

CITY OF BOSTON

**Substantial Amendment #1
To Program Year 2019 Action Plan
July 1, 2019 – June 30, 2020
Small Business Relief Fund**

**Posted April 6, 2020
for 5-Day Public Comment**



Martin J. Walsh, Mayor

**Sheila A. Dillon, Chief of Housing and Director,
Department of Neighborhood Development**

The Department of Neighborhood Development (DND) is amending its Program Year 2019 Action Plan, covering the period July 1, 2019 to June 30, 2020, to adjust the program budgets within a number of programs to create a **Small Business Relief Fund** (SBRF) within the Small Business Development unit of the Office of Economic Development (OED). The **SBRF** is in response to the negative impact to small businesses in Boston due to the Coronavirus Disease (COVID-19) pandemic. (www.boston.gov/departments/small-business-development).

Note that as of 4/10/20, the City of Boston’s OED paused on accepting new applications to the SBRF. If additional funding becomes available, the application portal will reopen.

Project Name	Small Business Relief Fund
Goals Supported	Assist small businesses and microenterprises
Needs Addressed	Retain Jobs
Funding	CDBG: \$1,819,000
Description	Grant program to support small for profit businesses serving a low to moderate income area (18A); and micro-enterprises (18C) defined as a business with five or fewer employees who are of low to moderate income. Grants range from \$2,500 to \$10,000 for working capital such as rent, payroll or other operational expenses.
Estimate of the benefits	450+ businesses

Citizen Participation Process: The Substantial Amendment was prepared and submitted in accordance with the HUD waiver granted to expedite actions to respond to COVID-19. Specifically, the Citizen Participation Public Comment Period was 5-days rather than the standard 30-days. The Amendment was posted on the Department’s web page with email and telephone instructions to submit comments. (<https://www.boston.gov/departments/neighborhood-development/hearings-and-public-comment>).

The Fund application, FAQs and important links are posted on the Small Business web page:
<https://www.boston.gov/departments/economic-development/small-business-relief-fund>)

Notifications: DND emailed approximately 340 Policy News subscribers, individuals and organizations, on a list maintained for this purpose; and, notified 10,000 followers on the Department’s Twitter and Facebook feeds. Notification of the Fund was emailed by the Mayor’s Office of Economic Development to approximately 22,000 small businesses and interested parties in Boston including the networks within the 20 Boston Main Street Districts. The Small Business team held an informational conference call about the Fund on April 7 that was accessible by a Facebook link, online via computer, or dialed in by telephone. The conference was well attended by more than 500 participants with the majority of questions centering around how to apply.

Summary of Public Comments: There was full support for the Fund from attendees on the April 7th conference call. The written comments (13) received are shown below.

Comment	City’s Response
5 Boston Main Street organizations and 7 Boston residents are in full support of the Fund.	Thank you, no response needed.
East Boston Ecumenical Community Council (EBECC) stated that the Small Business Relief Fund should include non-profit organizations, particularly those working with immigrant communities, a key workforce population in Boston.	Non-profit organizations are not eligible under the Community Development Block Grant (CDBG) regulations for direct economic assistance such as this Small Business Loan program. CDBG regulations allow assistance to private, for-profit entities only.

Programmatic Budget Changes: This Amendment reduces \$1,819,000 in CDBG funds to six programs. Details of the budget changes are included below. We do not anticipate that these budget changes will have a negative impact on these programs as the CDBG funds are not currently committed to projects. Further, we are in the last quarter of the budget cycle and remaining funds in each program’s budget will be returned and redistributed for the start of the new program year on July 1.

Program	PY19 CDBG Budget (July 2019)	Revised PY19 CDBG Budget (April 2020)	April 2020 Budget Changes
Demolition	\$260,000	\$0	-\$260,000
Environmental	\$518,344	\$338,344	-\$180,000
Housing Preservation	\$4,921,038	\$4,421,038	-\$500,000
Homebuyer Financial Assistance	\$712,394	\$652,394	-\$60,000
ReStore & Design	\$1,063,309	\$564,309	-\$499,000
Neighborhood Business Access (incl. Microenterprise)	\$487,197	\$167,197	-\$320,000
Small Business Relief Fund	\$0	\$1,819,000	\$1,819,000
TOTALS	7,962,282	\$7,962,282	\$0

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