

Resolution #21-0631
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**RESOLUTION APPROVING A RECOVERY GRANTS PROGRAM FOR SMALL
BUSINESSES AND NON-PROFITS**

WHEREAS, the City of Winston-Salem has accepted \$51,732,071 in Coronavirus Local Fiscal Recovery Funds (CLFRF) of H.R. 1319 American Rescue Plan Act of 2021 (ARPA) from the U.S. Department of the Treasury; and

WHEREAS, the U.S. Department of the Treasury will disburse the allocation in two tranches and has already disbursed the first tranche of said funds in the amount of \$25,866,035.50; and

WHEREAS, the CLFRF Interim Final Rule, 31 CFR Part 35, provides that funds may be used to respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, non-profits, or aid to impacted industries such as tourism, travel, and hospitality; and

WHEREAS, the COVID-19 pandemic has had a negative impact on small businesses and non-profits, especially those in communities of color, which weathered closures and sharp declines in revenue and many were forced to shut down; and

WHEREAS, small businesses make up nearly half of U.S. private-sector employment and play a key role in supporting the overall economic recovery as they are responsible for two thirds of net new jobs nationally, and as of April 2021, approximately 70 percent of small businesses reported that the pandemic had a moderate or large negative effect on their business; and

WHEREAS, non-profits, which provide vital services to communities, have similarly faced economic and financial challenges due to the pandemic; and

WHEREAS, the Mayor called a Special Meeting of the City Council in August 2021 regarding a Coronavirus Local Fiscal Recovery Fund Framework including Phase I recovery programs.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby appropriates \$3,000,000 for the Recovery Grants Program for Small Businesses and Non-Profits (social service-oriented and travel, tourism, hospitality, and the arts-oriented) with minimum eligibility criteria as shown in Exhibit 1 (attached).

BE IT FURTHER RESOLVED that small businesses and non-profits will be selected using a pooled, lottery approach as follows to promote equity through higher concentration of funding in QCTs:

- Round 1: Up to 25 grants in each category (small business; social service non-profits; and travel, tourism, hospitality, and arts non-profits) to be made to eligible entities in/serving Qualified Census Tracts (QCTs). In the event that there are more than 25 eligible applicants for this round (for each category), awardees will be chosen by lottery.
- Round 2: Any funding remaining after the first round will be made available to entities city-wide that are located within census tracts with median household incomes below \$50,000.

BE IT FURTHER RESOLVED that this resolution is effective upon adoption.