

Date: June 7, 2021

To: Thomas B. Modica, City Manager 

From: John Keisler, Director of Economic Development 

For: Mayor and Members of the City Council

Subject: **Commercial Rental Assistance Grant**

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On July 7, 2020, the City Council adopted a [recommendation](#) to request the City Manager to work with all appropriate departments to include small business rent relief as a part of any future rent relief funding initiatives provided by the City. The purpose of this memorandum is to provide the City Council with an overview of the City's new Commercial Rental Assistance Grant Program (CRAG Program).

### **Background**

On January 12, 2021, the City Council [approved](#) the development of the CRAG Program. The CRAG Program is funded by the third round of emergency grant funds from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant Coronavirus ([CDBG CV-3](#)) allocation. The CRAG Program will provide financial relief to small businesses located in approved low-to-moderate income areas that have lost revenue as a result of COVID-19 and State and Local Health Orders that restricted business operations. Approximately \$1.6 million is available for this program. Grants totaling \$4,000 are available to help businesses pay commercial lease payments that are outstanding or will become due in the 2021 calendar year.

### *Application and Award Process*

The CRAG Program application is scheduled to open to eligible business owners Wednesday, June 9, 2021 at noon and close Friday, July 2, 2021. The application intake and selection process will include the following steps:

1. Applicant visits the City's [CRAG Program webpage](#).
2. Applicant reviews CRAG Program eligibility requirements and confirms they are located in approved [low-to-moderate income areas](#).
3. If eligible, the applicant submits the application and required documentation via an online application for staff review.
4. City staff screens application for eligibility to receive CRAG Program funding.
5. City staff informs the applicant of CRAG Program eligibility.
6. City staff contacts approved applicants to review and sign a Grant Agreement and other pertinent documents.

### *Supporting Documentation*

To ensure CRAG Program funds are distributed fairly and to establish supporting documentation for follow-up audits that may occur, applicants will be required to submit the following documentation:

- Current commercial lease/rental agreement.
- Landlord contact information.
- W-9; Request for Taxpayer ID number and certification.
- Copy of photo ID.

### *Eligibility Requirements*

To qualify for this grant, applicants must meet the following eligibility requirements:

- Must be a for-profit business with Long Beach as its location of business.
- Must have a Long Beach business license.
- Must have 50 or fewer full-time employees.
- Must have experienced financial hardship resulting from the COVID-19 pandemic and State and local Health Orders.
- Must have a physical location with a current, active commercial lease.
- Must be in a [Community Development Block Grant \(CDBG\) area](#).
- Must be in compliance with Local Health Orders.
- Must not be permanently closed.

### **Equity Lens**

There are a number of important strategies the Economic Development Department (ED) has implemented to promote equity and inclusion for the outreach, support, and reporting of CRAG Program results. The following section highlights supportive services for applicants to ensure the resources for the CRAG Program are reaching those business owners in need who have experienced the greatest economic impacts of the recession caused by COVID-19.

### *Application Assistance*

Individuals that require assistance completing the online CRAG Program application may call the City's BizCare Hotline, visit one of the BizCare Pop-Ups, or request that a BizCare Outreach staff member visit their place of business. BizCare Pop-Ups are outfitted with computers, internet, printers, and scanners. BizCare Pop-Up and Outreach staff will be trained to help people complete CRAG Program applications. Services will be available in multiple languages, including English, Spanish, Khmer, and Tagalog. The following section highlights additional BizCare support programs available to CRAG Program applicants.

#### BizCare Hotline

Individuals can speak with a BizCare Hotline representative by calling (562) 570-4BIZ (4249). The BizCare Hotline operates Mondays–Fridays from 8:00 a.m. to 5:00 p.m.

### BizCare Pop-ups

BizCare pop-ups are located at various locations throughout Long Beach and operate on the following schedule:

- Mondays, 8:00 a.m. to 4:00 p.m., Admiral Kidd Park (2125 Santa Fe Avenue)
- Tuesdays, 8:00 a.m. to 4:00 p.m., Admiral Kidd Park; 9:00 a.m. to 4:00 p.m., Michelle Obama Neighborhood Library (5870 Atlantic Avenue)
- Wednesdays, 9:00 a.m. to 4:00 p.m., Michelle Obama Neighborhood Library; Mark Twain Neighborhood Library (1401 East Anaheim Street)
- Thursdays, 9:00 a.m. to 4:00 p.m., Mark Twain Neighborhood Library

### BizCare Outreach Team

The BizCare Outreach team will be responsible for completing targeted outreach to diverse business owners to promote the program. Emphasis will be placed on areas of the City that received a limited number of applications for grant programs that were previously implemented by the City.

### *Tracking and Reporting Equitable Results*

In addition to providing targeted outreach, in-person support services, and partnerships with community-based organizations, staff will collect data that details the geographic areas where grants are and are not reaching and the demographic makeup of business owners that are applying for the assistance through the program. This data will inform business outreach strategies focused on ensuring that grants are equitably distributed geographically and by race, ethnicity, and gender. Staff will translate all marketing materials into multiple languages.

### **Next Steps**

The CRAG Program is another critical economic support program identified by the Long Beach Recovery Act community outreach process, which involved feedback from over 30 community-based organizations and from outreach conducted as part of the Framework for Racial Equity and Reconciliation. Staff will continue to provide regular updates to the City Council as this program is implemented and new resources are identified in future grants.

Please contact me by phone at (562) 570-5282 or by email at [john.keisler@longbeach.gov](mailto:john.keisler@longbeach.gov) with additional questions.

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