CITY OF LEADVILLE, COLORADO RESOLUTION NO. 19 SERIES 2020

A RESOLUTION ESTABLISHING THE IMMEDIATE BUSINESS SUPPORT PROGRAM, DIRECTING THE IMMEDIATE IMPLEMENTATION OF THE PROGRAM IN RESPONSE TO THE CORONAVIRUS PANDEMIC, AND AUTHORIZING THE EXPENDITURE OF FUNDS FOR SUCH PROGRAM

WHEREAS, the World Health Organization has declared the Novel Coronavirus Disease ("COVID-19") to be a worldwide pandemic; and

WHEREAS, on March 10, 2020, the Governor of the State of Colorado recognized the COVID-19 pandemic and declared a state of emergency; and

WHEREAS, the President of the United States declared a national emergency concerning the COVID-19 outbreak on March 13, 2020 to implement additional measures to contain and combat the virus in the United States; and

WHEREAS, on March 16, 2020, the Lake County Board of County Commissioners issued a local disaster declaration due to the imminent threat from widespread or severe damage, injury or loss from the COVID-19 pandemic; and

WHEREAS, on March 17, 2020, the City of Leadville issued a local emergency disaster declaration due to the pandemic, which declaration has been extended to May 5, 2020 pursuant to Resolution No. 15, Series 2020; and

WHEREAS, the State of Colorado is currently under a state-wide Stay at Home order and related public health orders due to the COVID-19 pandemic that require businesses to close or significantly impair or alter their operations; and

WHEREAS, businesses must continue to pay rent and other essential business expenses to continue to operate and employ as many people as possible or to be able to reopen when the public health orders are lifted; and

WHEREAS, local businesses play a vital role in the City's overall health and well-being, and the closure of such businesses has a severe negative impact on the community as a whole, including a reduction in the City's sales tax revenues used to provide public services; and

WHEREAS, in addition to its authority to control the finances of the City and appropriate money for municipal purposes, the City Council is authorized pursuant to C.R.S. § 31-15-401(1)(b) to do all acts and make all regulations which may be necessary or expedient for the promotion of health or the suppression of disease; and

WHEREAS, the continued need for extreme social distancing measures to slow and prevent the spread of COVID-19 necessitates action on the part of the City to use its resources to help ensure the short-term and long-term economic vitality of the City by assisting businesses in paying essential business costs while those businesses wait for other assistance from state and federal sources; and

WHEREAS, the City Council approved two hundred thousand dollars and no cents (\$200,000.00) of City funds to be used for the Immediate Business Support Program at a special meeting on April 14, 2020; and

WHEREAS, City Council finds that adoption of this Resolution is necessary to aid businesses and individuals within the City in dealing with the extreme economic impacts of the COVD-19 pandemic while complying with public health orders to help slow the spread of COVID-19 and that adoption of this Resolution is proper under C.R.S. § 31-15-401(1)(b) and other applicable law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Leadville, Colorado as follows:

- Section 1. Recitals Incorporated. The recitals contained above are incorporated herein by reference and are adopted as findings and determinations of the City Council.
- Section 2. Public Purpose. The purposes of this Resolution are to: (1) Provide immediate critical financial resources to local businesses; (2) Attempt to preserve essential revenues for the City for the provision of public services; and (3) Enhance the likelihood that local businesses will survive after the COVID-19 pandemic such that the short- and long-term vitality of the City will be preserved.
- Section 3. Immediate Business Support Program. City Council hereby establishes the Immediate Business Support Program to provide grants in aid of Leadville businesses that have had their operations severely limited by public health orders related to the COVD-19 pandemic.
- A. Unless there is further action by City Council, the program shall distribute not more than Two Hundred Thousand Dollars (\$200,000.00) in total grants, with no grant to any single business exceeding the amount of the business's monthly rent (or mortgage) and utility costs for up to two (2) months, or Five Thousand Dollars (\$5,000.00), whichever is less.
- B. To be eligible to receive a grant under the Immediate Business Support Program, a business must have:
 - 1. Had its operations severely limited because of the COVID-19 pandemic and the related public health orders; and
 - 2. A current and valid City of Leadville business license and otherwise be in

- compliance with the Leadville Municipal Code at the time of application; and
- 3. Held a valid City business license in 2019 if the business did not renew its license for 2020 prior to applying for a grant from the City; and
- 4. A physical location within the City of Leadville; and
- 5. No more than fifty (50) employees as of March 1, 2020.
- C. The following businesses shall not be eligible for grants from the Immediate Business Support Program:
 - 1. Short-term rentals;
 - 2. Businesses without a valid business license issued by the City (though applicants may apply for a business license concurrently with the grant application subject to the conditions in subsection B above);
 - 3. Any publicly traded corporation, or a business owned by, controlled by, or a subsidiary of a publicly traded corporation; and
 - 4. Any business that earned more than \$5 million in annual gross revenues, or is it owned by, controlled by, or a subsidiary of an entity that earned more than that amount.
- D. Due to the limited funds available for this grant program, preference shall be given to businesses that:
 - 1. Have been deemed non-essential businesses;
 - 2. Have the greatest number of employees employed as of March 1, 2020 (sole proprietors are not prohibited from applying); and
 - 3. Are located in the RC, C, TR and TC zone districts, with RC and C zone districts receiving higher preference than TR and TC zone districts (businesses located in other zone districts within the City are not prohibited from applying).
- Section 4. City Staff to Implement Program. City staff, under the direction of the City Administrative Services Manager, is hereby authorized and directed to take all actions reasonably necessary to immediately implement the Immediate Business Support Program established herein.
- Section 5. Use of Funds Authorized. There is hereby authorized for expenditure the sum of Two Hundred Thousand Dollars (\$200,000.00) of City funds for the purpose of funding and administering the Immediate Business Support Program established by this Resolution. City

Council directs City staff to bring to Council a proposed amendment to the City's budget that reflects the expenditures authorized herein once sufficient budget analysis has been completed to determine the appropriate funding source.

Section 6. Effective Date. This Resolution shall be in full force and effect immediately upon adoption.

CITY OF LEADVILLE, COLORADO:

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Greg Labbe, Mayor

ATTEST

Deputy City Clerk

ADOPTED by a vote of \rightarrow in favor and \rightarrow against, and \rightarrow abstaining, this 21st day of April, 2020.