

Summary
Board Bill Number 82
As Amended
Introduced by: President Lewis E. Reed
July 9, 2021

This Board Bill recommended by the Board of Estimate and Apportionment and authorizing the Mayor, or her designees, to apply for and accept funds pursuant to Federal appropriations under the American Rescue Plan Act of 2021, Pub. L. No. 117-2, § 9901 (March 11, 2021) (ARPA) and containing a severability clause; and containing an emergency clause.

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

1 An Ordinance recommended by the Board of Estimate and Apportionment and
2 authorizing 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
5 to 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 anticipates 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

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, nonentitlement 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 nonentitlement 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, nonentitlement 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*

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*

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.”

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 St. Louis
19 Development Corporation. The Executive Director of the St. Louis Development Corporation or
20 his or her designee is hereby authorized to make, negotiate, and execute any and all contracts or

1 other documents on behalf of the City to expend such funds and to expend such funds on behalf of
2 the City for purposes described in this section. This funding will be used along herein defined
3 North City Commercial Corridors for grants to stabilize and expand small businesses and non-
4 profits, grants to add providers of needed services to neighborhoods, as well as grants to cover a
5 percentage of costs for business or community enhancement projects.

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

7 The North Grand Blvd. Corridor will run along North Grand Blvd. from Delmar to Blair.
8 The Dr. Martin Luther King Drive Corridor will run southerly along Dr. Martin Luther King
9 Drive from North Jefferson Avenue to the City Limits. The Florissant Avenue Corridor will run
10 along Florissant Avenue from St. Louis Avenue to 14th Street. The North Broadway Corridor will
11 run along North Broadway from Halls Ferry Road to Christian Avenue. The Natural Bridge
12 Avenue Corridor will run westerly along Natural Bridge Avenue from Fair Ave. to the city limits.
13 The W. Florissant Avenue Corridor will run along W. Florissant Avenue from Highway 70 to
14 Acme Ave.

15 The Delmar West Corridor will run along Delmar Blvd. from Union to N. Taylor Avenue.
16 The Delmar East Corridor will run along Delmar Blvd. from N. Spring Ave. to N. 23rd Street. The
17 Goodfellow Corridor will run north on Goodfellow Avenue from Delmar Blvd to the city limits.
18 The Union Avenue Corridor will run along Union Avenue from Page Ave. to West Florissant
19 Avenue. The Page Avenue Corridor will run along Page Avenue from Vandeventer Avenue to
20 Compton Avenue.

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

4 *Small Business Stabilization and Expansion Grants.*

5 Small businesses and nonprofits along each corridor can apply for stabilization and expansion
6 grants from these funds.

7 *Small Business and Community Enhancement Grants.*

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

17 Application for business and community enhancement grants will be reviewed based on
18 Project Readiness and Catalytic Impact. Assessment of Project Readiness will be based on factors
19 such as site control, property status including any encumbrances, project budget, other sources of
20 financing, and construction plan readiness. Assessment of Catalytic Impact will be based on

1 community input and whether the intended use fills a gap or need in the neighborhood or will
2 draw people to the community.

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

7 If an applicant does not live in the same or an immediately adjacent neighborhood as the
8 neighborhood the project lies within and hires at least two individuals for full time jobs that do
9 live in the same or an immediately adjacent neighborhood as the neighborhood the project lies
10 within, he or she will be eligible for one year of salary reimbursement for those individuals up to
11 15% of the total project costs.

12 *Community Need Grants.*

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

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

1 The St. Louis Development Corporation (SLDC) will manage the program and fund.
2 Administration of and compliance to the program may be paid for with money within the fund.
3 SLDC will conduct initial vetting of the applications for financial and project feasibility, manage
4 all required program documentation, and work directly with grantees to move their projects ahead.
5 These functions may be outsourced by SLDC with approval by the Board of Aldermen through a
6 Resolution.

7 Grants above one hundred thousand dollars (\$100,000) will require the following two
8 separate approvals 1) the Alderperson elected to represent the ward the project lies within, and 2)
9 a majority of all Alderpersons that represent the affected corridor.

10 This approval will be requested by SLDC and can be provided by a letter on the
11 Alderperson's letterhead.

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

15 **SECTION THREE.** There is hereby appropriated the sum of Two Million Dollars
16 (\$2,000,000) of the 2021 Coronavirus Local Fiscal Recovery Funds to the Department of Human
17 Services. The Director of the Department of Human Services or her designee is hereby authorized
18 to make, negotiate, and execute any and all contracts or other documents on behalf of the City to
19 expend such funds, and to expend such funds on behalf of the City for the purposes of
20 improvements to streets, buildings, and parks to provide American Disabilities Act compliance as

1 prioritized by the Department of Human Services Office on the Disabled.

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

11 **SECTION FIVE.** Emergency Clause. Delay in receipt and appropriation of these monies
12 will increase threats to the public health and welfare by causing delay in responding to the fiscal
13 and other impacts caused by the COVID-19 crisis. This being an ordinance appropriated for
14 emergency funding for current expenses of the City government, it is hereby declared to be an
15 emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the
16 City of St. Louis and shall become effective immediately upon its passage and approval by the
17 Mayor.

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