

RESOLUTION NO. 2020-32

**AUTHORIZING CITY OF FOREST GROVE URBAN RENEWAL AGENCY
TO ESTABLISH AN EMERGENCY BUSINESS ASSISTANCE PROGRAM**

WHEREAS, Governor Brown has declared a public health emergency in response to the COVID-19 pandemic; and

WHEREAS, bars, restaurants, and other businesses have been ordered to close their doors or operate as carry-out facilities only; and

WHEREAS, the duration of the public health emergency is unknown; and

WHEREAS, Forest Grove small businesses will be detrimentally impacted if they cannot serve customers at their full capacity; and

WHEREAS, the Forest Grove City Council created the Urban Renewal Agency in 2014; and

WHEREAS, the Agency is uniquely positioned to offer emergency financial assistance to small businesses within the district to help them pay their rent or mortgage; and

WHEREAS, a mortgage and rental assistance program for small businesses in the Urban Renewal Area would be consistent with the blight elimination and business retention goals of the City of Forest Grove Urban Renewal Plan; and

WHEREAS, ORS 457.180(7) stipulates that an urban renewal agency is authorized to engage in activities such as a loan program if the activity is "specifically delegated to it by the governing body of the municipality".

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. The City Council of the City of Forest Grove does hereby delegate authority to the City of Forest Grove Urban Renewal Agency to establish an Emergency Business Assistance Program.

Section 2. The City Council does hereby direct the City Manager, or designee, to implement the Forest Grove Emergency Business Assistance Program.

Section 3. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 26th day of March, 2020.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 26th day of March, 2020.



Peter B Truax, Mayor



A place where families and businesses thrive.

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	
MEETING DATE:	03/26/2020
FINAL ACTION:	RESO 2020-32

CITY COUNCIL STAFF REPORT

TO: *City Council*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *March 26, 2020*

PROJECT TEAM: *Bryan Pohl, Community Development Director
Jeff King, Economic Development Manager*

SUBJECT TITLE: *Resolution Authorizing the Forest Grove Urban Renewal Agency to establish an Emergency Business Assistance Program.*

ACTION REQUESTED:	Ordinance	Order	X	Resolution	Motion	Informational
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X all that apply

BACKGROUND: In response to the COVID-19 crisis, Governor Brown has issued orders for numerous types of small businesses to close or curtail operations. For example, bars and restaurants are limited to carry out and many other businesses, such as hair salons, gyms, dance studios and spas, have been required to close. These requirements are in effect until such time the Governor lifts them. These closures and curtailments could have a detrimental impact to the small business community. In response, staff is proposing a limited duration small business assistance program.

Staff has discussed this program with the City Attorney who affirms the program is consistent with the Agency’s goals and objectives and therefore an allowable expense. ORS 457.180(7) stipulates that an urban renewal agency is authorized to engage in activities such as a loan program if the activity is "specifically delegated to it by the governing body of the municipality". However, the City Council must first delegate that authority to the Urban Renewal Agency.

FISCAL IMPACT: The program proposes to offer grants up to \$2,500 per business, with a total budget of no more than \$100,000. Qualifying businesses would only be reimbursed for April’s rent or mortgage. For example, if rent is \$1,000, the business would receive \$1,000, not \$2,500. Staff is proposing to fund this through higher than expected property tax revenue and by potentially suspending future storefront façade, public art, and parklet programs, depending upon future tax revenue. This determination will be made during the budget process. Existing storefront and public art proposals will not be impacted. Staff will offer a more detailed financial analysis at the meeting.

STAFF RECOMMENDATION: Staff recommends that Council consider the proposed resolution authorizing the URA to establish the Emergency Business Assistance Program.

ATTACHMENT(s):

- A. Resolution