



**MINUTES OF COMMUNITY DEVELOPMENT COMMITTEE MTG
5:15 P.M., MONDAY, APRIL 27, 2020**

In attendance: Committee members (B. Groothousen, M. Reynolds, G. Schueller), Acting Mayor A. Hraban, City Atty A. Kenyon, Adm A. Christianson, Dep. Clerk/Treasurer T. Devine, DPW K. Gorsegner, Asst. DPW D. Parker, Clerk S. Kavanagh.

Others: Cora Schultz, Sue Moore, Kelli Grotzinger, Robert Grotzinger, Andy Albarado, Chryssa Ostenso, Rick Nash.

On Telephone: Cindy Pohlman, Tami Kraft, Luke Klink-Ladysmith News, Mark Buchholz, Terry Carter, Sharon Reynolds.

The meeting was called to order at 5:16 pm by Chairman B. Groothousen.

Listening Session. The committee heard from local small business owners about how the COVID-19 closures have negatively affected their businesses. Some questions posed to the businesses would be how can the City help and what expenses do you need help with.

- **Village Parlor/Sue Moore:** The business has not been affected with this closure because her shop doesn't open until the summer months but she is concerned for small shops that have been forced to close with their seasonal inventory sitting on the shelves. Without income, it is difficult to keep up with rent and payments on store inventory.
- **211 Club/Kelli Grotzinger:** Tavern business is typically the best in the spring...with the closures their inventory is just sitting on the shelf. They have returned full cases back to the wholesaler but still have plenty of inventory they can't send back.
- **Ostenso Optometry/Chryssa Ostenso.** The clinic reports that April and May are typically their busiest months so it has been a really big hit. All routine appointments have been cancelled and if closures are lifted at the end of May, the plan is to open slowly and safely over a couple of months. She found the Workshare program through the Dept of Workforce Develop which allows partial layoffs; employee works 75% and unemployment benefits cover the remaining 25%. She has also applied for the PPP (Paycheck Protection Program) through SBA.
- **Plaid Peacock/Sharon Reynolds.** Curbside pickup has just started but recovering from this is going to be tough. She doesn't qualify for PPP; she has applied for unemployment but not hopeful for that. If the mandatory closures go back into effect this fall, she fears it could take her out. If she has to remain closed until the end of May, her spring, Easter and Mother's Day inventory will remain on the shelves.
- **211 Club/Robert Grotzinger:** The business did not apply for the PPP loan but has applied for an EIDL (Economic Injury Disaster Loan) but it has a 4 week waiting period; they have been waiting three weeks. If they don't get the EIDL loan, they don't know what they will do so anything the City can do would be much appreciated.

- **Rick Nash:** Mr. Nash commented that the Community Development Committee has a very tough job deciding which businesses will be provided financial assistance.

Handouts were presented to attendees and are attached to the minutes:

- WEDA handout entitled COVID-19; Wisconsin Economic Recovery Proposals.
- Business Resources handout prepared by City of Saco, Maine.
- Draft of the COVID Relief Fund prepared by B. Grothousen.
- COVID-19 Micro Business Emergency Relief Fund (BERF) prepared by M. Reynolds.
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Atty Kenyon explained the EIDL through SBA; it is a \$10,000 loan that may or may not need to be paid back and it is a relatively simple program to apply for.

Andy Albarado also explained some of the federal programs available to assist businesses and encouraged business owners to explore these federally funded grant/loan opportunities through the CARES Act; the EIDL grant/loan is now up to \$10,000 based on number of employees. Small business grants are averaging between \$1,000-\$5,000 (based on number of employees) and then the remainder (up to \$10,000) would be a loan. The PPP program is a forgivable loan based on the number of employees and payroll costs during COVID-19 closures. Another federal program known as PUA (Pandemic Unemployment Assistance Program) is for self-employed business owners and independent contractors/farmers who typically are not covered under the unemployment program.

M. Reynolds presented a draft copy of the COVID-19 Micro Business Emergency Relief Fund and made clear that the funding for this program would come from TIF #8 and possibly the IDC; no real estate or personal property tax would be used for this assistance program. The business and funding conditions were read to the meeting attendees and are attached to these minutes. The BERF loan could be used to pay mortgage/lease, utilities, insurance and for needed security measures but could not be used to pay any delinquent property or personal taxes, special assessments or other obligations to City, State or Federal governments.

Atty Kenyon presented an option to allow all property owners that owe special assessments to defer their 2020 payment. In turn, the City could replenish the shortfall created with this option by applying for a low interest loan from the Bureau of Public Lands.

Mr. Reynolds offered that TIF #8 currently has a balance of \$340,406.23 and TIF #11 is a donor district that could transfer additional funds to TIF #8, if necessary. If additional funding is needed, the IDC is set up to promote economic development and keeping businesses open and operating should certainly be considered as promoting economic development.

Mr. Grothousen would like to see the BERF geographic boundaries include the TIF #8 halo zone and the funding seems to be available to open it up to these additional businesses.

Mr. Reynolds would like to see the IDC, Main Street or Council have authority to act as the funding agency.

Mr. Groothousen supports the plan and would like to present it to the entire council quickly for review and possible action. Mr. Reynolds concurred that the BERF plan should be presented on Monday night for additional discussion and possible action. A simple application has been drafted and hoped that it could be posted on the City of Ladysmith and Main Street website so local businesses can have easy access to it. Local businesses need to know that this program is being formulated quickly and to be made aware that assistance is forthcoming.

Clarification was offered that if businesses do qualify for multiple grant programs, our BERF program will not be contingent upon whether or not other federal funding is acquired. The PPP and EIDL programs are based on number of employees and provide assistance meeting payroll expenses. The BERF program is providing financial assistance covering mortgage/lease payments, utility and insurance expenses.

Motion by M. Reynolds to recommend adoption by the council of the COVID-19 Micro Business Emergency Relief Fund (BERF), or a variation thereof determined by the council, on Monday night as an action item, seconded by G. Schueller. Motion carried.

Waiver or Reduction of License Fees. Mr. Groothousen asked that the discussion regarding waiving or reducing license/permit fees be tabled until decisions are made on how the BERF program will be funded.

Meeting adjourned at 6:45 pm.

Special Council Meeting; Monday, May 4, 2020 at 5:15 pm



COVID-19: *Wisconsin Economic Recovery Proposals*

There is no question we are in unprecedented times and facing a challenge that will require unprecedented action from government, the business community and citizens across the state. While protecting public health during the COVID-19 crisis is the top priority, addressing the inevitable economic fallout from COVID-19 is also extremely important. The Wisconsin Economic Development Association (WEDA) is grateful for current efforts to mitigate the substantial economic damage being wrought by COVID-19.

To help Wisconsin policymakers in their continued work to address the impact of COVID-19 on Wisconsin businesses and alleviate the short and long-term economic cost of the pandemic, WEDA would like to offer the following policy proposals to support the Wisconsin economy:

- **Small Business Grant Program** – Create a temporary Wisconsin small business relief grant program to provide grant funding for working capital to for-profit businesses impacted by the COVID-19 crisis. Small businesses with up to 75 full time employees that can show a loss in revenue due to COVID-19 would be eligible for the program.
- **Small Business Bridge Loan Program** – Create a temporary Wisconsin small business relief loan program to provide no-interest/low-interest loans with deferred payments to for-profit businesses impacted by the COVID-19 crisis. Small businesses with up to 75 full time employees that can show a loss in revenue due to COVID-19 would be eligible for the program. This program could buy down interest rates to 0% of the SBA Economic Injury Loans to Wisconsin businesses.
- **Leverage Existing Economic Development Programs** – Implement the following temporary changes to state economic development programs administered by the Wisconsin Economic Development Corporation (WEDC) and other state agencies:
 - Temporarily suspend dollar match requirements for state administered economic development programs.
 - Temporarily relax requirements (e.g., job creation, payroll and capital investment requirements) under state economic development programs for Wisconsin businesses that have existing economic development awards contracts.
 - Temporarily suspend taxation of economic development awards.

- **Unemployment Benefits** – Authorize the Wisconsin Department of Workforce Development to suspend, during the COVID-19 crisis, the current law one-week waiting period to claim unemployment insurance benefits.
- **Strengthen and Leverage Tax Incremental Financing** – Implement the following temporary modifications to Tax Incremental Finance (TIF) law to provide communities with greater flexibility to utilize TIF to mitigate local economic damage from COVID-19:
 - Suspend for two years the current statutory Joint Review Board process for Tax Incremental District (TID) territory and project plan amendments. This provision would allow municipalities to independently approve TID territory expansion and project plan amendments. These amendments would not be subject to the current TID territory amendment limit or the TID "but for" requirement. In addition, TIDs amended under this provision would not be subject to the current 12% TIF limit, but rather an 18% limit.
 - Create a COVID-19 TID extension category. This provision would authorize municipalities to extend an existing TID's maximum life and expenditure period for up to two years. The extension must be established prior to Dec. 31, 2020. Extensions would not require JRB approval.
- **COBRA Grant Program** – Create a COBRA (Consolidated Omnibus Budget Reconciliation Act) grant program to provide short-term financial grants to individuals and their families impacted by COVID-19 to continue their COBRA health insurance coverage.
- **Wisconsin Loan Guarantee Program** – Create a Wisconsin small business loan guarantee program to help businesses secure emergency loans or lines of credit to deal with the economic fallout from COVID-19. This program would guarantee a portion of a loan or line of credit up to 75% of principal.

HOME DEPARTMENTS PLANNING & ECONOMIC DEVELOPMENT RESOURCES & INC 19 BUSINESS RESOURCES

BUSINESS RESOURCES FOR COVID-19 IMPACTS

Saco's Planning & Economic Development Department is committed to helping our businesses during this unprecedented time. Below is a list of resources that may help your business and employees. Please contact [Denise Clavette](#), Planning & Economic Development Director or [Jessa Berna](#), Economic Development Specialist with any questions.

(last updated **April 21, 2020**)

City of Saco Covid-19 Emergency Loan Fund

In order to help Saco businesses impacted by Covid-19, the City's Planning & Economic Development Department has established a Covid-19 Emergency Loan Fund. This new fund will offer loans of up to \$10,000 for Saco businesses and non-profits with 500 employees or less. To help support businesses as quickly as possible, the review and application process has been streamlined, all payments will be deferred for six months, and 50% of the loan may be forgiven after five years. Funds for this program will come from the City of Saco's Tax Increment Financing (TIF) District revenues, and the program will be administered by the Southern Maine Finance Agency.

Local Financial Institutions

Financial institutions are working directly with businesses to help with Covid-19 resources and impacts. Financial institutions are available to help businesses navigate the numerous state and federal programs currently available.

- [Saco & Biddeford Savings](#)
- [Biddeford Savings](#)
- [Bangor Savings Bank](#)
- [Norway Savings Bank](#)
- [PeoplesChoice Credit Union](#)
- [Saco Valley Credit Union](#)

✉ GET NOTIFIED

- [Summary of Maine leave laws that may apply to people affected by Covid-19](#)

U.S. Small Business Administration (SBA)

The U.S. Small Business Administration is offering low-interest federal disaster loans for working capital to Maine small businesses suffering substantial economic injury as a result of the Coronavirus.

- [Deferments on SBA 7a 504 and Microloans \(PDF\)](#)
- [SBA Disaster Assistance Resources for Businesses \(PDF\)](#)

Economic Injury Disaster Loans/Grants via CARES Act

In response to the Coronavirus pandemic, small business owners are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. The loan advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available within three days of a successful application, and this loan advance will not have to be repaid.

- [SBA EIDL Page & Application Process](#)

Biddeford + Saco Chamber of Commerce and Industry

The Chamber has many resources for local businesses, including information about local and federal business resources and up-to-date information about local restaurants.

Maine Department of Economic and Community Development

The Maine Department of Economic and Community Development is constantly updating their website with guidance and resource links for communities and businesses

- [Business Information Sheet-2: Assistance for Businesses affected info sheet \(PDF\)](#)

The Finance Authority of Maine (FAME)

The Finance Authority of Maine (FAME) is partnering with the U.S. Small Business Administration (SBA) and local Maine lenders to offer special, limited-time loans and loan insurance to eligible Maine businesses affected by Covid-19.

Maine Small Business Development Centers

Maine Small Business Development Centers are offering free confidential business advice on how to respond to Covid-19 challenges. Advising sessions are available virtually through email, phone and videoconferencing.

✉ GET NOTIFIED

COVID 19 Emergency Small Business Grant Application

The goal of the grant fund is to accelerate access to capital and to help small businesses bridge the gap until additional funding sources are announced. DARI, in partnership with the City of Rock Island, will administer working capital grants in amounts of up to \$2,500 to qualifying small businesses. It is modeled after similar

[Select Language](#) | ▼

To apply please visit: <https://portal.neighborlysoftware.com/rockislandil/participant/Login>

Additional resources for businesses include:

SBA: Economic Injury Disaster Loan Program

SBA: Guidance for Businesses and Employers

Illinois Department of Employment Security: COVID-19 and

Unemployment Benefits

Illinois Small Business Development Center: <https://wiusbdc.org/>

DRAFT

To provide relief to small businesses impacted by local COVID-19 orders, the City of Ladysmith has created the COVID Relief Fund – an emergency grant for Ladysmith’s negatively impacted locally owned and independently operated small businesses.

The fund is expected to provide critical support to restaurant, bar, retail, and service-based businesses and employees. The City’s goal is to help offset the significant, temporary loss of revenue during this global pandemic.

Who is eligible?

This is a City program that provides grants (not loans) in the form of \$2,500 to impacted eligible small businesses*.

Applicants must meet the below criteria:

- Local owned and independently operated
- Physically established in the city of Ladysmith
 - At this time, home-based businesses do not meet eligibility requirements for this program
- Must be at least 50% locally owned by residents of Ladysmith
- Must be operating within the defined impacted eligible industries*
- Have 10 employees or fewer
- Affirm a loss of revenue due to COVID-19
- Must be able to demonstrate working capital for business operations as of February 28, 2020 (as demonstrated in the Balance Sheet or other documentation deemed acceptable by the City)
- Copies of state and local business licenses
- Business Financials
 - Sole Proprietors
 - Schedule C
 - Most recent Annual or Quarterly Balance Sheet or Profit & Loss Statement
 - All other ownership types
 - Most recent Federal Corporate Income Tax Return (Form 1120S)
 - Most recent Annual or Quarterly Balance Sheet or Profit & Loss Statement
- Copy of Driver’s License, state id, school id (with photo), voter registration, or passport
- Full employee list (as of January 31, 2020 and March 31, 2020)
- Copy of most recent City of Ladysmith Utility Bill statement
 - If applicant does not pay Utility Bill, provide current General Liability Insurance Policy or other acceptable form showing commercial address

*Defined impacted eligible industries include:

- Restaurant (includes full-service, limited-service, and café establishments)
- Bar

COVID-19 MICRO BUSINESS EMERGENCY RELIEF FUND (BERF)

CONDITIONS TO BE MET (Any questions pertaining to this proposal must be dealt with prior to the acceptance of any BERF!!)

1. Business must have been established prior to February 01, 2020, or been an active business if purchased from the owner after that date.
2. Business must have a physical storefront within the city area covered by TIF-8.
3. Business cannot be a home-based business or a secondary-income business.
4. Business must be current on taxes and any other municipal obligations.
5. Business must be open to all citizens regardless of race, creed, religion, gender, or political persuasion.
6. Business must be a business that was required to close, or required to limit its operations due to conditions and regulations as a direct result of the current COVID-19 pandemic.
7. Business must have between 0 and 20 employees, **TOTAL**, at any and all sites of operations.
8. Business must have annual **NET** revenues of less than \$200,000, which number **MAY** be requested and verified by Financial Statement or other financial documentation.

CONDITIONS OF FUND and ACQUISITION (Any questions pertaining to this proposal must be dealt with prior to the acceptance of any BERF!!)

1. Grants up to \$6,000, not to exceed 3 months of operational costs itemized in paragraph 2, will be made upon approval of applicant's submittal. A limit of 10% of this grant may be used for undesignated expenses, **if** the business has one or less employees reported under W-2 conditions.
2. Funds may be used to cover, and are limited to mortgage payments, rent or lease payments, utilities, and/or insurance. Funds may be used to cover the cost of security measures **if they have been deemed necessary to protect the premises or business locations**. Funds **may not** be used to cover delinquent property or personal taxes, special assessments, or other obligations to the City, State, or Federal Government. Prior to **LOAN** forgiveness, cost obligations commensurate with the Fund provided, **MAY** be requested by the funding Agent.

3. Funds will be made available as a no-interest LOAN, with no payments due until after affected operations are legally allowed to resume by State or Federal decree. Business must show a good effort and a meaningful intent to resume operations at that time. If these conditions are met, the LOAN will assume GRANT status with no repayment required. Business is expected to seek further assistance through its bank, the SBA, or other source if necessary, to cover other personal and sundry expenses, unless such expenses are reviewed and approved on a case by case basis, through the Fund Agent.

4. At a date yet to be determined, dependent upon available funds, the TIF-8 umbrella may be extended to those businesses which meet the conditions of the COVID-19 Relief Fund, or within a city TIF area which contributes TIF funds to receiver district TIF-8.

5. ALL applications will be strictly confidential, and the information contained therein will be limited to Agent and submitting business, subject to legal repercussions and consequences.

6. Funds in this BERF will not be affected by any other assistance this business may receive from State or Federal stimulus programs.

7. Funds made available through this BERF will be limited to those accrued in TIF-8 and any participation by the Ladysmith Industrial Development Corporation and its affiliate/s, unless funding is made available through paragraph 4 of this section. No city-wide property tax or personal property tax will be used for this proposal.