

ORDINANCE NUMBER 71504

BOARD BILL NUMBER 82 AS AMENDED INTRODUCED BY: PRESIDENT LEWIS E. REED/ALDERMAN JEFFREY BOYD/ALDERWOMAN PAMELA BOYD

1 An Ordinance recommended by the Board of Estimate and Apportionment and authorizing
2 the Mayor, or her designees, to apply for and accept funds pursuant to Federal
3 appropriations under the American Rescue Plan Act of 2021, Pub. L. No. 117-2, § 9901 (March
4 11, 2021) (ARPA), directing the Comptroller to establish a new account for the receipt of funds to
5 the extent received, appropriating certain expenditures of such funds to the extent received;
6 authorizing contracts and intergovernmental agreements and to expend the funds, to the extent
7 received; containing a severability clause; and containing an emergency clause.

8 **WHEREAS**, the City has received Two Hundred Forty-Nine Million Thirty-Eight
9 Thousand Twenty-Seven Dollars (\$249,038,027.00) from the Coronavirus Local Fiscal Recovery
10 Fund and the City anticipate the receipt of additional funds in the calendar year 2022;

11 **WHEREAS**, the Federal Government has issued interim guidance for the 2021
12 Coronavirus Local Fiscal Recovery Funds and the Federal Government may issue additional
13 guidance on the use of such relief funding in the future;

14 **WHEREAS**, the use of the 2021 Coronavirus Local Fiscal Recovery Funds must adhere to
15 Federal guidance that has been and will be issued and the City's associated requirements;

16 **WHEREAS**, 2021 Coronavirus Local Fiscal Recovery Funds may be used "(A) to
17 respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-
18 19) or its negative economic impacts, including assistance to households, small businesses, and

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1 nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (B) to respond to
2 workers performing essential work during the COVID–19 public health emergency by providing
3 premium pay to eligible workers of the metropolitan city, non-entitlement unit of local
4 government, or county that are performing such essential work, or by providing grants to eligible
5 employers that have eligible workers who perform essential work; (C) for the provision of
6 government services to the extent of the reduction in revenue of such metropolitan city,
7 non-entitlement unit of local government, or county due to the COVID–19 public health
8 emergency relative to revenues collected in the most recent full fiscal year of the metropolitan
9 city, non-entitlement unit of local government, or county prior to the emergency; or (D) to make
10 necessary investments in water, sewer, or broadband infrastructure”; and

11 **WHEREAS**, there is an immediate and urgent need to meet the public health, economic
12 and public safety crises as quickly and effectively as possible.

13 **WHEREAS**, The Department of the Treasury’s Coronavirus State and Local Fiscal
14 Recovery Funds Final Rule states “*the final rule provides a non-exhaustive list of enumerated*
15 *eligible uses for assistance to small businesses that are impacted or disproportionately impacted*
16 *by the pandemic. A recipient may also identify small businesses that have been*
17 *disproportionately impacted by the public health emergency and design and implement a program*
18 *that responds to the source of that disproportionate impact. Consistent with other eligible use*
19 *categories to respond to the public health and economic impacts of the pandemic, recipients may*
20 *identify and serve small businesses that experienced a negative economic impact or*

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1 *disproportionate impact due to the pandemic.... In order to ease administrative burden, the final*
2 *rule presumes that small businesses operating in QCTs, small businesses operated by Tribal*
3 *governments or on Tribal Lands, and small businesses operating in the U.S. territories were*
4 *disproportionately impacted by the pandemic.”*

5 **WHEREAS,** The Department of the Treasury’s Coronavirus State and Local Fiscal
6 Recovery Funds Final Rule states “*Additionally, Treasury agrees with commenters that*
7 *disproportionately impacted small businesses may benefit from additional assistance to address*
8 *the sources of that disparate impact. As such, the final rule provides a broader set of enumerated*
9 *eligible uses for disproportionately impacted small businesses and/or small businesses in*
10 *disproportionately impacted business districts. Recipients may use SLFRF funds to assist these*
11 *businesses with certain capital investments, such as rehabilitation of commercial properties,*
12 *storefront improvements, and façade improvements. Recipients may also provide*
13 *disproportionately impacted microbusinesses additional support to operate the business,*
14 *including financial, childcare, and transportation supports.”*

15 **WHEREAS,** The Department of the Treasury’s Coronavirus State and Local Fiscal
16 Recovery Funds Final Rule states “*Recipients could also provide technical assistance, business*
17 *incubators, and grants for start-ups or expansion costs for disproportionately impacted small*
18 *businesses. Note that some of these types of assistance are similar to those eligible to respond to*
19 *small businesses that experienced a negative economic impact (“impacted” small businesses).*
20 *However, because the final rule presumes that some small businesses were disproportionately*

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1 *impacted, these enumerated eligible uses can be provided to those businesses without any specific*
2 *assessment of whether they individually experienced negative economic impacts or*
3 *disproportionate impacts due to the pandemic.”*

4 **WHEREAS,** The Department of the Treasury’s Coronavirus State and Local Fiscal
5 Recovery Funds Final Rule states *“In order to ease administrative burden, the final rule presumes*
6 *that nonprofits operating in QCTs, operated by Tribal governments or on Tribal Lands, or*
7 *operating in the U.S. territories were disproportionately impacted by the pandemic.”*

8 **WHEREAS,** The Final Rule lists under eligible uses *“A program, service, capital*
9 *expenditure, or other assistance that responds to disproportionately impacted small businesses,*
10 *including rehabilitation of commercial properties; storefront and façade improvements; technical*
11 *assistance, business incubators, and grants for start-ups or expansion costs for small businesses;*
12 *and programs or services to support micro-businesses”*

13 **WHEREAS,** The Final Rule lists under Eligible Uses for nonprofit organizations
14 operating in a Qualified Census Tract *“Assistance to nonprofit organizations including programs,*
15 *services, or capital expenditures, including loans or grants to mitigate financial hardship such as*
16 *declines in revenues or increased costs, or technical assistance.”*

17 **WHEREAS,** One of the ten goals of the Economic Development Strategic Framework, as
18 contained in the City of St. Louis Equitable Economic Development Framework Report is
19 “Reduce vacancy rates and promote vibrancy on commercial corridors, especially in underserved
20 neighborhoods.”

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1 **WHEREAS**, The City of St. Louis Budget Director has calculated the City’s total
2 Revenue Loss calculation under American Recovery Plan Act guidelines to be over three hundred
3 and forty million dollars (\$340,000,000). The Final Rule states that expenditures up to this
4 amount, with a few exceptions, may be used for any government services.

5 **WHEREAS**, The Final rule states, *“under the revenue loss eligible use category,*
6 *recipients have broad latitude to use funds for government services up to their amount of revenue*
7 *loss due to the pandemic.”*

8 **WHEREAS**, the Final Rule states *“Treasury continues to believe that the lists of activities*
9 *that either are or are not providing government services are accurate but is clarifying here that,*
10 *generally speaking, services provided by the recipient governments are “government services”*
11 *under the interim final rule and final rule, unless Treasury has stated otherwise.”* The uses
12 specifically outlined as not eligible only include “use of funds for debt service, to replenish
13 financial reserves, or to satisfy an obligation arising from a judicial settlement or judgment.

14 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

15 **SECTION ONE.** The City shall utilize and spend the 2021 Coronavirus Local Fiscal
16 Recovery Funds for certain purposes in accordance with the following sections.

17 **SECTION TWO.** There is hereby appropriated the sum of Thirty-Seven Million Dollars
18 (\$37,000,000) of the 2021 Coronavirus Local Fiscal Recovery Funds to the Community
19 Development Administration (CDA). CDA shall work with the St. Louis Development

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1 Corporation (SLDC) to manage the funds pursuant to a sub-recipient agreement setting out the
2 proposed fund uses and their eligibility under ARPA, compliance and reporting requirements, key
3 performance indicators, and other matters as may be necessary.” The sub-recipient agreement
4 between The Community Development Administration and the St. Louis Development
5 Corporation shall be negotiated and executed within seven (7) days of this bill becoming law. If
6 there is no sub-recipient agreement executed by The Community Development Administration
7 and the St. Louis Development Corporation within seven (7) days of this bill becoming law then
8 The Community Development Administration and the St. Louis Development Corporation shall
9 have to seek approval of the sub-agreement by the Board of Alderman by means of a Resolution.
10 As the passthrough City Department for the appropriated funds to SLDC the Community
11 Development Administration will advance the total sum of the appropriation.

12 This funding will be used along herein defined North City Commercial Corridors for
13 grants to stabilize and expand small businesses and non-profits, grants to add providers of needed
14 services to neighborhoods, as well as grants to cover a percentage of costs for business or
15 community enhancement projects.

16 The North City Commercial Corridors are as defined in this section.

17 The North Grand Blvd. Corridor will run along North Grand Blvd. from Delmar to Blair.
18 The Dr. Martin Luther King Drive Corridor will run southerly along Dr. Martin Luther King
19 Drive from North Jefferson Avenue to the City Limits. The Florissant Avenue Corridor will run
20 along Florissant Avenue from St. Louis Avenue to 14th Street. The North Broadway Corridor will

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1 run along North Broadway from Halls Ferry Road to Christian Avenue. The Natural Bridge
2 Avenue Corridor will run westerly along Natural Bridge Avenue from Fair Ave. to the city limits.
3 The W. Florissant Avenue Corridor will run along W. Florissant Avenue from Highway 70 to
4 Acme Ave.

5 The Delmar West Corridor will run along Delmar Blvd. from Union to N. Taylor Avenue.
6 The Delmar East Corridor will run along Delmar Blvd. from N. Spring Ave. to N. 23rd Street. The
7 Goodfellow Corridor will run north on Goodfellow Avenue from Delmar Blvd to the city limits.
8 The Union Avenue Corridor will run along Union Avenue from Page Ave. to West Florissant
9 Avenue. The Page Avenue Corridor will run along Page Avenue from Vandeventer Avenue to
10 Compton Avenue.

11 The thirty-seven million dollars (\$37,000,000) of funding will be allocated among the North City
12 Commercial Corridors as described in Exhibit A of this ordinance for the three uses described in
13 this section.

14 *Small Business Stabilization and Expansion Grants.*

15 Small businesses and nonprofits along each corridor can apply for stabilization and expansion
16 grants from these funds. The City Counselor shall create an application form using standardized
17 language for applying for these funds. Said application shall be ready to use by applicants by June
18 1, 2022. The application shall be produced in both digital and paper formats. The City shall
19 partner with the library to train people to apply for all grants. The applications at the library shall
20 be available in both paper and digital formats.

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Small Business and Community Enhancement Grants.

Small businesses and nonprofit organizations along each corridor can apply for business and community enhancement grants from these funds to cover 30 percent (for a project that involves commercial property demolition for new construction) or 50 percent (for commercial property rehabilitation & improvement) of total costs for a business or community enhancement project that is located along one of the defined commercial corridors. Business and community enhancement projects can include rehabilitation of commercial properties, storefront improvements, and façade improvements. Prior to disbursement, applicants must be able to demonstrate their ability to provide other funding, whether raised from debt or equity, for completion of the project.

Application for business and community enhancement grants will be reviewed based on Project Readiness and Catalytic Impact. Assessment of Project Readiness will be based on factors such as site control, property status including any encumbrances, project budget, other sources of financing, and construction plan readiness. Assessment of Catalytic Impact will be based on community input, if necessary or practical, and whether the intended use fills a gap or need in the neighborhood or will draw people to the community.

If a small business owner applicant lives in the same or an immediately adjacent neighborhood as the neighborhood the project lies within, he or she will be eligible for an additional fifteen percent of total project costs in grant funding during the development phase of the business and community enhancement project.

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1 If an applicant does not live in the same or an immediately adjacent neighborhood as the
2 neighborhood the project lies within and hires at least two individuals for full time jobs that do
3 live in the same or an immediately adjacent neighborhood as the neighborhood the project lies
4 within, he or she will be eligible for one year of salary reimbursement for those individuals up to
5 15% of the total project costs.

Community Need Grants.

6
7 Small businesses and nonprofit organizations that are located in a HUD Qualified Census Tract
8 and are within a neighborhood that contains a portion of one of the North City Commercial
9 Corridors can also apply for the funds. To qualify, a small business or nonprofit organization
10 must fill a gap in needed professional or health services or enhance retail or cultural offerings in
11 the neighborhood.

12 For all programs, preference will be given to applicant business owners and non-profit
13 executives that live within the neighborhood of the project or an immediately adjacent
14 neighborhood.

15 The St. Louis Development Corporation (SLDC) will manage the program and fund.
16 Administration of and compliance to the program be paid for with money within the fund, not to
17 exceed 10% of the appropriated sum, Three Million Seven Hundred Thousand Dollars
18 (\$3,700,000). SLDC will conduct initial vetting of the applications for financial and project
19 feasibility, manage all required program documentation, and work directly with grantees to move
20 their projects ahead.

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1 *Qualified Provider.*

2 SLDC may use a Qualified Provider. A Qualified Provider is defined as an agency or
3 entity certified or trained to provide services to eligible persons. Any Qualified Provider selected
4 agrees to meet the standards for services and operations established by SLDC.

5 If there is need for a Qualified Provider to provide certain services, then there must be a
6 list of Approved Qualified Providers. The list of Qualified Providers must be approved by both
7 the Board of E&A and Board of Aldermen.

8 If there is need for a Qualified Provider, there must be standards for a Qualified Provider.
9 The standards for who is eligible to be a Qualified Provider shall be jointly agreed upon by SLDC
10 and the City Counselor’s Office. Once the standards are produced, they must be submitted to the
11 members of E&A and the Board of Aldermen.

12 Any project in the wards, including grants, shall be approved by the Alderman of the ward
13 in which the project is proposed. This approval shall be requested by SLDC, and approval shall
14 be provided by the Alderman of the ward via letter on the Alderman’s letterhead. If the Alderman
15 of the ward does not send a letter of support on their letterhead, then the project shall not be
16 funded or approved by SLDC.

17 Once a grant is awarded, SLDC will work with the entrepreneurs to help them draw
18 resources from the grant, secure outstanding resources and finances, obtain building permits and
19 any necessary city licenses.

20 **SECTION THREE.** There is hereby appropriated the sum of Two Million Dollars

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1 (\$2,000,000) of the 2021 Coronavirus Local Fiscal Recovery Funds to the Department of Human
2 Services. The Director of the Department of Human Services or her designee is hereby authorized
3 to make, negotiate, and execute any and all contracts or other documents on behalf of the City to
4 expend such funds, and to expend such funds on behalf of the City for the purposes of
5 improvements to streets, buildings, and parks to provide American Disabilities Act compliance as
6 prioritized by the Department of Human Services Office on the Disabled.

7 **SECTION FOUR.** Severability Clause. It is hereby declared to be the intention of the
8 Board of Aldermen that each and every part, section and subsection of this Ordinance shall be
9 separate and severable from each and every other part, section and subsection hereof and that the
10 Board of Aldermen intends to adopt each said part, section and subsection separately and
11 independently of any other part, section and subsection. In the event that any part, section or
12 subsection of this Ordinance shall be determined to be or to have been unlawful or
13 unconstitutional, the remaining parts, sections and subsections shall be and remain in full force
14 and effect, unless the court making such finding shall determine that the valid portions standing
15 alone are incomplete and are incapable of being executed in accord with the legislative intent.

16 **SECTION FIVE.** Emergency Clause. Delay in receipt and appropriation of these monies
17 will increase threats to the public health and welfare by causing delay in responding to the fiscal
18 and other impacts caused by the COVID-19 crisis. This being an ordinance appropriated for
19 emergency funding for current expenses of the City government, it is hereby declared to be an
20 emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the

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1 City of St. Louis and shall become effective immediately upon its passage and approval by the
2 Mayor.

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Board Bill Number 82

As Amended

Exhibit 1

Department	Appropriation Amount	Corridor for Use of Funds
<i>St. Louis Development Corporation</i>	\$ 5,000,000	North Grand Blvd. Corridor
	\$ 9,600,000	Dr. Martin Luther King Dr Corridor
	\$ 1,200,000	Florissant Avenue Corridor
	\$ 600,000	North Broadway Corridor
	\$ 5,700,000	Natural Bridge Avenue Corridor
	\$ 5,550,000	West Florissant Avenue Corridor
	\$ 1,100,000	Delmar West Corridor
	\$ 1,300,000	Delmar East Corridor
	\$ 1,125,000	Goodfellow Corridor
	\$ 4,500,000	Union Avenue Corridor
	\$ 500,000	Page Avenue Corridor
	\$ 825,000	Area Wide Benefit Projects, Planning, Marketing, Consulting
	\$ 37,000,000	TOTAL AMOUNT