

**ResCITY OF HOMER
HOMER, ALASKA**

Lord/Aderhold

RESOLUTION 20-070

A RESOLUTION OF THE HOMER CITY COUNCIL AMENDING THE SMALL BUSINESS ECONOMIC RECOVERY GRANT (SBERG) PROGRAM TO CLARIFY ELIGIBILITY REQUIREMENTS RELATED TO BUSINESS OPERATION WITHIN THE CITY OF HOMER AS IT RELATES TO SALES TAX COLLECTION WITH THE KENAI PENINSULA BOROUGH AND ESTABLISHING AN APPEALS PROCESS.

WHEREAS, The City Council passed Resolution 20-057 on June 8, 2020 establishing the City's Small Business Economic Recovery Grant (SBERG) Program to assist small businesses within the City of Homer with economic recovery as a result of the Covid-19 pandemic; and

WHEREAS, The City Council passed Resolution 20-061 on July 1, 2020 amending the SBERG Program to clarify eligibility requirements related to delinquent status with the Kenai Peninsula Borough Tax Department and requesting a review of audit requirements and city process from staff; and

WHEREAS, The intention of the SBERG program is to create a straightforward mechanism to provide these grants to eligible small business owners within the City of Homer with as much administrative efficiency as possible so that impacted businesses may use the funds to address and respond to the Covid-19 pandemic ; and

WHEREAS, In Resolution 20-057, adopting the SBERG policy, Council asserts that small businesses are the backbone of the City's economy and provide employment opportunities and essential services to the community; and

WHEREAS, One of the SBERG eligibility requirements set through Resolution 20-057 is that a business has "a recent history of City of Homer sales tax collection," with a stipulation that an eligible applicant "Must have filed a sales tax report with the Kenai Peninsula Borough within the third quarter of 2019, the fourth quarter of 2019, or the first quarter of 2020, that indicates City of Homer taxable sales;" and

WHEREAS, It has been brought to Council's attention that the requirement to have filed City of Homer taxable sales in the previous three quarters is unintentionally excluding sectors of our local small business economy that may not have sales tax returns on file but who would otherwise fit the intention and eligibility requirements for this grant program, such as small businesses that are exempt from sales tax collection; and

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WHEREAS, The intention of Council is to limit SBERG eligibility to small (under 50 employees), for-profit businesses operating within the City limits with an established history of contributing to our local economy, that were in business prior to the beginning of the Covid-19 pandemic, and that can demonstrate economic harm as a result of the pandemic; and

WHEREAS, The City Council realizes that while many of our small businesses will provide an application that clearly demonstrates eligibility or ineligibility, others will require more investigation by Administration to identify whether they meet the eligibility requirements set forth by Council through the SBERG policy and its subsequent amendments; and


WHEREAS, The deadline for applying to the SBERG program is September 25, 2020 or when appropriated funds are spent, thus allowing sufficient time for City Administration to thoughtfully work with businesses to clarify eligibility.

NOW THEREFORE BE IT RESOLVED that the City Council of Homer, Alaska adds the following language to the end of SBERG Policy Eligibility Requirement #3: "If this requirement cannot be met, the reasons must be thoroughly explained and program eligibility under the intent of Council will be assessed and determined by the City Manager."

BE IT FURTHER RESOLVED the following section is to be added to the SBERG Policy as #11 under Process: "An applicant who is denied may appeal (in writing) to the City Manager no later than 5PM the 10th calendar day after the applicant receives notice from the City. Applicants denied before July 27, 2020 have until 5PM on August 6, 2020 to file an appeal in writing to the City Manager."


PASSED AND ADOPTED by the Homer City Council this 27th day of July, 2020.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A

