

UNALASKA CARES ACT PROGRAM

Overview

Never had a grant program like this before. Usually applying for money with a sources and uses budget up front. In this program we received \$13.45 M and are evaluating how to distribute funds according to impact on the local business community, workforce, and the city response preparedness.

A snapshot of a few other communities:

The following information range from proposals to their own local governments to already implemented. So this information is also in flux.

Flat Rate Grants to each business in varying amounts.

- Kenai - Business & Non Profit Recovery Grants $\$3\text{M}/7.7 = 38.9\%$
- Kodiak – Business & Non Profit Recovery Grants $\$3\text{M}/11 \text{ M} = 27.2\%$
Payments of between \$2,500 - \$25,000
(49 Businesses applied in a 2 week period)
- Ketchikan Borough - $\$3.2\text{M}/\$10.4\text{M} = 31\%$

Subsidy – smaller payments to larger number of businesses, less time to apply and administer

Impact based grant – larger payments to smaller number of businesses, larger application and more time to administer

\$200,000 to nonprofits + \$200,000 to shelter & food security program

- Skagway – No payments to individual businesses (tourist economy)
\$400,000 to food bank

Payments directly to the citizens.

- Skagway – Community Assistance Checks, \$1,000 month from February – July, 2020
 $\$6\text{M CARES} + \$1.9\text{M CPV Grant} = \$7.9 \text{ M program (968 people in 2010)}$
- Kenai - Individual assistance - $\$900,000 / \$7.7 \text{ M} (11.7\%)$

City Resiliency

- Kenai - $\$3.8 \text{ M} = 49.4\%$
- Kodiak - $\$8 \text{ M} = 73\%$
- Skagway - $\$953,000 = 16\%$
- Ketchikan Borough - $\$1.4 \text{ M} = 13.6\%$

Unalaska City Council Discussion Facilitation

Assistance to Small Businesses & Nonprofits – \$3.36M / \$13.45M = 25%

1. Non-Essential Businesses - Reimburse the costs of business interruption caused by required closures. Small businesses have 50 employees or less.
2. Essential – Reimburse costs of business interruptions caused by issues related to COVID – i.e. 14 day quarantine travel periods, travel disruptions, cancelled orders, etc.
3. Nonprofits – Revenues lost from cancelled fundraisers, additional costs due to virus response programs/ initiatives

Three funding concepts

1. Flat Rate by Annual Income
 - 0-50,000 = \$10,000
 - 51,000 – 100,000 = \$25,000
 - 101,000 + = \$50,000
2. Flexible Based on Gross Income
 - Gross Income Statement for affected period
 - Compare average 2 previous years to same period in 2020
 - Making a business whole (including profit)
3. Flexible Based on Net Income
 - Profit / Loss Statement
 - Compare average 2 previous years to same period in 2020
 - Direct Losses. This option does not include reimbursement for profit, unexpended payroll, non-ordered inventory, etc.
 - Reimbursing a business for direct expenses only
 - Maximum Payment
 - We could limit the total compensation overall, such as \$100,000 or \$250,000 as an option to either 2 or 3 above.

Application Requirements (Proposed)

1. Unalaska Business License from at least 2019 or earlier.
2. Complete Program Application (to be designed)
3. 2 years of tax returns
4. Profit/Loss Statement or Gross Income Statement (depending on the above program options)

Assistance for Unalaska Local Government

Various eligible expenses = \$10.09M / \$13.45M = 75%