Groomers
- Opticians
- Printers
- Day cares

The following business types are not eligible:

- Gambling or gaming establishments
- National franchises
- Adult entertainment establishments
- Pawn shops
- Payday loan or auto loan stores
- Home-based businesses
- Not-for-profits
- Tobacco and liquor stores
- Gas Stations
- Banks
- Used Car Sales
- Funeral Homes
- Auto Mechanics
- Financial Services
- Professional Offices
- Pharmacies
- Rental real estate
- Firearm or other weapon dealers

The use of grant funds for businesses will be limited to the following categories (future or reimbursement for prior purchases):

- Restock Inventory (limited or no alcohol)
- PPE for employees or customers
- Physical modification of space to align with COVID guidance
- Cost of rent
- Utilities
- Payroll

All businesses receiving restart assistance will be required to complete a follow-up survey at a later date after the grant is awarded. Recipients are required to maintain detailed records on reopening dates, documentation of expenses, and staff and payroll records.

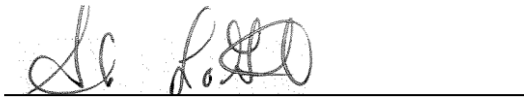
Businesses will be required to complete the Duplication of Benefits Award Affidavit. This affidavit must be completed by all businesses that have applied for and/or received any assistance from the COVID-19 funded Small Businesses Assistance Programs being offered by the federal government. The information within this affidavit will provide Milwaukee County with vital information for processing the application required by the Stafford Act Section 312 on Duplication of Benefits.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorizes the Interim Director, Department of Health and Human Services/Department on Aging, or her designee, to enter into a purchase of service contract with WWBIC for \$250,000 effective July 23, 2020 to December 31, 2020 to administer Milwaukee County's Small Business Grant Program using Community Development Block Grant COVID-19 funds.

Fiscal Effect

A fiscal note is attached.



Shakita LaGrant-McClain, Interim Director
Department of Health and Human Services and Department on Aging

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