

AS AMENDED ON JUNE 22, 2020
ORDINANCE NO. 2605

AN ORDINANCE OF THE CITY OF SALISBURY TO ACCEPT A DONATION AND TO APPROVE A BUDGET AMENDMENT OF THE ~~FY21 GENERAL~~ REVOLVING LOAN FUND BUDGET TO APPROPRIATE FUNDS RECEIVED FROM THE DELMARVA POWER & LIGHT COMPANY FOR THE CITY OF SALISBURY COVID-19 MICRO-GRANT PROGRAM.

WHEREAS, Delmarva Power & Light Company wishes to donate up to \$25,000 to the City of Salisbury to be used for the Covid-19 Business Micro-grant program; and

WHEREAS, the funds received from the Delmarva Power & Light Company will directly benefit businesses in the Revolving Loan boundary map that suffered losses in relation to the COVID-19 State of Maryland Executive Orders and mandated closures; and

WHEREAS, the City of Salisbury Office of Business Development requests that these funds in the amount of \$25,000.00 be placed in the COVID-19 Micro-Grant Account, 30400-456415 to provide micro-grants for eligible businesses.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that funds of up to \$25,000 are accepted from the Delmarva Power & Light Company.

AND BE IT FURTHER ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2021 ~~General~~ Revolving Fund Budget be and is hereby amended as follows:

- 1) Increase ~~General Fund Revenue~~ Revolving Loan Fund by \$25,000.00
- 2) Increase the Revolving Loan ~~Microgrant budget~~ Fund Expense Account by \$25,000.00.

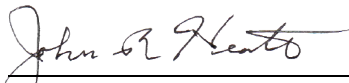
BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 22nd day of June 2020, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 13th day of July, 2020

ATTEST:

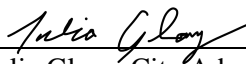


Kimberly R. Nichols, City Clerk



John R. Heath, President
Salisbury City Council

Approved by me this 20 day of July, 2020



Julia Glanz, City Administrator
for and with the authority of
Jacob R. Day, Mayor



Memo

To: City Council
From: Laura Soper
Subject: COVID-19 Microgrant Program – Donation Acceptance from Delmarva Power
Date: 6/8/20

The Office of Business Development is requesting the Council's consideration to accept a donation from Delmarva Power in the amount of \$25,000 to be used into the COVID-19 Microgrant Program. There is an existing fund of \$82,393, and Delmarva Power has graciously offered to donate an additional \$25,000 to this fund.

The grants would be available on lottery basis for qualified Downtown businesses (must be within the Revolving Loan map area) and the maximum they could apply for is up to \$2,300.

The application process will be overseen by my department and in order to apply, the business must fill out an application that will require them to demonstrate either a financial need for the grant and specify what it will be used for.

Additional Program Guidelines are as follows

- Must have been established prior to March 5, 2020 and have employed no more than 25 full-time people at that time
- Businesses must have a physical location in the Revolving Loan boundaries map, be in good standing with the State of Maryland Department of Assessments & Taxation, Wicomico County, and the City of Salisbury
- Must be engaged in activities that were regulated or impacted by the COVID-19 Maryland's State of Emergency and have a license/permit associated to that regulation
- Have no pre-existing tax liens or legal judgements prior to March 5, 2020
- The following organizations are not eligible for funding
 - Non-profits
 - Medical service providers
 - Home based businesses located in a residence
 - Churches
 - Banks & financial institutions
 - Investment real-estate entities
 - Food trucks
 - National franchises
 - Government agencies



City of Salisbury

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- Grants will be awarded on a lottery basis, and applications will be accepted during a 1 week period when the program is started.
 - Only one application per business will be considered at this time
 - Applicants must remain in business 1 year after receiving the funding.

Funds Can Be Used For:

- Provide paid sick leave to employees unable to work due to the direct effect of the coronavirus
- Maintaining payroll and/or retaining employees during business disruptions or substantial shutdowns
- Meeting increased costs to obtain materials unavailable from the applicant's original source due to interrupted supply chains
- Making rent or mortgage payments
- Repaying obligations that cannot be met due to revenue losses
- Purchasing PPE or spending on safety measures to reduce the spread of COVID-19

The goal of the program is to provide funding to businesses that were most impacted by the mandated shutdowns. Businesses that were mandated to fully close (non-essential retail, salons, etc) would receive first priority in applying for the funding. (Tier 1) If funding is not fully expended on these types of businesses, secondary businesses that were impacted by partial shutdowns could apply and potentially received funding. (Tier 2)

Process

1. An applicant can apply online or by email to LSoper@salisbury.md
2. The application will be reviewed by the Director of Business Development, an officer in the City of Salisbury Finance Department, and the Deputy City Administrator for completeness
 - a. The applicant must demonstrate a tangible and immediate need for funding
 - b. The applicant must certify that the funds will be used for the tangible and immediate need
3. Once the applicants are verified and approved, they will be classified by Tier 1 or Tier 2. Tier 1 applicants must meet all guidelines of the application process and demonstrate that they were mandated to be fully closed. Tier 2 applicants must demonstrate that they were mandated to partially close or saw a reduction in income as a result of COVID-19.
4. Tier 1 applicants will receive first priority and approved applications will be entered into a lottery system. If there are funds left over after the Tier 1 lottery system, a lottery will open for Tier 2 applicants.
5. Awardees will be selected at random and will receive the grant check via mail.
6. Awardees will be required to complete a disbursement form and must be able to produce receipts within 60 days of City approval



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**Revolving Loan
Boundary Map**

Salisbury Wicomico Planning Office
6/23/2014