



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor

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Date: June 25, 2020

To: City & Borough of Juneau Assembly

From: Economic Stabilization Task Force

Regarding: Recommendation for Nonprofit Grant Program using CARES Act funding for nonprofits, including faith-based entities impacted by COVID-19 crisis

Overview

- Funding from the CARES Act with all requirements met for funding.
- Juneau Community Foundation will administer grants on behalf of CBJ, as it does currently. CBJ will issue grant funds.
- Two grant programs (run sequentially)
 1. Nonprofit Grant Stabilization for all nonprofits. Up to \$3.2 million requested.
 2. ESTF recommendation to reserve unspent / unallocated CARES funding for program or project expansion proposals from social service organizations to address additional reasonably foreseen needs before December 31, 2020. Recommendation of \$3 million pending approval.
- Grant Administration. The CBJ Manager is authorized to execute a grant agreement with the Grant Administrator for review and administration of COVID-19 Nonprofit Grant Program funds. The Grant Administrator is responsible for assuring the program funds recommended for disbursement by CBJ are only to eligible nonprofits. The Grant Administrator shall be provided a reasonable administration fee based on actual expenses. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly.

Nonprofit Economic Stabilization Grant Elements – up to \$3,200,000

- **Grant Application Period** July 14 - 31, 2020. Reconsider two-week grant timeline if grant funds are not approved within planned timeline.
- **Disbursement Methodology.** All applications will be reviewed after the application due date (not first come first served). CBJ reserves the right to proportionally allocate available funding if demand is greater than funding available.

- **Maximum grant amounts** will be on a sliding scale and based on fiscal year end 2019 gross revenue (excluding any recorded amount of in-kind donations or volunteer time).
 - Up to \$10,000 for nonprofits of less than \$50,000 in annual revenue
 - Up to \$25,000 for nonprofits between \$50,000 and \$249,000 in annual revenue
 - Up to \$50,000 for nonprofits between \$250,000 and \$999,999 in annual revenue
 - Up to \$99,000 for nonprofits with \$1,000,000 or more in annual revenue
 - Gross revenue is verified by fiscal year end 2019 IRS Form 990 or audited financial statements. For those nonprofits who have neither of these, an unaudited statement for the fiscal year end 2019 will be acceptable.
 - For nonprofits with gaming income, gross revenue may only include the net income from gaming (only net gaming revenue after payment of prizes and expenses.)
 - For those nonprofits serving areas outside of Juneau, gross revenue is based on their gross revenue for programs in Juneau.
- **Grant funding up to a total of \$200,000 of the total funds, for food and / or security** within eligible nonprofits will be available in addition to funding under this program or other CARES Act funding, dependent on program review and prioritization by Grant Administrator for COVID-19 related public health emergency requirements.
- **Verification of COVID-19 related need**
 - **Grants of \$25,000 or less.** Self-certification of amount and type of adverse economic and programmatic impact due to the public health emergency for COVID-19 between March 1 – December 31, 2020 is required for grants of \$25,000 or less. Nonprofits will be required to certify and briefly describe how it and / or its work has been impacted by COVID-19 but will not be required to provide records with their initial application. Further documentation may be requested but is not required in the initial application. Nonprofits should be ready to demonstrate the economic impact they incurred if requested
 - **Grants in excess of \$25,000.** For grants between \$25,001 and \$99,000, certification and additional information about economic impacts between March 1 and December 31, 2020 due to the COVID-19 public health emergency is required and form will be provided. Examples of verification required:
 - Revenue lost (e.g., earned revenue lost due to social distancing, non-earned revenue decreases grants, donations, anticipated drop in donations, fundraisers not held)
 - Personnel moved to different jobs or additional personnel hired due to COVID-19
 - Direct expenses (PPE, moving to working remotely, COVID-19 related accommodations to ensure mandate compliance, etc.)
 - **Funds must be fully expended** by December 31, 2020
- **All eligible nonprofits may apply.** Eligibility rules:
 - Registered in Alaska by January 1, 2019
 - All eligible nonprofits may apply. Eligibility rules: **IRS certified 501(c)3, 4, 6, 7, and 19 / 23 nonprofits**
 - Physical presence and operating in Juneau since January 1, 2019
 - Majority of groups' local board of directors or advisory board and its officers must be Alaska residents. A local affiliate of a national organization must have a local advisory or governing board.
 - Nonprofit must provide direct services to residents in Juneau.

- Faith-based nonprofits are eligible, so long as they provide services, which are promoted and available to the general public without regard to religious affiliation.
 - Program is limited to those entities in which the COVID-19 public health emergency adversely affected or will adversely affect revenue, program changes, and direct costs between March 1 and December 31, 2020.
 - Nonprofits that has applied for or received any other CARES Act funding from state, local, or tribal governments, are still eligible for this CBJ program but must identify those sources with the exclusion of Federal PPP Loan proceeds. If this CBJ program runs short of funding, other CARES Act funding may be considered in the prioritization of grant funding.
 - Nonprofits which applied for and receives a Business Stabilization Grant through the Phase I, II or III application process, or other CARES Act funding, may apply for this grant; however, they will not receive additional funding from this program, if they have received other grants that exceed the amount eligible under this program.
 - Foundations with assets over \$5,000,000 or are the foundation arm of a nonprofit, may not apply.
- **CBJ & Juneau Community Foundation reserve the right to request additional information once application has been received.**
 - **Unallocated Grant Funds.** Any grant funds not allocated will go to support the Social Service Agency CARES Act reserve (see below). Any grant funding not needed for the Social Service Expansion CBJ will decide where funds are needed.

Reserve unspent / unallocated CARES funding for possible future social service needs - providing up to \$3,000,000.

This recommended funding does not include the following programs, such as Childcare and the Trail Project.

- **Grant period** July 31 – August 31, 2020. Based upon end of additional Federal Pandemic Unemployment Insurance program.
- **Verification of COVID-19 related need.** Programs or projects that address identifiable needs (e.g., healthcare, mental health, substance use disorders, suicide prevention, homelessness response, domestic violence).
- **Prioritization and Need Methodology.** This will include a series of meetings with social service agencies during July to determine project or program priorities.
 - **Funding Preference.** Programs that logically end on December 31, 2020 or can move to a sustainability model will be given preference (e.g., inputting data on homeless people into AKHIMS, enrollment assistance for Affordable Care Act, healthcare for frontline workers in nonprofit agencies, providing rental assistance for those denied in the AHFC lottery)
 - Projects and programs of various size and duration will be accepted
 - Proposals will be required to include a budget and budget narrative, along with a program narrative similar to the Juneau Hope Endowment Fund/CBJ Social Service Grant Program.

Appointed Task Force Members

Max Mertz, Co-Chair • Linda Thomas, Co-Chair • Susan Bell • Theresa Belton • Bruce Botelho

Eric Forst • Ken Koelsch • Lauren MacVay • Laura Martinson • Terra Peters