



BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY  
NOTICE OF REGULAR MEETING AND AGENDA  
CITY HALL, 218 NORTH MERIDIAN STREET  
PLEASE USE THE NORTH ENTRANCE

**MONDAY, MAY 11, 2020  
5:00 P.M.**

**PLEDGE OF ALLEGIANCE.**

5:00  
P.M.

**1. CALL TO ORDER. 1.1. Roll Call.**

**2. APPROVAL OF AGENDA.**

**3. APPROVAL OF MINUTES.**

3.1. Regular Session Minutes of March 9, 2020.

**4. TREASURERS REPORT.**

4.1. Approval of Bills.

**5. BUSINESS.**

5.1. EDA/City Business Assistance COVID

**6. ADMINISTRATIVE REPORTS.**

6.1. Commissioner Comments.

6.2. Director's Update.

6.3. Upcoming Meetings.

1. Regular Session, 5:00 pm, **Monday, June 8, 2020.**

**8. ADJOURNMENT OF REGULAR SESSION.**

There may be a quorum of the Belle Plaine City Council present at the meeting.

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING  
MARCH 9, 2020**

**1. CALL TO ORDER. 1.1. Roll Call.**

The Belle Plaine Economic Development Authority met in Regular Session at 5:01 PM on Monday, March 9, 2020 at City Hall, 218 North Meridian Street, Belle Plaine, MN. Vice-President Fahey called the meeting to order with Commissioners Coop, Meyer, Pankonin and Doyle present. Commissioner Coleman and Krant were not present.

Also present was Community Development Director Smith Strack.

**2. APPROVAL OF AGENDA.**

MOTION by Commissioner Coop, second by Commissioner Meyer, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

**3. ELECTION OF OFFICERS 2020**

Commissioner Fahey called for nominations for president.

MOTION by Commissioner Pankonin, second by Commissioner Meyer, to nominate Rick Krant as President, Lisa Fahey as Vice-President, Dick Coleman as Treasurer, Ashton Pankonin as Assistant Treasurer and Renee Eyrich as Secretary. ALL VOTED AYE. MOTION CARRIED.

**4. APPROVAL OF MINUTES.**

**4.1. Regular Session Minutes of February 10, 2020.**

MOTION by Commissioner Meyer, second by Commissioner Coop, to approve the regular session minutes of February 10, 2020. ALL VOTED AYE. MOTION CARRIED.

**4.2. Work Session Minutes of February 10, 2020.**

MOTION by Commissioner Meyer, second by Commissioner Coop, to approve the work session minutes of February 10, 2020. ALL VOTED AYE. MOTION CARRIED.

**5. TREASURERS REPORT.**

**5.1. Approval of Bills.**

MOTION by Commissioner Coop, second by Commissioner Pankonin, to approve the treasurer's report. ALL VOTED AYE. MOTION CARRIED.

**6. BUSINESS.**

**6.1. Façade Grant: 129 Meridian Street North – Michelle McLellan – Salon 129.**

Community Development Director Smith Strack explained Michelle McLellan owner of a property at 129 Meridian Street proposes a re-covering of an existing awning with a basic clack fabric and similar lettering. Smith Strack explained da ROSE loan project match is proposed for a one to one match with a potential grant amount of \$725.00.

MOTION by Commissioner Meyer, second by Commissioner Coop, to approve Resolution 20-002 a Façade Grant for 129 Meridian Street North. ALL VOTED AYE. MOTION CARRIED.

**6.2. Discussion – Follow up from Work Session with Developers/Builders/Realtors/Finance**

Community Development Director Smith Strack explained she continues to have discussion with developers, builders, realtors and financial businesses regarding the discussion from the February workshop. Smith Strack noted positive feedback regarding potential for closing the gap with grant funds.

Commissioners expressed some concern regarding the market and the potential negative affect it could cause on our already low lot inventory.

## **7. ADMINISTRATIVE REPORTS.**

### **7.1. Commissioner Comments.**

No comments were made.

### **7.2. Director's Update.**

Community Development Director Smith Strack highlighted her report noting the joint venture with the Chamber of Commerce to host a Business Expo on May 13 at the Downtown Plaza.

### **7.3. Upcoming Meetings.**

#### **1. Regular Session, 5:00 pm, Monday, April 13, 2020.**

Commissioners were reminded of the next schedule meeting.

## **8. ADJOURNMENT OF REGULAR SESSION.**

MOTION by Commissioner Coop, second by Commissioner Pankonin, to adjourn the meeting at 5:15 PM.  
ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Renee Eyrich  
Recording Secretary



## MEMORANDUM

DATE: May 11, 2020  
TO: EDA President Krant, EDA Board Members, and Administrator Meyer  
FROM: Cynthia Smith Strack, Community Development Director  
RE: Item 4.1 Payment of Claims

**REQUEST: Motion to Approve Payment of Claims**

### GENERAL INFORMATION

The EDA approves accounts payable for the HRA Fund (802) and EDA fund (801). Attached please find claims from March and April for your consideration.

**CITY OF BELLE PLAINE**  
**AP DEPARTMENT APPROVAL**  
 APRIL 2020

04/03/20 2:41 PM  
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Act Code	Check Name	Amount	Comments
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>			
<b>DEPT 460500 DEVELOPMENT</b>			
801-460500-108000	LISA FAHEY	\$80.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	RICHARD W COLEMAN	\$80.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	ASHTON PANKONIN	\$120.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	CRYSTAL DOYLE	\$80.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	RICKY J KRANT	\$120.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	PATRICIA KRINGS	\$40.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	CHRISTOPHER MEYER	\$120.00	2020 1ST QTR PER DIEM - EDA
801-460500-108000	CARY G. COOP	\$160.00	2020 1ST QTR PER DIEM - EDA
801-460500-131000	PATRICIA KRINGS	\$12.00	RETIREE INSURANCE - EDA
801-460500-202000	OFFICE DEPOT, INC	\$8.99	EDA - COPY EXPENSE
801-460500-207000	LEAGUE OF MN CITIES	\$46.88	EDA - RESPECTFUL WORKPLACE
801-460500-311000	BOLTON & MENK, INC	\$1,532.50	EDA - MN DEED SCDP GRANT
<b>DEPT 460500 DEVELOPMENT</b>		<u>\$2,400.37</u>	
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>		<u>\$2,400.37</u>	

**CITY OF BELLE PLAINE**  
**AP DEPARTMENT APPROVAL**  
 APRIL 2020

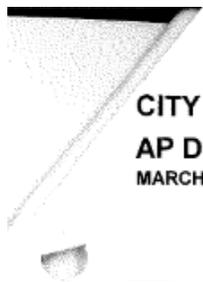
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 Page 5

Act Code	Check Name	Amount	Comments
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>			
<b>DEPT 460500 DEVELOPMENT</b>			
801-460500-321000	FRONTIER COMMUNICATIONS	\$115.30	EDA - PHONE
<b>DEPT 460500 DEVELOPMENT</b>		<u>\$115.30</u>	
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>		<u>\$115.30</u>	

**CITY OF BELLE PLAINE**  
**AP DEPARTMENT APPROVAL**  
MAY 2020

04/30/20 11:20 AM  
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Act Code	Check Name	Amount	Comments
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>			
<b>DEPT 460500 DEVELOPMENT</b>			
801-460500-131000	PATRICIA KRINGS	\$12.00	RETIREE INSURANCE - EDA
801-460500-195000	ACME AWNING COMPANY	\$725.00	EDA - IMPRV GRANT - SALON 12
801-460500-575000	PC2 SOLUTIONS	\$57.50	EDA - COMPUTER EQUIP
<b>DEPT 460500 DEVELOPMENT</b>		<u>\$794.50</u>	
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>		\$794.50	



**CITY OF BELLE PLAINE**  
**AP DEPARTMENT APPROVAL**  
MARCH 2020

03/12/20 12:59 PM  
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Act Code	Check Name	Amount	Comments
<b>FUND 801 ECONOMIC DEVELOPMENT AUTHORITY</b>			
<b>DEPT 460500 DEVELOPMENT</b>			
801-460500-202000	OFFICE DEPOT, INC	\$8.99	EDA - COPY EXPENSE
801-460500-202000	METRO SALES INCORPORATED	\$234.62	EDA - USAGE CONTACT
801-460500-207000	WELLS FARGO REMITTANCE CNTR	\$36.93	EDA - EMP SAFE TRNG; ERBERT
801-460500-207000	WELLS FARGO REMITTANCE CNTR	\$29.22	EDA - EMPLOYEE TRNG; DOMIN
801-460500-207000	WELLS FARGO REMITTANCE CNTR	\$12.14	EDA - EMP SAFE TRNG; COBORN
801-460500-207000	COBORNS INC	\$7.61	EDA - TRAINING
801-460500-321000	FRONTIER COMMUNICATIONS	\$115.66	EDA - PHONE
<b>DEPT 460500 DEVELOPMENT</b>		<u>\$445.17</u>	

*CLS*  
*3-12-20*  
*DF*  
*3-18-20*



## MEMORANDUM

DATE: May 11, 2020  
TO: Chairperson Krant, EDA Members, and Administrator Meyer  
FROM: Cynthia Smith Strack, Community Development Director  
RE: Item 6.1 Help for Businesses Impacted by COVID-19

### REQUEST: Approval of COVID Assistance Loan Programs

#### GENERAL INFORMATION

The current pandemic is a health crisis but also an economic crisis, especially for very small businesses shuttered in favor of the public's health. We are hearing from local businesses, especially in the Downtown that are struggling with expenses and sales. We also note the limited online presence of most microbusinesses. National studies, including one completed by Main Street America detail needs as defined by about 6,000 mainstreet businesses (91% with fewer than 20 employees) including:

1. Immediate access to information
2. Access to emergency assistance for operating expenses
3. Immediate guidance on how to modify their business model
4. Immediate guidance on providing new/different services (e.g. delivery)
5. Technical training on website development & ecommerce
6. Technical training on social media

At their May 4<sup>th</sup> meeting, the City Council discussed providing for local, targeted assistance based on the aforementioned needs. The Council reached consensus to examine programs to:

1. Create a BP Business COVID Disaster Loan Program.
2. Provide technical assistance to businesses seeking to pivot their business model.
3. Provide technical assistance and loans to businesses seeking to improve web presence and further e-commerce.
4. Call for entrepreneurs.

The programs identified would necessitate funding (\$20,000) and require staff or volunteer hours to conduct outreach. Capital infrastructure, if pursued by businesses could be funded through the existing EDA revolving loan fund. The City is able to use its local funds for programs costs. Additional information on the proposed programs is included in the attached presentation. Staff have drafted loan program guidelines which are also attached. The guidelines have been forwarded to the City Attorney's Office.

#### ACTION

The EDA is to consider the business assistance package. The City Council must approve the programs to place them into effect. A RESOLUTION is provided for consideration.

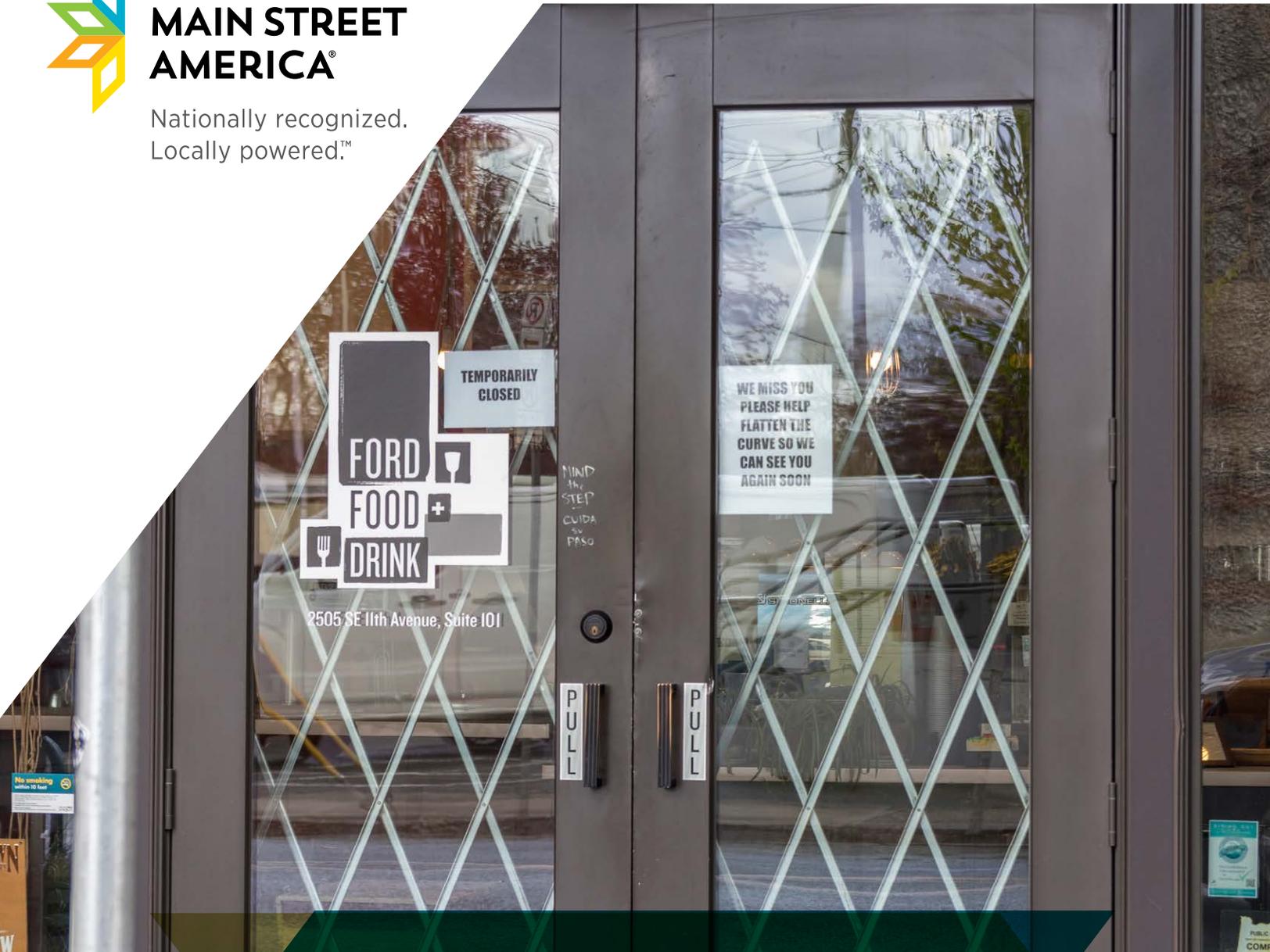
#### REPORT ATTACHMENTS

- Need survey & programs overview
- COVID Emergency Loan & Web Presence Loan policies
- Sample Resolution EDA 20-003 Approving/Denying Business Assistance Loans



**MAIN STREET  
AMERICA®**

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## THE IMPACT OF COVID-19 ON SMALL BUSINESSES

Findings from Main Street America's Small Business Survey



**National Main Street  
Center**

a subsidiary of the  
National Trust *for* Historic Preservation



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**Main Street America has been helping revitalize older and historic commercial districts for 40 years.** Today it is a network of over 1,600 neighborhoods and communities, rural and urban, who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a program of the nonprofit National Main Street Center, Inc., a subsidiary of the National Trust for Historic Preservation. Since 1980, over 2,000 programs have used the Main Street Approach, our time-tested framework for community-driven, comprehensive revitalization.

**AUTHORS:**

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or 312.610.5608.

**DESIGNER:**

**THE NIMBLE BEE, LLC**

# EXECUTIVE SUMMARY

Main Street America (MSA) is a network of over 1,600 commercial districts comprising approximately 300,000 small businesses. To assess the impact of the COVID-19 on these businesses, MSA conducted an online survey during the week of March 25 to April 6, 2020. More than 5,850 small business owners responded, of which 91% of respondents reported owning businesses with fewer than 20 employees. Thus, findings from this survey highlight the profound impact of the current crisis on the smallest, locally-owned businesses that are the backbone of American communities.

## FINDINGS

- // **The MSA survey indicates that millions of small businesses will be at great risk of closing permanently if the crisis continues for several months. Of the nation's approximately 30 million small businesses, nearly 7.5 million small businesses may be at risk of closing permanently over the coming five months, and 3.5 million are at risk of closure in the next two months.**
- // **COVID-19 has had a devastating impact on small businesses' revenue, and millions of Americans employed by our nation's smallest businesses are at risk of unemployment as a result. Approximately 35.7 million Americans employed by small businesses appear to be at risk of unemployment.**
- // **Our survey finds that business owners primarily need financial assistance and penalty-free extensions on expenses.**

## POLICY IMPLICATIONS FOR STATE AND FEDERAL AGENCIES

While the CARES Act is being deployed, there remains critical voids highlighted in the survey data. We urge federal and state economic development authorities to consider supporting the following need areas:

- // **The U.S. Small Business Administration needs to expand technical assistance support funding to Small Business Development Center (SBDC) partner organizations like Main Street Programs and local chambers of commerce.**
- // **State and cities need to invest in small business education and technical support programs rather than pull back spending on these programs.**
- // **The Federal government should prioritize giving CARES Act and future stimulus funding to small businesses with less than 20 employees. These are the businesses that make up the bulk of jobs and are at the heart of communities across America.**
- // **New stimulus funding should address the expense side of small business operation, for example measures to support rent or mortgage relief.**

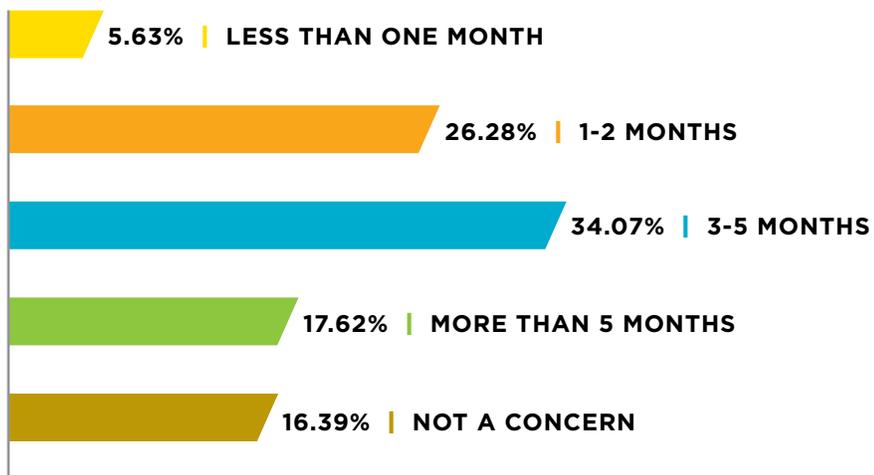
Main Street America (MSA) is a network of over 1,600 commercial districts comprising approximately 300,000 small businesses. To assess the impact of the COVID-19 on these businesses, MSA conducted an online survey during the week of March 25 to April 6, 2020. More than 5,850 small business owners responded, of which 91% of respondents reported owning businesses with fewer than 20 employees. Thus, findings from this survey highlight the profound impact of the current crisis on the smallest, locally-owned businesses that are the backbone of American communities.

## FINDINGS

*The MSA survey indicates that millions of small businesses will be at great risk of closing permanently if the crisis continues for several months.*

Nearly 80 percent of businesses responding to the survey indicated that they had already closed temporarily as a result of the crisis. Results regarding potential permanent closures also reflect profound economic distress: Nearly two-thirds of businesses responding to the survey indicated that they would be at risk of closing permanently if business disruption continued at the current rate for up to five months, and over 30 percent indicated they would be at risk of closing permanently if business disruption continued at the current rate for up to two months. **This could mean that nearly 7.5 million small businesses will be at risk of closing permanently over the coming five months, and 3.5 million are at risk of closure in the next two months.**

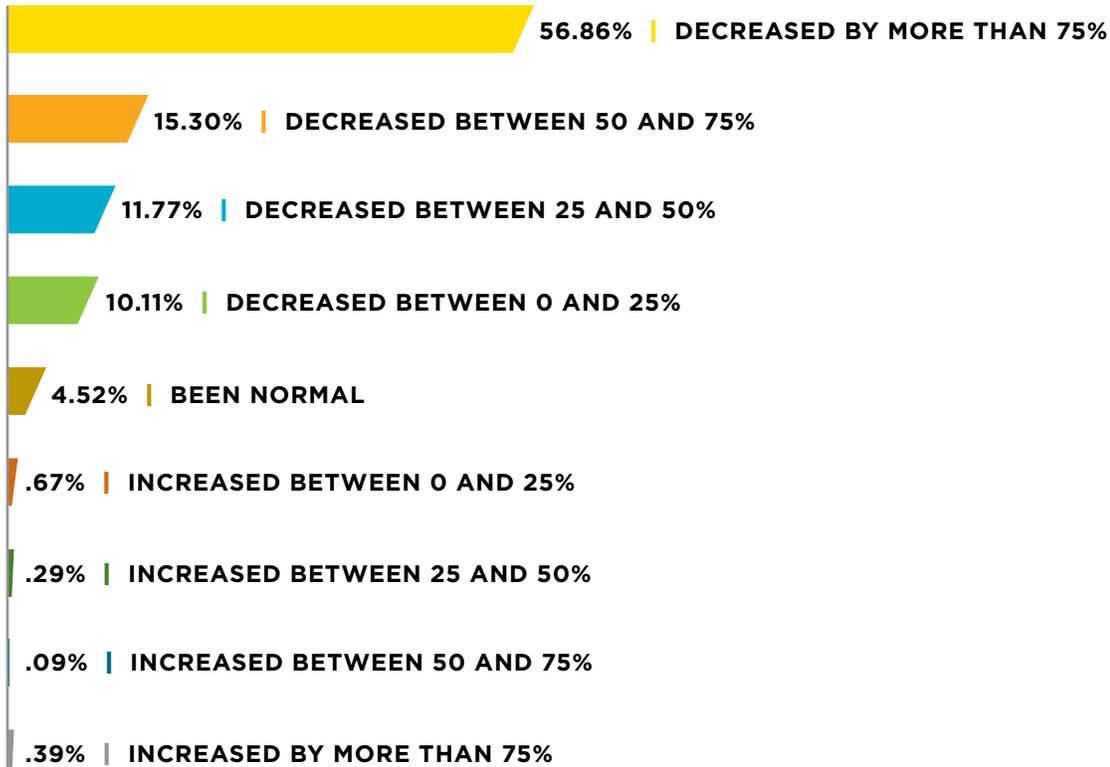
**Q. If business disruption continues at the current rate, how soon will your business be at risk of closing permanently?**



**COVID-19 has had a devastating impact on small businesses' revenue, and millions of Americans employed by our nation's smallest businesses are at risk of unemployment as a result.**

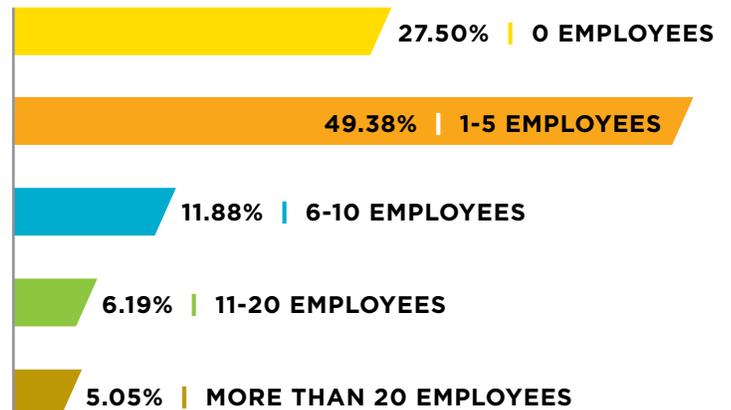
Nearly three-quarters of businesses reported seeing their revenues halved since COVID-19 became a widespread concern in early March, and 57 percent reported their revenues revenues dropped by 75 percent or more.

**Q. How has your business revenue changed since COVID-19 became a widespread concern in early March 2020?**



These dramatic reductions in revenue drive the businesses' expectations that their staff were at risk of unemployment or layoffs. Nearly three-quarters of businesses indicated that at least one staff member was in jeopardy of losing their job. Among businesses that have five or fewer employees, nearly 85 percent indicated that between one and five staff members were at risk of unemployment or layoffs. **This could mean that approximately 35.7 million American employed by small businesses are at risk of unemployment as result of the COVID-19 crisis.**

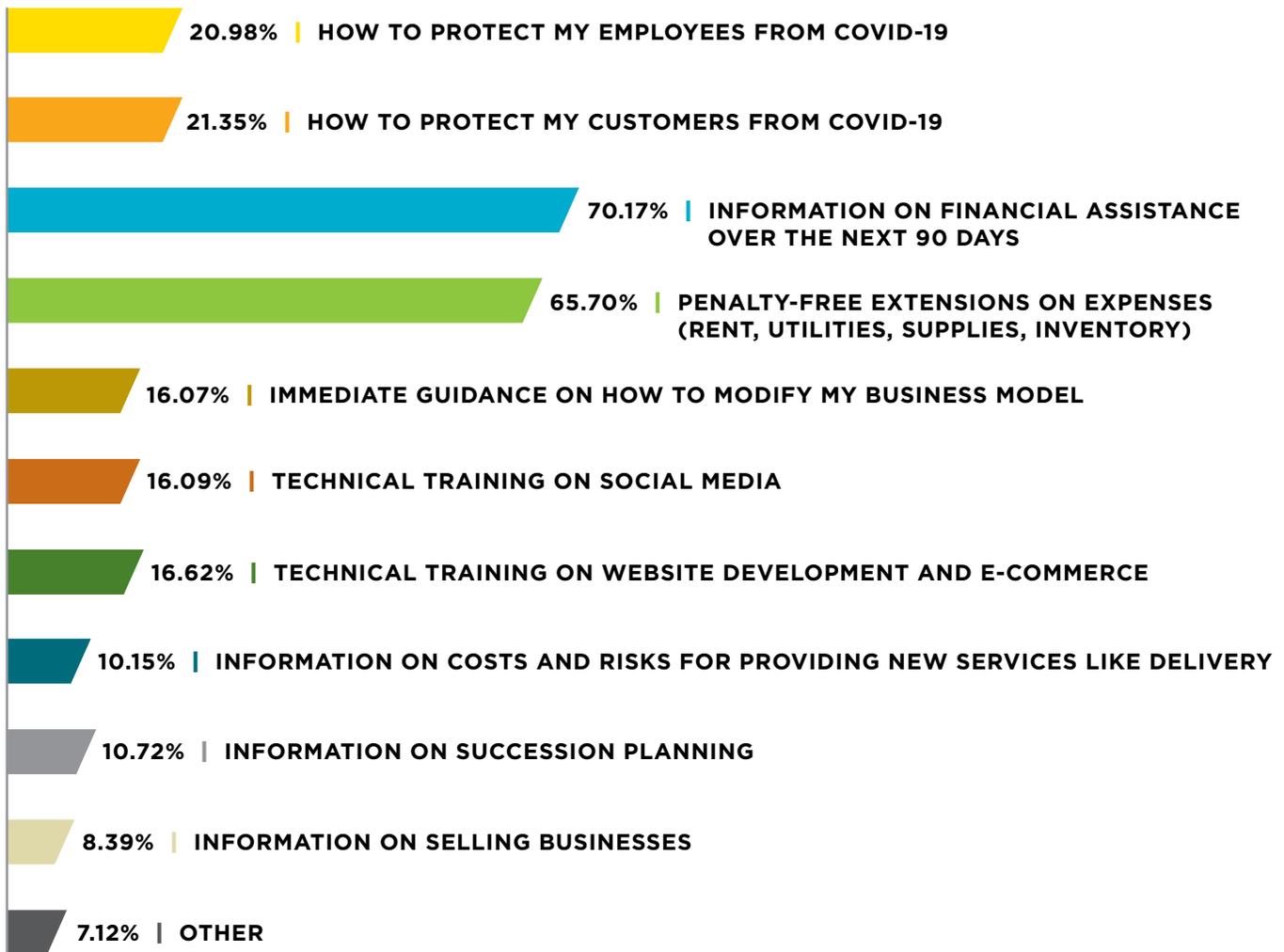
**Q. How many of your employees are at risk of unemployment and/or layoffs as a result of the coronavirus?**



**Business owners primarily need financial assistance and penalty-free extensions on expenses.**

The MSA survey prompted businesses to share the types of assistance that would be of greatest interest with options that included various forms of technical assistance, guidance on adapting their business model, and information on protecting employees and customers from COVID-19. Only information on financial assistance over the next 90 days and penalty-free extensions on expenses were of immediate interest to more than half of survey respondents.

**Q. What types of assistance would be most helpful to your business?  
(Please choose all that apply)**



## POLICY IMPLICATIONS FOR STATE AND FEDERAL AGENCIES

While the CARES Act is being deployed, there remains critical voids highlighted in the survey data. We encourage government economic development authorities to consider supporting the following need areas:

***The U.S. Small Business Administration needs to expand technical assistance support funding to Small Business Development Center (SBDC) partner organizations like Main Street Programs and local chambers of commerce.***

Technical assistance and small business support partners are critical. There are approximately 1,200 SBDCs, Women and Minority Business Centers across the U.S. The CARES Act allocates \$265 million to assist these agencies in providing programming and educational training to small businesses and entrepreneurs. With potentially 7.5 million small businesses severely impacted by COVID-19, this represents one center for every 6,200 severely impacted small businesses. This also doesn't take into account that many areas of the country are underserved by SBDCs. Given the potential for closures and the need to encourage entrepreneurship during the recovery, this seems woefully underfunded. To truly address the needs of small businesses SBA needs to expand resources to SBDC support partners like Main Street Programs, Chambers of Commerce and local economic development organizations as integral players to both sustaining small businesses and ultimately the needed recovery.

***State and cities need to invest in small business education and technical support programs rather than pull back spending on these programs.***

During times of diminished revenues at the state and city level the natural inclination is to pull back from funding on programs that are not mandated in some form. This is exactly the wrong time to decrease or cancel support for programs, like Main Street, that serve as critical connectors and supporters of small businesses. As we look ahead to a recovery, this data demonstrates that Main Street programs with a 40-year history of managing through crisis and recovery from large economic transitions are needed now more than ever.

***Prioritize giving CARES Act and future stimulus funding to small businesses with less than 20 employees. These are the businesses that make up the bulk of jobs and are at the heart of communities across America.***

Future stimulus needs to prioritize real small businesses of less than 20 employees and sole proprietors that make up the life blood of our communities, downtowns, and neighborhood business districts. Closing loopholes that give advantages to larger businesses that can react and more quickly the limited loan programs within the CARES Act.

*New stimulus funding should address the expense side of small business operation, for example measures to support rent or mortgage relief.*

The Small Business Majority has updated its [policy agenda](#) with a number areas which would support what our small business survey is indicating as an important need area:

- Provide forbearance on all small business loans, including credit card payments for at least six months. The stimulus package provided loan forbearance for SBA loans, which is a great first step, but we must ensure that small businesses with other forms of debt are supported.
- Adjust repayment due dates on property taxes and commercial rent to give small businesses the flexibility they need to stay afloat.
- Pass legislation that would ensure business insurance companies cover COVID-19 revenue losses.
- Ensure small businesses that offer paid family medical and sick leave receive cash reimbursement, instead of quarterly tax credits.
- Ensure the delay of payroll tax payments and grant/loan assistance are not mutually exclusive.

## METHODS

Working through the network of Main Street America coordinating programs and local Main Street programs, we surveyed owners and operators of small businesses across the country using English and Spanish-language surveys. Our survey questions focused on the impacts of the COVID-19 public health emergency in terms of revenue, staffing, and business operations; respondent's greatest perceived challenges and business needs in the face of the crisis; and select business characteristics.

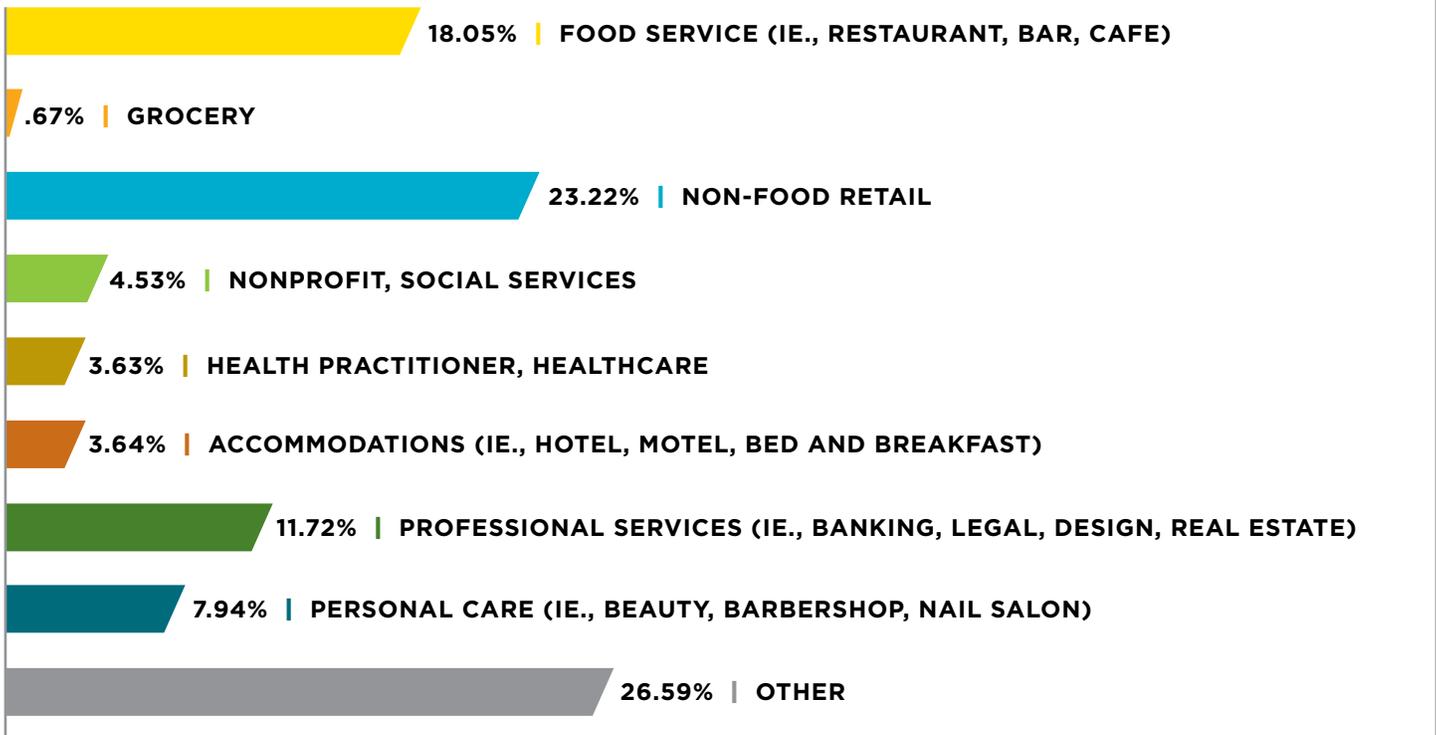
We received 5,851 surveys from small businesses in 48 states and the District of Columbia. Respondents came from more than 1,000 places across the United States, including big cities like New York and Chicago and small towns like Blairsville, Georgia and Greybull, Wyoming. Nearly 40 percent of the small businesses represented in this survey operate in towns with fewer than 10,000 residents. Professional services, personal care businesses, nonprofits and social services, health practitioners, and accommodation businesses were also well represented, with more than 200 respondents from each industry grouping. Nearly half of respondent businesses had been in operation for over ten years. In terms of their ownership, three-quarters were locally owned and half were woman owned. More than 90 percent of businesses responding to the survey have fewer than 20 employees and 65.5 percent had five employees or fewer.

- 5,851** total surveys
- 48** states, and the District of Columbia
- 75%** locally owned
- 50%** woman owned
- >90%** respondents had fewer than 20 employees
- 65.5%** had fewer than 5 employees

## NEXT STEPS

This survey represents a snapshot of a point in time. There will inherently be changes as America's small businesses deal with the challenges of COVID-19. As such, Main Street America plans to follow-up with small business owners who expressed interest in participating in additional surveys. Nearly three-quarters of the survey participants indicated such willingness. Our hope is that we can track business owners' experiences accessing financial support in response to the crisis and updates on changes in staffing, revenues, and closures, as well as any information on businesses' adaptations to the challenges presented by COVID-19.

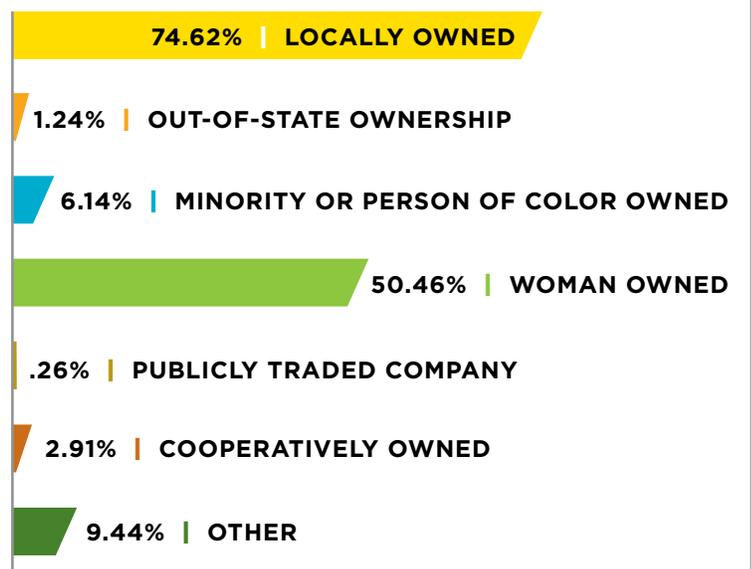
**Q. What kind of business do you operate?**



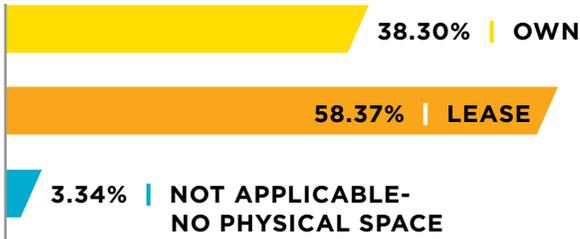
**Q. How long has your business been in operation?**



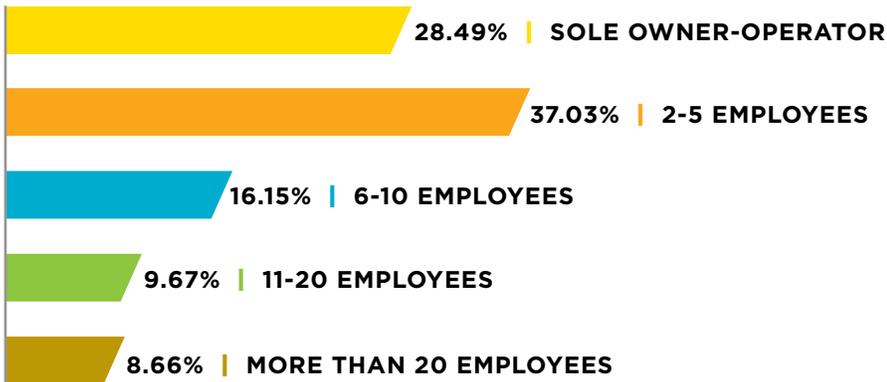
**Q. Would you characterize the ownership of the business in any of the following ways? (Please choose all that apply)**



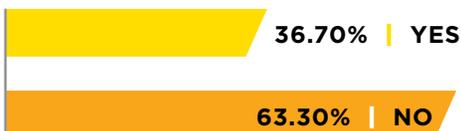
Q. Do you own or lease your business space?



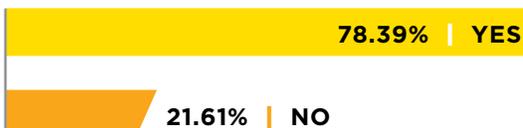
Q. How many people does your business employ?



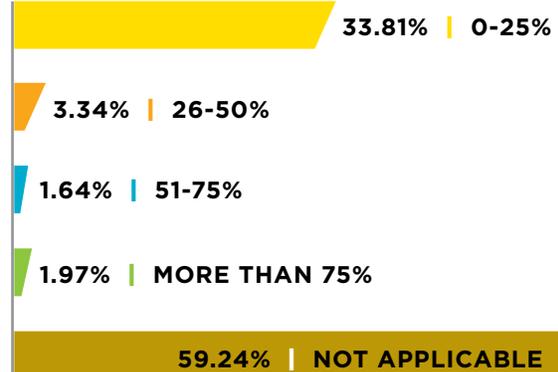
Q. Does your business have an online sales component?



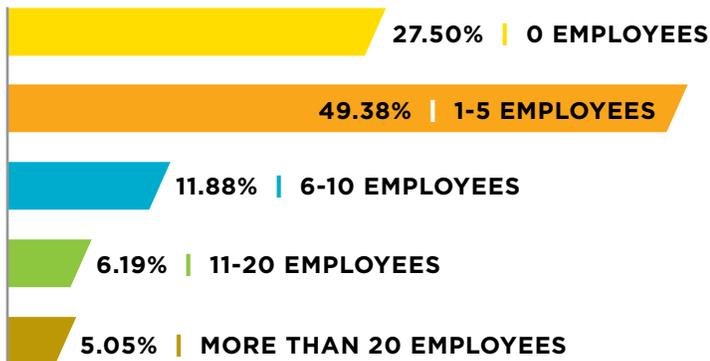
Q. Has your business suspended storefront operations as a result of the COVID-19 public health emergency?



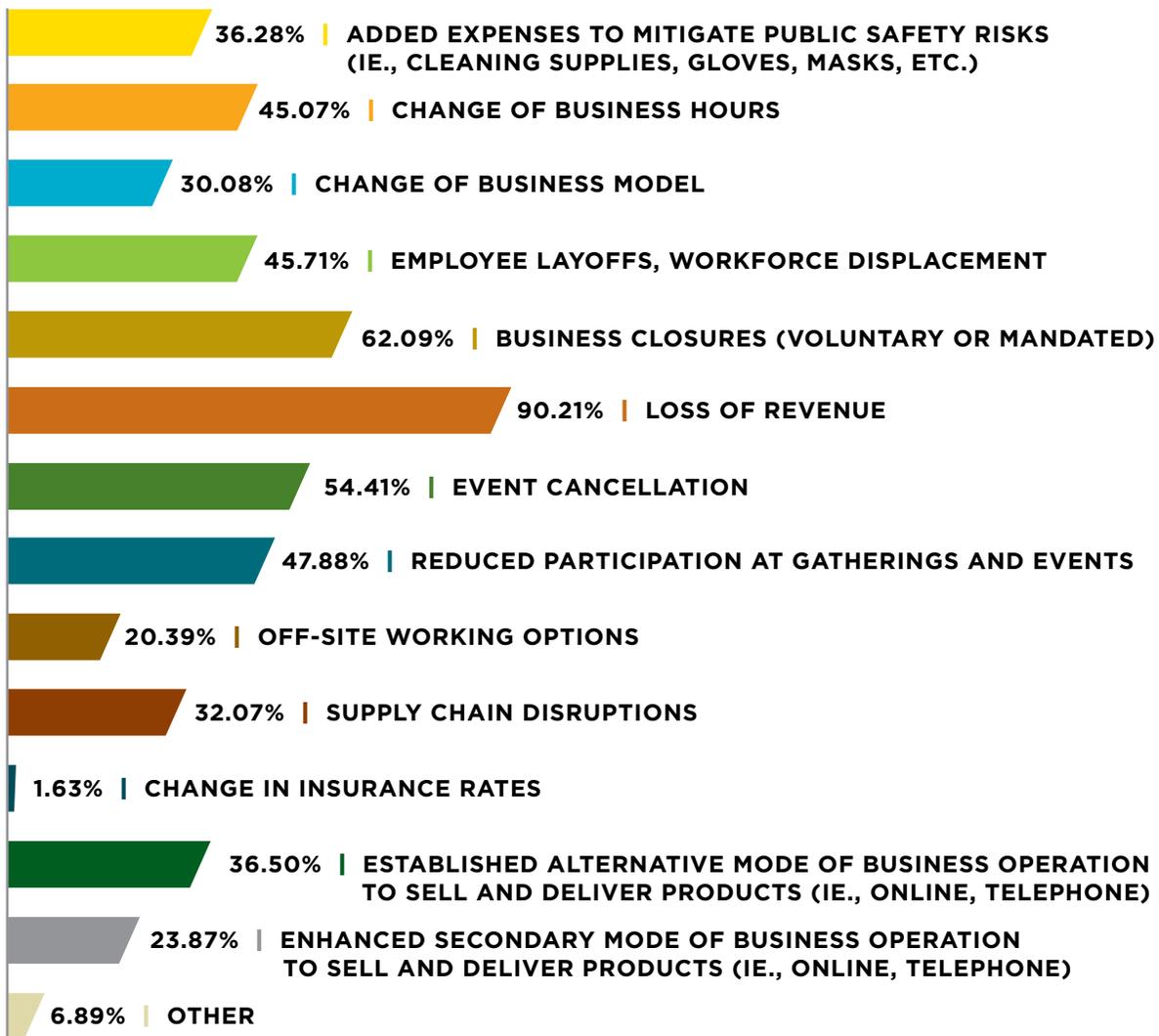
Q. If your business has an online sales component, approximately what portion of your overall revenue comes from online sales?



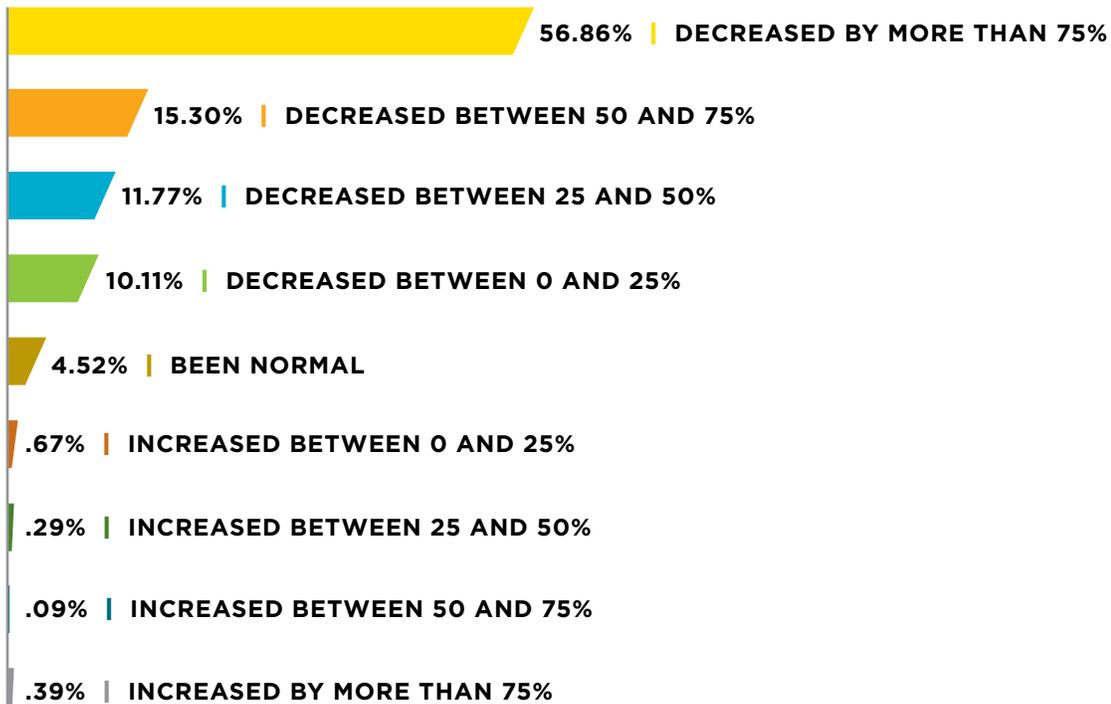
Q. How many of your employees are at risk of unemployment and/or layoffs as a result of the coronavirus?



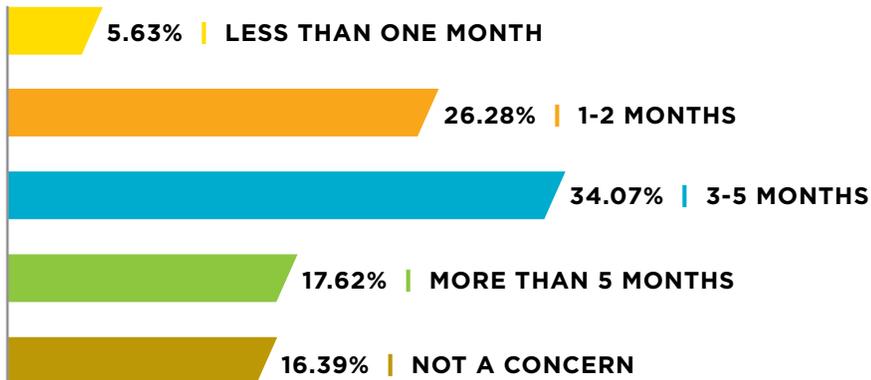
Q. How has COVID-19 affected your business? (Please choose all that apply)



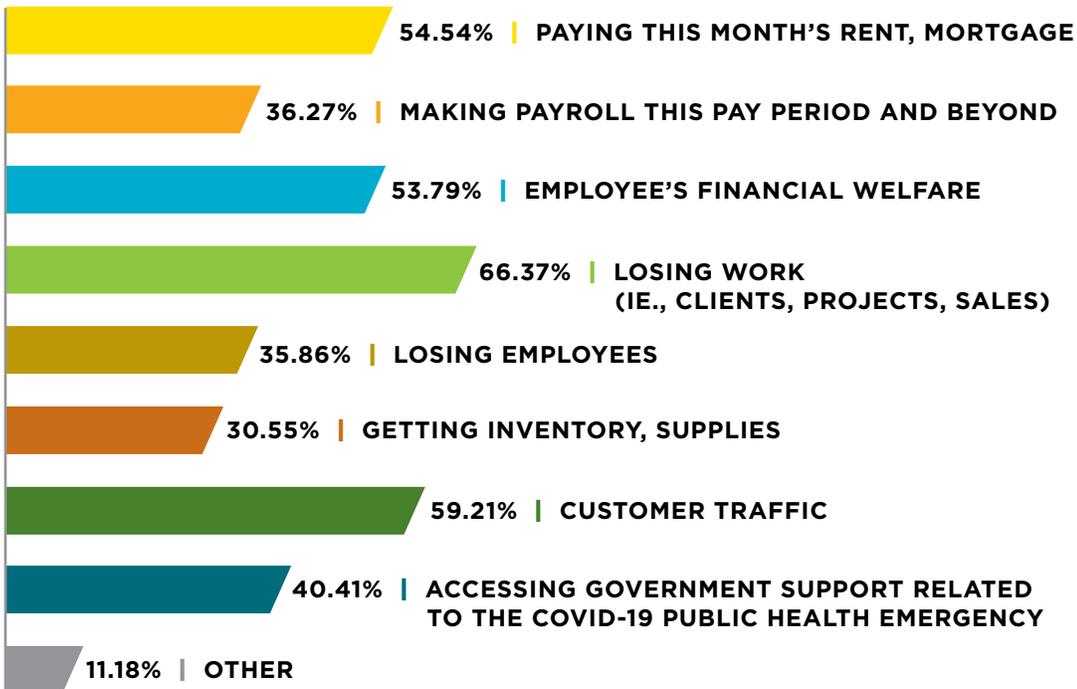
Q. How has your business revenue changed since COVID-19 became a widespread concern in early March 2020?



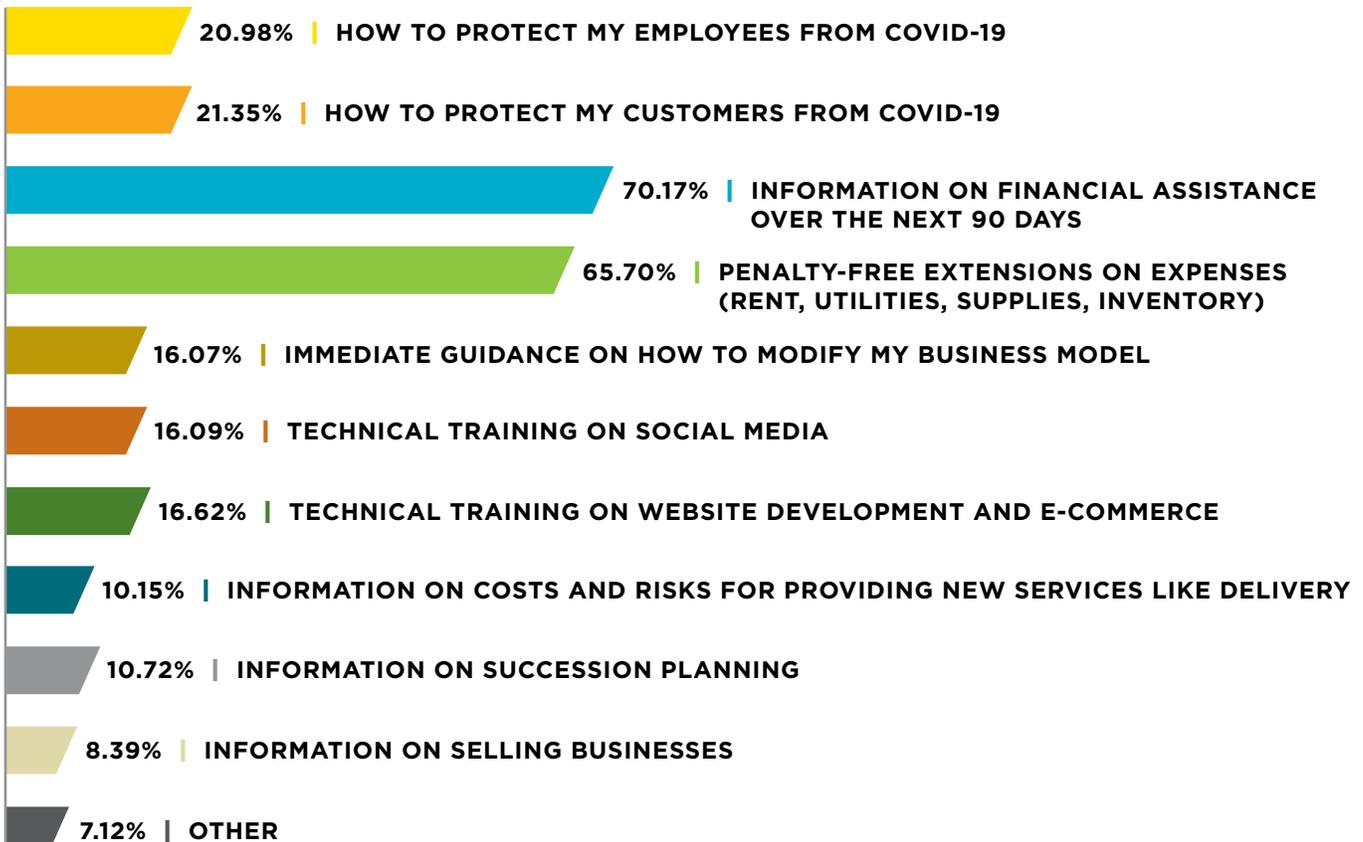
Q. If business disruption continues at the current rate, how soon will your business be at risk of closing permanently?



Q. At this time, what are you most concerned about? (Please choose all that apply)



Q. What types of assistance would be most helpful to your business?



CITY OF BELLE PLAINE

POTENTIAL  
TOOLS FOR  
BUSINESSES

# BUSINESS CHECK

- many previously hurting
- unprecedented challenges
- no control
- unknown duration
- uneven impacts
- microbusinesses have limited options
- Downtown most impacted
- Several struggling now - expenses, reduced sales, challenges with reopening



## EMERGENCY MICRO-LOAN

Help businesses with expenses: rent, inventory, etc

### DELIVERY OF SERVICE

Maximum benefit (e.g. \$1,000), must demonstrate emergency & be/have been 'non essential business', modeled after ROSE loan except admin approval vs EDA/Council

### PROGRAM COST

Program admin development, staff (additional hours) for processing & program funding. Program max allocation for loan program capped @ \$15,000 - conditioned on use of RLF



## BUSINESS COUNSELING

Help businesses pivot their business model -  
what, how & where they sell product

## DELIVERY OF SERVICE

City outreach & program education  
Counseling provided by Open to Business & SCORE

## SERVICE COST

Staff (additional hours) for outreach  
Counseling service is free of charge



## MARKETING CONSULTATION - ONLINE PRESENCE

Help businesses pivot their businesses to aggressive online presence - when, how & where they interact w/ customers online

### DELIVERY OF SERVICE

City outreach & program education  
Consultation provided City vendor

### SERVICE COST

Staff (additional hours) for outreach  
One hour consultation paid for by City. Total program allocation: **\$1,250** - based on ten (one hour) virtual consultations





## RECRUIT ENTREPRENEURS

Campaign to attract from BP community

## DELIVERY OF SERVICE

City outreach & program education

Counseling provided by Open to Business & SCORE

## SERVICE COST

Staff (additional hours) for outreach

Counseling is free of charge



## PROGRAM BUDGET

\$20,000

### PROGRAM BUDGET SOURCE

Preferred option: EDA RLF - authorization for working capital use

Secondary option: split sources from program funds included in '20 budget (801 & 802) & spend down fund balance (50/50 split)

### OUTREACH STAFF ASSISTANCE

Potential to use part time seasonal staff for a few weeks and/or seek volunteer intern



# **BELLE PLAINE BUSINESS COVID ECONOMIC DISASTER LOAN PROGRAM**

## **PURPOSE**

The Belle Plaine Business COVID Economic Disaster Loan Program provides emergency micro-loans to businesses operating in the City of Belle Plaine directly impacted by COVID-19. The City of Belle Plaine recognizes the need to assist existing businesses with their immediate operational needs resulting from the loss of operating revenue due to the COVID-19 pandemic.

The program will provide small forgivable loans which can be used for working capital. Businesses must have a storefront presence (i.e. be a brick and mortar establishment) in the City of Belle Plaine, be deemed 'non-essential' under executive order of Governor Tim Walz, and demonstrate financial loss attributed to COVID-19.

## **PROGRAM BENEFIT**

The EDA/City are making available a total of \$15,000 for distribution to eligible businesses in the form of very small micro-loans to be used for emergency working capital expenses. Maximum loan amount is \$1,000. The loans will be forgiven if the business stays in operation for one year following loan issuance.

Working capital expenses include payment of rent/mortgage, payment of utility bill for the previous or month (or future months), real estate taxes, insurance, and purchase of inventory. Businesses receiving a loan must sign a promissory note.

## **PROGRAM ELIGIBILITY**

1. The following businesses types may be eligible for a loan. If a business is comprised of more than one type the majority of the business conducted must be in one of the following categories.
  - A. Restaurants, bars, taverns, nightclubs.
  - B. Bowling alleys.
  - C. Childcare facilities.
  - D. Salons, barbers, beauty shops, nail salons.
  - E. Retail establishments.
  - F. Studios, galleries, including photography studios.
  - G. Hotels.
  - H. Fitness clubs.
  - I. Medical, dental, and ophthalmologists/optometrists.
2. Other eligibility requirements:
  - A. Businesses must be privately held.
  - B. Businesses must have a brick and mortar commercial storefront in Belle Plaine. Home based businesses are not eligible.
  - C. Businesses must have fewer than twenty (20) full time equivalent employees.
  - D. Businesses must have been doing business (open for business) as of March 15, 2020.
  - E. Businesses with drive-throughs and businesses previously operating on a delivery platform are not eligible.
  - F. The maximum number of loans issued are limited to all of the following: one loan per person, one loan per business entity, one loan per business address, and one loan per household.

## **APPLICATION & PROCESS**

1. Application. Loan applications are to be on a form provided by the City. At a minimum the application shall include:

- A. Business name, type of business, and operating address.
- B. Names, addresses, contact number, and signatures of all business owners.
- C. Loan amount requested.
- D. Proposed use of funds.
- E. Proof from the Minnesota Secretary of State's Office the business is in good standing.
- F. A statement describing how/if the business is operating under pandemic orders.
- G. Proof the business has sustained a significant measurable fiscal impact from COVID –19 pandemic. Ideally the business will provide standard financial records: (1) illustrating a percentage of revenue decrease month over month for 2020 year to date; and (2) comparative month to month revenue from 2018 & 2019 (if possible) vs. 2020. The City may tie revenue loss demonstrated to a scale for loan amount eligibility. For example, if a 100% loss is demonstrated, the impacted business may be granted the maximum loan amount. If revenue loss is then eligible for up to \$1,000. If financials show revenue is 50% lower than the business may be eligible for up to \$500 loan.
- H. Include a narrative demonstrating the business has had to make substantial adjustment to business model – for example the business had to close, go to curbside pick-up/delivery, etc.
- I. If purchasing inventory an itemized list of purchases/costs from a commercial vendor.
- J. If paying rent, mortgage, or lease evidence of rental agreement, mortgage, etc.

2. Loan Review Process. The loan review process shall be as follows:

- A. Loans shall be reviewed and issued on the first, third and fifth (if applicable) Tuesday of each month. Applications received by the Thursday before loan review/issuance shall be considered. If a loan request is not funded during one cycle it will be reconsidered at each future cycle.
- B. Loan requests are subject to administrative review by a loan review committee. The loan review committee will make a determination as to whether or not to issue a loan and the loan amount issued.
- C. Applications demonstrating the most critical need and the most significant fiscal impact to their business shall be considered priority.
- D. Applicant's receiving loans will be notified in writing.
- E. Loans shall be secured by a promissory note. Loan recipients shall agree to repay any remaining portion of the loan if the business does not retain a storefront presence in the City for a duration of twelve months after loan issuance.
- F. The City may require loan funds be distributed directly to service providers or vendors.
- G. Loans are forgivable at a rate of 1/12<sup>th</sup> of the loan per month starting on the date of issuance.
- H. Loans are at zero interest.
- I. Loans will not be issued when allocated program funds are depleted.

# **BELLE PLAINE BUSINESS WEB PRESENCE LOAN PROGRAM**

## **PURPOSE**

The Belle Plaine Business Web Presence Loan Program assists businesses with establishing or fortifying an online presence. The City of Belle Plaine recognizes the need for more businesses to expand their online reach. The City has developed this program in recognition of the fact that expanding online reach can be costly but is also necessary. The City wants to encourage businesses to enhance e-commerce as a means of strengthening revenue profiles and meeting customer expectations.

This program will provide a matching forgivable loan not to exceed \$1,500 which can be used for website development and/or enhancement of e-commerce activities. Businesses must have a storefront presence (i.e. be a brick and mortar establishment) in the City of Belle Plaine.

## **PROGRAM ELIGIBILITY**

1. The business the online presence refers to must have and retain a brick and mortar presence in the City of Belle Plaine throughout the duration of the loan.
2. Businesses must work with a City-approved vendor to create a business website, enhance an existing business website, or otherwise enhance e-commerce activities.

## **APPLICATION & PROCESS**

1. Application. Loan applications are to be on a form provided by the City. At a minimum the application shall include:
  - A. Business name, type of business, and operating address.
  - B. Names, addresses, contact number, and signatures of all business owners.
  - C. Loan amount requested.
  - D. A proposal for services from a City approved vendor including, at a minimum (1) a description of the proposed activity, a proposed timeline, total project cost, and evidence the project is moving forward.
  - E. Proof from the Minnesota Secretary of State's Office the business is in good standing.
  - F. A narrative expressing why the business is requesting the funds and plans for enhancing web presences and/or e-commerce.
2. Loan Review Process. The loan review process shall be as follows:
  - A. Loans shall be reviewed upon receipt. Staff shall review the application and make a recommendation to the City Council. The City Council shall act on the loan request.
  - B. Applicant's receiving loans will be notified in writing.
  - C. Loans shall be secured by a promissory note. Loan recipients shall agree to repay any remaining portion of the loan if the business does not retain a storefront presence in the City for a duration of twelve months after loan issuance.
  - D. Loans are forgivable at a rate of 1/12<sup>th</sup> of the loan per month starting on the date of issuance.
  - E. Loans are at zero interest.



## MEMORANDUM

DATE: May 11, 2020  
TO: President Krant, Members of the EDA, and Administrator Meyer  
FROM: Cynthia Smith Strack, Community Development Director  
RE: Item 6.2 Director's Report

### **Design Committee**

The Design Committee did not meet in April or May.

### **Planning Commission**

The PC did not meet in April or May.

### **Other**

- Respond to zoning inquiries.
- Information to business owners re: COVID assistance.
- Website blog & COVID update.
- "Permit Guide" developed for website. This is a simple 1,2,3 step guide for first time permit applicants. It is tied to 30 infograms containing process information, application links, sample documents, and more information.
- Research and create COVID business tool kit and associated program guidelines.
- Research/recommend EDA RLF freeze program.
- Conversations with numerous business owners regarding needs and resources.
- Verification of property listings with CoStar.
- Review OAA rezone prior to May 6<sup>th</sup> joint OAA meeting.
- Follow up for lot splits for donated property.
- Census boundary adjustment survey review.
- Code compliance issues processed.