

**RESOLUTION NO. 933**

**A RESOLUTION OF THE CITY OF UNIVERSITY PLACE APPROVING AN AMENDMENT TO AN INTERAGENCY AGREEMENT FOR CORONAVIRUS RELIEF FUND FOR LOCAL GOVERNMENTS AND SETTING FORTH SUPPLEMENTAL GUIDELINES FOR THE DISTRIBUTION OF CORONAVIRUS RELIEF FUNDS TO THE UNIVERSITY PLACE COMMUNITY**

WHEREAS, in Resolution 924, as amended by Resolutions 927 and 928 (for ease of reference, referred to simply throughout this Resolution as "Resolution 924"), the City of University Place accepted funding available from the Washington State Department of Commerce, the sum of \$992,700.00 from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and set forth criterion available for the funding of the same; and

WHEREAS, the City has been apprised of the opportunity to secure additional funding from the Department of Commerce in the supplemental amount of \$496,350.00; and

WHEREAS, since the initial distributions of funds, the City has made great strides in deploying these funds towards housing assistance programs and business assistance programs which has had a positive impact in maintaining and securing housing for those within the City of University Place and in ensuring that University Place-based businesses are able to remain operational; and

WHEREAS, the City has identified and is likely to identify additional costs which are subject to reimbursement; and

WHEREAS, maximum flexibility with the deployment of these funds is necessary given the short timetable associated with the contract amendment;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:**

Section 1. Approval of Contract Amendment with Department of Commerce. The City Council hereby approves execution of the amendment to the Interagency Agreement between the City of University Place and the Washington State Department of Commerce for the Coronavirus Relief Fund for Local Governments, in substantially the form of the documents on file with the City Clerk. The proper officials of the City of University Place are authorized to execute and implement the amendment to the Interagency Agreement.

Section 2. Use of Funds. These supplemental funds, together with any unallocated funds originally identified in Resolution 924 shall be used in conjunction with the programs and objectives set forth in Sections 2 and 3 of Resolution 924 and, except as modified herein, are subject to the same administrative requirements as set forth of Section 4 of the same legislation, noting that these supplemental funds and unallocated funds originally identified in Resolution 924 may be reallocated by the City Manager between the programs identified in these Resolutions.

Section 3. Modification of Programs.

The grant programs set forth in Resolution 924 to provide community stabilization are modified as follows:

- A. The funding, expenditures and other requirements of the COVID-19 City Business Relief Funds Program are modified consistent with the criteria described in **Exhibit A**, attached hereto. An additional amount, not exceeding three hundred thousand dollars (\$300,00.00) may be made available for this program.

B. The funding, expenditures and other requirements of the COVID-19 Human Services Stabilization Program are modified consistent with the criteria described in **Exhibit B**, attached hereto.

C. The provisions of Section 3(A)(2) of Resolution 924 are modified as follows:

~~One hundred thousand dollars (\$100,000.00) shall be allocated to the COVID-19 Human Services Stabilization Program.~~ An amount, not exceeding one hundred twenty thousand dollars (\$~~10020,000.00~~), may be allocated from this Program to one or more nonprofit corporations with a demonstrated commitment towards serving the human services needs of University Place residents for the purposes of ensuring food stability and other related human services impacts presented by COVID-19 within the City of University Place during the course of this emergency.

Section 4. Legislative Findings. To the extent that legislative findings are necessary, the recitals set forth above are hereby adopted as the City Council's legislative findings in support of the funds, policies, expenditures and other actions undertaken pursuant to this Resolution and are supplementary to those set forth in Resolution 924. The Council reserves the right to further supplement its findings at a later time, if in its sole discretion, it deems it necessary to do so.

Section 5. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and, to this end, the provisions of this Resolution are severable; unless however, the invalidity pertains to qualifying criterion for one of the subsidiary Programs (i.e., Tier 1/2 businesses or specific human services components) set forth herein, in which case, all qualifying criterion for such subsidiary Program shall be deemed not to have further effect with Council retaining the ability to redraft new criterion in light of the invalidity.

Section 6. Retroactive Ratification of Actions Taken. Any and all actions taken by the City Manager or City staff related to either the amendment to the Interagency Agreement identified in Section 1 or the Programs outlined herein that occurred prior to the authorization provided in this Resolution are hereby ratified and approved.

Section 7. General Provisions.

A. This Resolution shall be implemented consistent with applicable law and subject to the availability of funding.

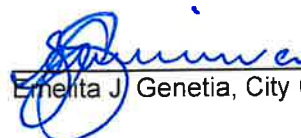
B. This Resolution is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the City of University Place, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Section 8. Effective Date. This Resolution shall take effect immediately upon its adoption.

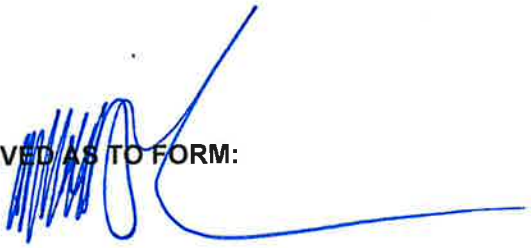
**ADOPTED BY THE CITY COUNCIL ON OCTOBER 5, 2020.**

  
Caroline Belleci, Mayor

**ATTEST:**

  
Emelita J. Genetia, City Clerk

APPROVED AS TO FORM:

A handwritten signature in blue ink, consisting of a series of vertical lines followed by a loop and a long horizontal stroke.

Matthew S. Kaser, City Attorney

UNOFFICIAL DOCUMENT

**EXHIBIT A  
COVID-19 CITY BUSINESS RELIEF FUNDS PROGRAM  
GRANT CRITERIA & PROCEDURES**

To assist small, locally operated University Place-based for-profit businesses, the City of University Place is committing funds to the COVID-19 Small Business Stabilization Grant Program, an emergency fund that provides working capital grants in amounts up to \$20,000 to qualifying small businesses.

**Criteria for All Applicants**

All applicants must meet the following criteria for financial support:

- 1) Businesses physically located within City boundaries.
- 2) Businesses that have a City of University Place business license and meet one of the following two requirements:
  - a. Have been continually licensed with the City of University Place since March 16, 2019 to the present; or
  - b. The business has:
    - i. established a business location in University Place between March 16, 2019 and March 16, 2020; and
    - ii. been both continually operating in the City of University Place and held a City of University Place business license since establishment and through June 30, 2020; and
    - iii. five or more full-time equivalent employees (FTEs) whose primary workstation is within the City of University Place.
- 3) Experienced a loss of 25% or more in revenue due directly to COVID-19 impacts (comparing March 1, 2019 – June 30, 2019 with March 1, 2020 - June 30, 2020) or for those businesses which established a business location within the City of University Place after March 16, 2019, experienced a loss of 50% or more in revenue due directly to COVID-19 impacts (comparing January 1 - March 31, 2020 with April 1 - June 30, 2020 revenues)
- 4) Businesses with twenty-five (25) or fewer full-time equivalent employees (FTEs) whose primary workstation is within the City of University Place.

The number of FTEs is determined by calculating the sum of each employee's average number of hours paid per week, divided by 40, and rounding the total to the nearest tenth. The maximum for each employee is capped at 1.0.

- 5) Businesses in good standing, current on all City taxes and fees due, current on all State and City regulatory requirements, and no outstanding code violations. For the purposes of this requirement, the business is not disqualified if it has taken advantage of an extension of taxes and fees, or other regulatory requirements, if those obligations have been suspended or deferred by appropriate local or state directives.
- 6) Unless exempt, have available for inspection a written Safety Plan outlining how its workplace will prevent the spread of COVID-19 that is at least as protective as the requirements from the Washington State Department of Labor & Industries. If the State of Washington has issued guidance for the business' specific industry, the Safety Plan must also be compliant with any industry-specific guidance.

- 7) As a condition of receiving a grant, the business must also commit to the following minimum requirements: (a) cooperate with public health authorities in the investigation of cases, suspected cases, outbreaks, and suspected outbreaks of COVID-19; (b) cooperate with the implementation of infection control measures, including but not limited to isolation and quarantine and follow the cleaning guidelines set by the CDC to deep clean and sanitize; (c) comply with all public health authority orders and directives; and (d) comply with all Department of Labor & Industries interpretive guidance, regulations, and rules and Department of Labor & Industries-administered statutes.
- 8) Grants may be used to leverage funding from a public or private financing program.

### **Exclusions from the Program**

Entities meeting one or more of the following criteria are excluded from receiving grants under this Program:

- 1) Businesses that have more than twenty-five (25) FTEs whose primary workplace is within the City of University Place; or
- 2) Businesses that qualified as an "essential business" and remained open to the public or worked under normal operating conditions from March 16, 2020 to June 30, 2020, unless the business can prove a loss of 25% revenue due to COVID impacts (comparing the time periods set forth under Item 3 under the heading "Criteria for all Applicants");
- 3) Nonprofits and governmental entities.
- 4) Grants cannot be made to businesses owned, or partially owned, by managers, officers, directors, employees or other public officials associated with the City of University Place.

### **Grant Guidelines**

The determination of the specific grant amount shall be as follows:

The minimum grant shall be \$2,000.00 with a maximum of \$10,000.00. An additional \$2,000.00 shall be awarded for each FTE then-employed as of March 16, 2020, excluding those with an ownership interest in the business.

### **Uses of Grant Funds**

All grant recipients are subject to the following limitations on the use of grant funds.

Grant funds eligible for:

1. Payment of rent or required monthly loan payments
2. Payments of essential wages, taxes, and normal benefits to employees essential to maintain business; provided such expenses have not been and, to the best knowledge of the recipient, will not be reimbursed under any federal, state or regional program, including any grant or loan programs.
3. Normal operating costs that are included in "cost of goods sold" on businesses' income statement (raw materials for manufacturers, component pieces for assemblers, items for resale for retailers, food for restaurants, etc.)
4. Normal operating expenses that are included in "operating expenses" on businesses' income statement (utilities, insurance, professional services, etc.)
5. Normal draw or wages on a weekly or monthly basis to owner

6. Increased costs which are necessary to comply with safety-compliance measures or regulatory compliance associated with COVID-19.

Grant funds may not be spent on the following:

1. Any expense that would not be considered an eligible business expense by IRS rules
2. Political contributions
3. Bonuses to owners or employees
4. Wages to any member of owner's family who is not a bona fide employee
5. Charitable contributions
6. Gifts or parties
7. Draw or salary to owner that exceeded the amount that they were paid on a weekly or monthly basis for the same period last year
8. Pay down or pay off debt by more than required in underlying debt instrument.
9. Payment of local, state or federal taxes or assessments.
10. That portion of payroll and other employee- or business-associated costs for which the Recipient has received or expects to receive reimbursement from other federal, state or regional funds (e.g. Payroll Protection Program or unemployment insurance).

**Identification of Grant Recipients**

Initial applications shall be received for a period not exceeding two weeks. In the event that the total number of grant funds requested by qualified applicants exceeds available funds for a given tier, the City will first exclude those who have previously received funding from the City, then, either distribute funds, or if the remaining requests still exceed available funds, then distribute funds on a pro-rata basis to any remaining qualified applicants.

**EXHIBIT B**  
**COVID-19 HUMAN SERVICES STABILIZATION PROGRAM**  
**GRANT CRITERIA & PROCEDURES**

To assist University Place-based residents, the City of University Place is committing funding to the COVID-19 University Place Human Services Stabilization Grant Program, an emergency fund that provides grants to qualifying residents. These grants shall be used for rental assistance, utility assistance and childcare. The following are the criteria for financial support:

**Criteria for All Grant Programs**

1. The applicant must live within the city limits of the City of University Place as of March 16, 2020 and continuing through the date of application;
2. The applicant must certify that they have sustained a substantial loss of income due to COVID-19 and that the funds used from one or more of the programs below is necessary to address the direct impacts of COVID-19. This may be verified by proof of documentation.
3. The maximum available for a residence is \$10,000.00.

**Additional Criteria for Rental Assistance**

1. The applicant must certify that they have not intentionally withheld rent from their landlord.
2. Duration of assistance per residence will not exceed 3 months' worth of rent.
3. Amount of assistance will be the difference between the contract rent and 15% of the applicant's monthly income. Applicant will be required to pay the equivalent of 15% of his or her current monthly income. The remainder will be covered by the rental supplement assistance program, up to a maximum amount of \$ 10,000.00 per residence or 70% monthly contract rent, whichever is less.
4. Rent must have been current as of March 16, 2020; this program will not assist with pre-emergency arrears.

Direct payments under this program will be made to a landlord who:

1. Holds rental property within the City limits within the City of University Place as of March 16, 2020;
2. Holds a current City of University Place Business License; and
3. In the event that the combination of monies paid directly by the tenant and the City do not cover the balance (including unpaid rent, late fees and other charges), the landlord and the tenant shall be required to engage in good faith dialogue to address these balances, which may include but is not limited to the forgiving of any balances or entry into a payment plan for these balances.

**Additional Criteria for Utility Assistance**

1. Utilities must have been for services provided after March 1, 2020.
2. Amount of Assistance. The amount of assistance for the lesser of \$2,000.00 or the arrearage for the following utilities: electrical, drinking water, and/or natural gas, as evidenced by the most recent monthly billing(s).

3. The applicant must certify that they have not intentionally withheld payments from their utility provider.

**Additional Criteria for Child Care Assistance**

1. The parent must either (a) be employed or self-employed in legal, income-generating, taxable activities or (b) certify that the child care services are necessary to become so employed and there is a likelihood that without such services the applicant will not be able to obtain such employment.
2. Childcare assistance will be available for the following providers:
  - a. Licensed or certified childcare centers.
  - b. Licensed or certified family childcare homes.
  - c. Day camps.

Payments made under this program will be made directly to a childcare provider who:

1. Is licensed with the State (or exempt from licensing) and in good standing;
2. Is located within Pierce County;

**Grant funds ineligible for:**

1. Any expense that would not be considered an eligible business expense by IRS rules
2. Political contributions
3. Bonuses to owners or employees
4. Wages to any member of owner's family who is not a bona fide employee
5. Charitable contributions
6. Gifts or parties
7. Draw or salary to owner that exceeded the amount that they were paid on a weekly or monthly basis for the same period last year
8. Pay down or pay off debt by more than required in underlying debt instrument.