

**MIDVALE CITY, UTAH
RESOLUTION NO. 2020-R-42**

**A RESOLUTION APPROVING A SMALL BUSINESS GRANT USING CARES ACT
FUNDING**

WHEREAS, Midvale City has heretofore established a Small Business Grant Program using CARES Act Funding; and

WHEREAS, Salt Lake County (“County”) received CARES Act Funds from the Federal government; and

WHEREAS, the County allocated to Midvale, as an indirect recipient of the CARES Act Funds, the amount of \$993,656.75 pursuant to the terms and conditions of an agreement (“Agreement”) between the County and Midvale; and

WHEREAS, the Agreement provides in part that the City may make subgrants for further distribution to any other private or public entity within its jurisdiction subject to various terms and conditions (“Terms”); and

WHEREAS, the Terms require that such grants shall contain by agreement any required certifications, restrictions and requirements for the use of federal funds, that the City is responsible for all documentation requirements, that such subgrantee must comply with all provisions of the agreement and complies with federal law regarding use of federal funds; and

WHEREAS, the United States Treasury Department’s Guidance on the Coronavirus Relief Fund dated April 22, 2020, page 3, states that it is a qualified expenditure to use CARES funds to help with “Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency” and also states that it is a qualified expenditure to use CARES funds to help with “Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures;” and

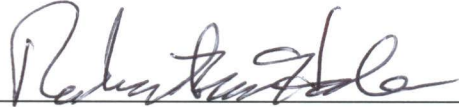
WHEREAS, the United States Treasury Department’s Guidance on the Coronavirus Relief Fund dated June 24, 2020, pages 8-9, also states that it is a qualified expenditure to use CARES funds for businesses to “publicize the resumption of activities and steps taken to ensure a safe experience;” and

WHEREAS, based on staff recommendations and reparations the Council finds that the contemplated subgrant could satisfy the Terms and appears to publicize the resumption of activities and steps taken to ensure a safe experience as set forth in the United States Treasury Department’s Guidance on the Coronavirus Relief Fund dated April 22, 2020, and June 24, 2020; and

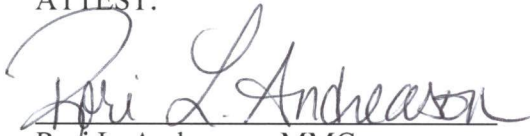
WHEREAS, the Council has determined that it is in the best interest of the inhabitants of Midvale to approve subgrants, subject to the above referenced requirements and all other applicable provisions to be known as the Midvale Small Business Grant.

NOW THEREFORE BE IT RESOLVED, that based on the foregoing, the Midvale City Council approves this resolution approving the Midvale Small Business Grant Program and that City staff is directed to develop and implement the Midvale Small Business Grant Program subject to the above referenced requirements and all other applicable provisions.

APPROVED AND ADOPTED this 15th day of September 2020.


Robert M. Hale, Mayor

ATTEST:


Rori L. Andreason, MMC
City Recorder



Voting by the Council:	"Aye"	"Nay"
Quinn Sperry	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Paul Glover	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Heidi Robinson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bryant Brown	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dustin Gettel	<input checked="" type="checkbox"/>	<input type="checkbox"/>

MIDVALE CITY SMALL BUSINESS GRANT



Description: The grant provides small retail businesses up to \$5,000 in reimbursement for business advertising and COVID-19 related operating expenses (Business advertisement may include social media and digital promotions; direct mail; coupons; advertising space in print or online; outdoor billboards or signage; flyers, doorhangers, and other printed materials; logoed T-shirts, hats, or merchandise; event sponsorships; or other legitimate marketing outreach to encourage increased sales and/or brand awareness. COVID-19 related expenses may include modifications of the business space to promote social distancing; modifications of the business space to protect employees or customers, such as barriers, distancing signs, hand sanitization centers, etc; Protective gear and sanitization such as masks and disinfectant, including increased costs for utilizing these items. **Funds cannot include consulting, payroll, or agency fees)**

Requirements:

1. Must have a current Midvale License as of January 31, 2020
2. Must be able to demonstrate a business interruption caused by required closures due to the COVID-19 Public Health Emergency totaling at least \$5,000 of reduced retail revenue. *(Evidence for this shall be submitted by the business. For example, by comparing 2019 Q2 and 2020 Q2; or January sales with April Sales, or any other comparison showing the negative financial had due to COVID-19)*
3. Must be an active retail business *(defined as having paid at least \$150 in sales tax in any month in 2020)*
4. Must be a small business *(defined as having 95 or fewer full-time employees as identified by the IRS)*
5. Must not have received or anticipate receiving any CARES Act funds from any other program that is intended to be used for the same expenses.

Restrictions:

1. Apply to Midvale between September 16th – October 1st, 2020
2. City will determine if qualified within three business days, and if so, reserve their \$5,000 (first-come-first serve while city grant funds are available. It is estimated that Midvale will authorize approximately \$100,000 for the program, assisting the first 20 qualified businesses)
3. Awardees will need to sign a grant agreement (an example of the grant agreement is attached to the application)
4. For reimbursement on expenses used for business promotion and advertisement, businesses will have until October 20th to advertise and must submit receipts to city for reimbursement by October 25th (receipts must be for purchases between September 16th, 2020 and October 20, 2020)

5. For reimbursement of COVID-19 related operating expenses, businesses must provide evidence such as itemized receipts of expenses made between March 1st and October 20th. All Receipts must be submitted to the City by October 25th.

6. All grantees would be reimbursed by Midvale by October 31, 2020

Documents required for this Application:

1. A document showing your sales before COVID (maybe a 2019 Q1 or Q2 sales tax transcript; or 2020 Q1 sales tax transcript; or any other document showing sales pre-COVID).

2. A document showing your sales in the worst of the COVID shutdowns (may be a 2020 Q1 or Q2 sales tax transcript; or any other document showing sales down during COVID)

3. A copy of a sales tax transcript from any month/quarter in 2020 showing the payment of at least \$150.00 to the Utah State Tax Commission.

4. A copy of your active Midvale Business License (if you do not have this, please email mvalencia@midvale.com).

5. Must disclose and provide evidence of any CARES Act funds received or applied for and its intended use.

If you cannot provide the required documents, you are not eligible for this grant. If there is a legitimate reason that the document(s) cannot be provided, you must attach a document in its place describing why the requested document cannot be provided, or how you can show it in a different way.

If you have any questions about this grant opportunity, please contact our Community Development department by calling 801-567-7211 or emailing kandrus@midvale.com

Small Retail Business Promotion Grant



Midvale Busnes License #

Is Business Name Registered with the State: ☐ Yes ☐ No

Federal Tax ID #

Utah Sales Tax #

Business Name:

Business Address: (Must be physical address, not PO Box or virtual

DBA Name:

Mailing Address (if different):

Business Phone:

E-Mail

Applicant Information

Name:

E-Mail:

Phone:

Application Questions

1. Can you demonstrate a business interruption caused by required closures due to the COVID-19 public health emergency totaling at least \$5,000 of lost retail revenue? *(Evidence for this shall be submitted by the business. For example, by comparing 2019 Q2 and 2020 Q2; or January sales with April Sales, or any other comparison showing the negative fianncial had due to COVID-19)*

☐

Yes

☐

No, explain:

2. Are you an active retail business (defined as having paid at least \$150 in sales tax in any month in 2020)? *Please attach a copy of a sales tax transcript for any onth/quaters in 2020.*

☐

Yes

☐

No, explain:

3. Are you a small business (defined as having 95 or fewer Full Time Equivalent employess as identified by the IRS)?

☐

Yes

☐

No, explain:

4. Do you have a current Midvale Business License as of Januray 31, 2020?

☐

Yes

☐

No, explain:

5. Have you recieved or applied for any other COVID Act funds from any other program?

☐

Yes, what agency and what are you using the funds for :

☐

No

The foregoing information is correct to the best of my knowledge.

Signature

Title

Date

CARES ACT GRANT AGREEMENT

THIS AGREEMENT (this "Agreement") is made effective _____, 2020, by and between the undersigned as a recipient of a CARES Grant ("Recipient"), and Midvale, a Utah municipality ("City").

RECITALS:

A. Salt Lake County ("County") received federal funds under section 601(a) of the Social Security Act as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (the "CARES Act") to combat and address the effects of the novel Coronavirus Disease 2019 ("COVID-19") within the County.

B. On or about June 9, 2020, pursuant to a CARES Act Funding Agreement ("Original Agreement") between the County and the City the County provided the City CARES Act funding ("Grant Funds") to help, among other things, ameliorate the economic impact of the pandemic and related public health orders.

C. Pursuant to the Original Agreement the City is authorized to use Grant Funds received pursuant to the Original Agreement to make grants for further distribution to any other private or public entity within the City's jurisdiction or to contract for goods, supplies or services as permitted by this Original Agreement.

D. The City wishes to provide the Recipient Grant Funds to help ameliorate the economic impact of the pandemic and related public health orders.

AGREEMENT:

NOW THEREFORE, in consideration of the premises, the mutual covenants, and undertakings of the parties described herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Grant Funds/Reimbursement.** The City will reimbursement Recipient in an amount not to exceed \$5,000 from Grant Funds. The City will reimburse Recipient from Grant Funds for business advertising and COVID-19 related operating expenses as defined below. To obtain reimbursement Recipient must submit receipts in a form and substance acceptable to the City evidencing payment for business advertising that were incurred and paid during the period beginning September 16, 2020, and ending October 20th and/or COVID-19 related operating expenses incurred after March 1, 2020 and that are in accordance with the terms and conditions of this Agreement.

2. **Allowable Uses.** The Recipient will use Grant Funds provided pursuant to the Agreement only for business advertising and COVID-19 related operating expenses. Business advertising means social media and digital promotions; direct mail; coupons; advertising space in print or online newspapers, magazines, or websites; radio; television; outdoor billboards or signage; flyers, doorhangers, and other printed materials; logoed T-shirts, hats, or merchandise; event sponsorships; or

other legitimate marketing outreach to encourage increased sales and/or brand awareness. Business advertising does not include consulting, payroll, or agency fees. COVID-19 related operating expenses means those expenses used for modifications of the business space to promote social distancing; modifications of the business space to protect employees or customers, such as barriers, distancing signs, hand sanitization centers, etc.; Protective gear and sanitization such as masks and disinfectant, including increased costs for utilizing these items.

3. **Prohibited Uses.**

a. *Not Revenue Replacement and Ineligible Expenditures.* Grant Funds provided pursuant to this Agreement cannot be used as a revenue replacement for lower than expected revenue collections. Other examples of ineligible expenditures may be further addressed in FAQs and other guidance currently available or to be issued by the Treasury.

b. *Other Ineligible Expenditures.* Grant Funds received pursuant to this Agreement cannot be used for expenditures related to consulting, payroll, or agency fees.

c. *Other Funding.* Grant Funds received pursuant to this Agreement cannot be used for expenditures where Recipient, has or will receive funding from any federal, state, or county program if the amount of the expenditure exceeds the Recipient's, actual expenses when added to any prior or anticipated funding. Recipient may similarly not use Grant Funds for Recipient's, expenses reimbursed under any other federal, state or private program.

d. *Responsibility.* The Recipient agrees that the Recipient is fully responsible for compliance with federal law and federal guidance regarding the expenditure of the Grant Funds. The CARES Act and related guidance from the Treasury supersede any provision of this Agreement regarding the lawful use of Grant Funds by the Recipient. Recipient may not rely on the terms of this Agreement as a defense to unlawful expenditures of Grant Funds where the terms of this Agreement are in conflict with the CARES Act or guidance from the Treasury.

e. *Compliance with Other Laws.* Recipient agrees, understands and certifies, that as a recipient of federal funds it is required to, and shall, comply with all anti-discrimination and drug-free workplace laws, and all laws governing research involving human subjects. Other federal laws which may apply include but are not necessarily limited to: Equal Opportunity Employer Executive Order, the Davis-Bacon Act, the Hatch Act, the Copeland "Anti- Kickback" Act, the Fair Labor Standards Act, the Contract Work Hours and Safety Standards Act, the Clean Air Act, the Federal Water Pollution Control Act, the Byrd Anti- Lobbying Amendment, and the Debarment and Suspension Executive Orders. Grantee shall comply with these laws and regulations, and any other federal, state or local laws or regulations to the extent they apply to the subject matter of this Agreement. For additional detail on Federal requirements that may be applicable to this grant, subgrants or contracts see the Assurances for Non-Construction Programs (SF-424B) or Assurances for Construction Program (SF-424D), as required by law, from the Office of Management and Budget Assurances, which is hereby incorporated by reference into this Agreement.

4. **Effective Date.** The date this Agreement is signed by the last party to sign it (as indicated by the date stated under that party's signature) will be deemed the effective date of this Agreement. This Agreement shall terminate November 1, 2020.

5. **Expenditure Deadline.** Grant Funds provided pursuant to this Agreement for Business advertisement and promotion must be expended on or before October 1, 2020. Grant Funds provided pursuant to this Agreement for COVID-19 related operating expenses must be for expenses expended after March 1st.

6. **Grant Fund Guidance.** Recipient must adhere to any current or future federal or County guidance regarding spending, reporting or any other matter related to the Grant Funds

7. **Additional Funding.** If the Recipient receives funding from another source intended for a similar purpose (i.e. to combat and address the effects of COVID-19), Recipient will reimburse the City the Grant Funds the City provided which have been spent by the Recipient, within 15 calendar days of the Recipient's receipt of such additional funding.

8. **Improper Use.**

a. *Audit.* If a County, State of Utah, City, or Treasury audit findings determine that any Grant Funds received by the Recipient were expended in violation of the requirements of the CARES Act, or any applicable law, Recipient shall return or repay those Grant Funds to Salt Lake County within 15 calendar days of written notice of the determination.

b. *Failure to Pay.* If the Recipient fails for any reason to repay the Grant Funds to the City under this Agreement, and the City repays the Grant Funds to the County or Treasury, the amount paid by the City will become a past due obligation of the Recipient to the City and may be immediately collected by the City, County, or the Treasury no later than fifteen calendar days after request.

9. **Records, Reporting, And Transparency.**

a. *Record Retentions.* For a period of six years following termination of this Agreement, Recipient shall retain documentation of all uses of the Grant Funds, including but not limited to invoices and/or sales receipts. Such documentation shall be produced to Salt Lake County, City, or the Treasury upon request.

b. *Audit.* Recipient will fully cooperate with the County, City, the Treasury, and the State of Utah in any investigations or audits into the use of Grant Funds.

10. **Subgrants And Contracts.** Recipient may not use Grant Funds received pursuant to this Agreement to make grants for further distribution to any other private or public entity.

11. **Indemnification:** Recipient shall be fully liable for the actions of its agents, employees, officers, partners, and subcontractors, and shall fully indemnify, defend, and save harmless the County from all claims, losses, suits, actions, damages, and costs of every name and description

arising out of Recipient's performance of this Agreement caused by any act or omission of Recipient, its agents, employees, officers, partners, or subcontractors, without loss, or damage arising hereunder due to the sole fault of the City.

12. **Funding Source and Termination Due To Nonappropriation Of Funds, Reduction Of Funds, Or Changes In Law.** Recipient acknowledges that the sole source of the Grant Funding is funds received from the County pursuant to the CARES Act and is only available to the extent the City actually received the Grant Funds. Furthermore, Recipient understands and agrees that it is not, and shall not be, entitled to any other funds received by the City. Upon 24 hours written notice delivered to the Recipient, this Agreement may be terminated in whole or in part at the sole discretion of the City, if the City reasonably determines that a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Agreement. The City will not be liable for any performance, commitments, penalties, or liquidated damages that accrue for termination by the City under this Section 14.

13. **Fair Distribution.** Recipient acknowledges that the amount of Grant Funds disbursed to Recipient and other Recipients is determined in the City's sole discretion. Recipient hereby agrees that Recipient's disbursement is appropriate and waives any right in law or equity to challenge the amount of Grant Funds Recipient receives under this Agreement.

14. **Suspension Or Debarment:** The Recipient certifies that neither it nor its principals or any of its subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any Federal department or agency.

15. **Additional Provisions.** The following provisions also are integral to this Agreement:

a. *Titles and Captions.* All section or subsection titles or captions herein are for convenience only. Such titles and captions shall not be deemed part of this Agreement and shall in no way define, limit, augment, extend, or describe the scope, content, or intent of any part or parts hereof.

b. *Pronouns and Plurals.* Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns, pronouns, and verbs shall include the plurals and vice versa.

c. *Applicable Law.* The provisions of this Agreement shall be governed by and construed in accordance with the laws of the state of Utah.

d. *Integration.* This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

e. *Time.* Time is the essence hereof. Neither party to this Agreement will be held responsible for delay or default caused by fire, riot, acts of God, and/or war which is beyond that party's reasonable control.

f. *Survival.* All agreements, covenants, representations, and warranties contained herein shall survive the execution of this Agreement and shall continue in full force and effect throughout the term of this Agreement.

g. *Waiver.* No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term, or condition. Any party may, by notice delivered in the manner provided in this Agreement, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation, or covenant of any other party. No waiver shall affect or alter the remainder of this Agreement, but each and every other covenant, agreement, term, and condition hereof shall continue in full force and effect with respect to any other then existing or subsequently occurring breach.

h. *Rights and Remedies.* The rights and remedies of the parties hereto shall not be mutually exclusive, and the exercise of one or more of the provisions of this Agreement shall not preclude the exercise of any other provisions hereof.

i. *Severability.* In the event that any condition, covenant, or other provision hereof is held to be invalid or void, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other covenant or condition herein contained. If such condition, covenant, or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

j. *Exhibits.* All exhibits annexed to this Agreement are expressly made a part of this Agreement as though completely set forth herein. All references to this Agreement, either in this Agreement itself or in any of such writings, shall be deemed to refer to and include this Agreement and all such exhibits and writings.

k. *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

l. *Authorizations.* Recipient hereby represents that it has been duly authorized to enter into this Agreement.

m. *Choice of Laws.* This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought

in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.

n. *Survival.* Termination or expiration of this Agreement shall not extinguish or prejudice the City's right to recoup or otherwise recover Grant Funds from Recipient as provided in this Agreement. Additionally, termination or expiration of this Agreement shall not extinguish or prejudice the City's rights to enforce this Agreement, or with respect to any default of this Agreement or of any of the following Sections: 7, 8, 9, 11, 12, 13, 15, and 16.

IN WITNESS WHEREOF, the parties caused this Agreement to be signed and attested on the day and year first appearing hereinabove.

Recipient:

By: _____

Its: _____

Midvale

Robert M. Hale, Mayor

ATTEST:

Rori L. Andreason, Midvale City Recorder