

**PETERSBURG BOROUGH  
RESOLUTION #2020-08**

**A RESOLUTION APPROVING THE EXPENDITURE OF \$390,000 FROM THE CARES  
ACT SPECIAL REVENUE FUND TO MITIGATE ECONOMIC HARM TO NONPROFIT  
ORGANIZATIONS AND CHILD CARE PROVIDERS  
RELATED TO THE COVID-19 OUTBREAK**

**WHEREAS**, on March 11, 2020, the World Health Organization declared the COVID-19 virus a pandemic; and

**WHEREAS**, numerous cases of COVID-19 within the State of Alaska have been identified, and the Borough Assembly declared a Declaration of Local Disaster Emergency in Petersburg on March 16, 2020 and extended the declaration on May 18, 2020; and

**WHEREAS**, on March 27, 2020, Governor Michael Dunleavy imposed a state health mandate (#011) requiring every Alaskan to remain at their place of residence and practice social distancing unless engaged in an essential business activity, a mandate which remained in place for several weeks; and

**WHEREAS**, ongoing public health mandates and alerts issued by the State of Alaska are critical in mitigating the rate of spread of the COVID-19 virus, however they have had and are continuing to have significant negative impacts on nonprofit organizations and childcare providers; and

**WHEREAS**, nonprofits and childcare providers have been negatively impacted by the public health emergency due to either greatly expanded need for their services without adequate funding or adaptation to serve the community, or because of forced closure in the name of public health; and

**WHEREAS**, the Petersburg Borough relies on nonprofit organizations to provide many services including childcare, mental health and substance abuse counseling, advocating for domestic violence victims, animal welfare, rental and utility assistance, meal delivery, food distribution, and social, cultural and recreational opportunities that all serve the public welfare and benefit; and

**WHEREAS**, ensuring childcare providers can operate so that parents may return to the workforce and businesses may resume operations is critical to re-opening of the local economy; and

**WHEREAS**, it is anticipated that CARES Act funding will be received by the Petersburg Borough to address expenditures required due to the public health emergency, including to provide economic support to businesses suffering due to closures and other eligible purposes; and

**WHEREAS**, providing economic support to nonprofits and childcare providers is necessary to ensure these organizations continue to operate and provide these critical services to Petersburg Borough residents; and

**WHEREAS**, the expenditure of funds provided for herein will serve a public purpose and

the general welfare of the community of Petersburg by relieving economic distress caused by the public health crisis.

**THEREFORE BE IT RESOLVED** by the Petersburg Borough:

1) The Petersburg Borough Assembly hereby approves expenditure of \$390,000 from the CARES Act Special Revenue Fund to provide economic support to Petersburg-based nonprofits and childcare providers who were negatively impacted by the public health emergency, under the eligibility guidelines set out in Attachment A hereto, which may be amended from time to time to comply with applicable grant and audit requirements.

2) \$50,000 of that \$390,000 will be set aside for economic support of licensed childcare providers in the Petersburg Borough.

**Passed and Approved by the Petersburg Borough Assembly, Petersburg, Alaska this 1st day of June, 2020.**

**Attest:**

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**Mark Jensen, Mayor**

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**Debra K. Thompson, Borough Clerk**

# **Nonprofit and Childcare Stabilization Program**

## **Objectives:**

Petersburg relies on not-for profit organizations and childcare providers to support community health, safety, social, and/or economic needs. More than ever, Petersburg is relying on nonprofits to provide these services during and following the COVID public health emergency.

The Nonprofit and Childcare Stabilization Program is designed to provide economic support to organizations who have been negatively impacted by the COVID pandemic so that they may continue to provide necessary services to Petersburg residents.

## **Program Funding:**

Recommendation: \$390,000, including \$50,000 set aside for childcare providers.

The total amount of funding dedicated to the Program will be determined by the Petersburg Borough Assembly, subject to receipt of the CRF distribution. The Program is targeting a launch date of June 15, 2020. (For childcare providers: Launch date is June 3, 2020).

## **Eligibility:**

Recipient is a 501(c)3, (c)4, (c)6, c(8), c(10), or (c)19, not-for-profit organization; a childcare provider (classified as NAICS 62441); or federally recognized tribe.

Recipient was registered with the State of Alaska and/or with the IRS to provide health and social services prior to March 11, 2020.

Recipient will have provided in-borough aid or services to Petersburg residents during the two calendar years that immediately proceed the year the application is filed.

Recipient is located in Petersburg; or is a local charter or affiliate of a state or national organization with a local advisory board and can demonstrate all grant funds will be expended to benefit residents of the Petersburg Borough.

Recipient shall self-certify that it was/is negatively impacted by the COVID pandemic either through rapid expansion or adaptation to serve the community or because of forced closure in the name of public health.

## **Applicant Funding:**

- Up to \$5,000 grant -- \$50,000 or less annual revenue
- Up to \$10,000 grant -- \$50,001 to \$350,000 annual revenue
- Up to \$25,000 grant -- \$350,001 or more annual revenue

This is a non-competitive grant. Final grant amount will be determined by number of applicants. If the amount requested exceeds available funds, all grants will be reduced proportionately.

**Eligible Uses:**

Subject to Section 601(d) of the Social Security Act outlined in the Guidance, funding may be used by the applicant to meet the following COVID-19 emergency related expenses ("Eligible Expenses") paid by the applicant or held in arrears:

- Payroll costs and expenses;
- Payment of any short term (less than 24 months) or credit card debt incurred by the applicant to support the applicant's operations during the emergency;
- Rent or mortgage payments (unless otherwise waived by lessor/lender);
- Utilities payments;
- Purchase of personal protective equipment required by the organization;
- Business related equipment; and
- Expenses incurred to replenish inventory, necessary re-opening expenses, and compliance costs.

Funds must be expended in compliance with State and Federal law.

All Funds must be spent on eligible expenses by November 30, 2020. Any unspent funds must be returned to the Petersburg Borough.