



To: Rorie Watt, CBJ Manager
CC: Jeff Rogers, CBJ Finance Director
Mila Cosgrove, CBJ Deputy Manager
From: Brian Holst, JEDC Executive Director
Date: Wednesday, August 5, 2020
Re: Update on COVID19 CBJ Sustainable Business Grant Program per CBJ Ordinance 2019-06 (AC)(b)(am)

Reporting Period: Wednesday, July 29 to Tuesday, August 4

1. INTRODUCTION AND OBJECTIVES

CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) which provides for \$3.5 million in grants to Juneau businesses experience financial hardship due to COVID19. Per the Ordinance, businesses must demonstrate Financial Hardship by showing a decline in business of 20% or more from 2019 to 2020. Once the qualify, they can then submit actual and estimated expenses for the period of April through August 2020 in three categories of “fixed” expenses: 1) utilities, 2) long-term debt, and 3) rent/leases. Thirty-three percent of those expenses, up to \$33,000, can be granted to businesses, including non-profits. This program is Phase One of a three phase program. Phases Two and Three may be adjusted to better meet the needs of the business community. An additional \$8.5 million is currently earmarked for these future phases.

This report covers the initial period of the program through the first week of August.

2. PROGRAM SECTION

a. Summary of Main Activities

CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) on Monday, June 8. On Wednesday, June 17, JEDC received and signed an agreement with CBJ to operate the program. Upon mutual agreement with CBJ Manager’s Office, JEDC opened up the application process on Monday, June 15. On Friday, June 19, JEDC received the first batch of twenty applications back from CBJ after the verification of CBJ reported revenues and tax compliance—a pre-requisite for the program. JEDC received funds for the program from CBJ on Monday, June 22. JEDC began issuing grants to qualified businesses that week.

b. Significant Events and Accomplishments

- JEDC has received 226 applications, ten more in the last week.
- Of that number, one application has been declined or set aside because of tax compliance issues, duplicate, incomplete, or withdrawn application.
- CBJ has reviewed tax compliance for 220 applications to date.

Covid-19 Business Sustainability Grant Weekly Report: 8/04/20	Applications	Dollars	Full-Time Jobs	Part-Time Jobs
Total	226		856	696
Post-Approval	158	\$ 1,717,041	557	510
Money Sent	118	\$ 1,344,515	376	384
Documents Sent	21	\$ 154,540	37	41
Eligibility Report Sent	11	\$ 91,262	112	22
Approved	8	\$ 126,723	32	63
Pre-Approval	67		299	186
Final Review	34	\$ 189,505	186	100
Initial Review	33		113	86
Not Active (Duplicate, Disqualified, Withdrawn)	1			

- The 158 businesses with approved grants have 510 part-time and 557 full-time positions during the period of April through August 2020, as reported/estimated by each applicant. This data is voluntary for the applicant.

c. Anticipated Challenges/Problems/Opportunities/Recommendations

- Grant size continues to average close to \$11,000 per award in Phase 1.
- On Monday, August 3, the Assembly passed an Ordinance to continue the program with additional resources. A new application will be available on Monday, August 10.

3. ADMINISTRATIVE SECTION

JEDC has not calculated its administrative costs in detail. Some costs include:

- JEDC personnel has invested 800+ hours of effort.
- JEDC acquired HelloWorks software to manage paperless processes for the emergency loan program. We are now using this software also for the grant program, at a relatively small marginal cost.