



City of McMinnville
Planning Department
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MINUTES

August 5, 2020
McMinnville Economic Vitality Leadership Council
Regular Meeting

4:00 pm
Community Development Center
McMinnville, Oregon

Members Present: Carson Benner, Kellie Menke, Jodi Christensen, Walt Gowell, Mike Morris, Steve Patterson, John Deitz, Deven Paolo, Ellen Brittan, Gerardo Ochoa, and Robert Banagay

Members Absent: Dani Chisholm, Nancy Carlton, and Ty Rollins

Staff Present: Heather Richards, Scott Cooper, Jeff Knapp, Dave Rucklos, and Sean Kelso

Others Present Scott Hill – Mayor and Jeff Towery – City Manager

1. Call to Order

Chair Benner called the meeting to order at 4:00 p.m.

2. Minutes

- **January 15, 2020**

Councilor Menke moved to approve the January 15, 2020 minutes. The motion was seconded by Councilor Paolo and passed unanimously.

3. Emergency Business Assistance Grant Discussion

Planning Director Richards said there was \$200,000 in total funds for this grant program. Qualifying businesses were:

- For-profit and non-profit 501(c)(3) corporations who were prohibited from operation based on Executive Order 20-12.
- For-profit businesses that could demonstrate a one month decline in revenue greater than 50% in the month of March 2020 or April 2020 as compared against sales in the month of January 2020 or February 2020. Non-profit businesses with a decline in revenue greater than 50% for March and April, 2020 compared to March and April, 2019.
- Businesses with 25 or fewer employees.
- Businesses that had not received any federal assistance (PPP or EIDL)

The funds distribution was based on the state criteria which looked at the number of employees and the loss of revenue for 60 day fixed expenses.

Councilor Christensen clarified this was round 3 of the funding. For the first two rounds the criteria was the money was to go to businesses that could not access PPP or EIDL. There was challenge in getting the money out, so in round 2 they brought in additional funding to maximize the round 3 grants and fill the gap with some round 4 money. Round 4 and 5 did not have the PPP and EIDL criteria. She thought they should go forward with the idea that businesses who received PPP or EIDL would not be eligible for this round of funding.

Scott Cooper, MEDP, confirmed the round 3 restriction would be lifted for the rural areas including McMinnville. The limits might be raised as well.

Planning Director Richards said she had called Willamette Valley Work Force who received round 1 and 2 funds which included McMinnville funds to see if they had been able to expend all of the McMinnville funds. They had not because of the restrictions. If the restrictions were lifted, they should be able to get a lot more interest in the program. She continued the presentation by discussing the timeframe, which was 45 days to deploy the funds. This would mean 10 business days for marketing, 5 business days for application solicitation, 10 business days for application vetting by staff, 2 business days for application review by an MEVLC subcommittee, 1 business day for MEVLC review and approval, and 6 business days for the award letter and grant disbursement. The grant performance metrics were: deployment of funds was 45 days from the contract, 50% of the funds would go to women and minority owned businesses, and 50% of the funds would go to sole proprietors. She had gotten feedback from other communities and they suggested: engaging SBDC to help applicants with the application process, reviewing applications to see if it was too tough to navigate, perhaps developing a local application, and reviewing applications upon receipt and reaching out to those businesses that did not provide enough or the right information.

Councilor Christensen said the SBDC had an English and Spanish webinar to help applicants through the process. They also had staff who could provide assistance.

Planning Director Richards said some of the discussion items for the Council were:

- Did MEVLC want to assign a subcommittee to review applications and make recommendations to the MEVLC or did the MEVLC want to review all of the applications as a body?
- Should there be contracts with those who received the funds?
- Did the MEVLC want to add any additional local criteria to the grant application process, such as what the funds could be used for?
- Did the MEVLC want to create a scoring system for the grant criteria in order to prioritize grant awards?

There was consensus to have contracts with those who received the funds.

It was suggested to modify the timeframe for application review by the subcommittee. Councilor Patterson asked staff how many businesses they thought would apply. He was concerned that there would not be enough qualifying businesses and sole proprietorships.

Planning Director Richards said the majority of businesses she talked to downtown had been able to receive federal funding. If that restriction was removed from these funds, there would be a lot of interest in it. If it was not removed, she questioned the ability to deploy all of the funds. There were some communities that added additional local criteria for how the funds were used.

Councilor Christensen said some communities were using the funds for existing programs and used the criteria for those programs. The contract would lay out any of the finer points. Childcare providers and centers might be eligible as well.

Planning Director Richards said when she talked to other communities in round 1, some of them put restrictions on their use similar to the federal funds so it would be used for payroll, rental assistance, or inventory.

Councilor Brittan was concerned about enforcing the additional criteria and the extra staff time needed to review reports.

Planning Director Richards thought it would be written into the contract that businesses would report back how the funds were used within a certain amount of time.

There was concern that businesses might not want to apply if there were a lot of restrictions.

There was discussion regarding whether or not to create additional scoring criteria for the applications. Other criteria might include the two targets that the state indicated, women and minorities and sole proprietorships, if the businesses had not received any federal funding, length of time in business, and how it connected to the City's overarching economic plan.

There was further discussion regarding who would be on the subcommittee, and Councilor Brittan noted she might apply for the grant and should not be on the subcommittee.

It was noted if they did not get enough applications to use all of the money, then the scoring criteria would not be needed.

Councilor Gowell said sole proprietorships would exclude an LLC and a small corporation. Most businesses were one of those two.

Planning Director Richards thought the intent was for businesses who did not have main stream relationships, such as with banks and legal counsel, and were impacted by the executive order and could not access the federal funds.

It was suggested to have two sets of criteria, one for minimum qualifications and one as priority criteria.

There was discussion regarding what was on the application.

There was consensus for the applications to be reviewed by a subcommittee before going to the full committee. Councilors Banagay, Menke, Paolo, and Patterson and Chair Benner volunteered to serve on the subcommittee. The subcommittee would come up with the criteria and the criteria would go to the Council. When applications came in, they would be

reviewed by the subcommittee with the criteria and the recommendation would come to the full committee for a decision on the awards.

Councilor Ochoa was concerned about the subcommittee setting the criteria and weighting of the criteria instead of the whole committee. He asked after the subcommittee met on Friday, if the rest of the committee could give input on what was decided before it went to Council on Tuesday.

Planning Director Richards said yes, and they could schedule a meeting for Monday or Tuesday to discuss it further.

Councilor Brittan said they had not talked about whether they wanted to give any priority to 501(c)(3)'s.

Councilor Gowell did not think they should create a criterion that preferred a 501(c)(3) over a small business. They should be on an equal footing.

Chair Benner clarified applicants would also have to be in the McMinnville City limits. Planning Director Richards said if they received applications outside of the City limits, they would forward them to the appropriate entity that had funds for them.

There was discussion regarding other possible criteria, such as type of business, number of employees, percent lost in revenue, and those who did not receive federal funds,

4. Council Member Comments

None

5. Staff Comments

None

6. Rumor Mill

This item was not discussed.

7. Adjournment

Chair Benner adjourned the meeting at 4:57 p.m.