

My recommendation is that we postpone, with direction, the Live Music and Legacy Business items (numbers 74 and 75).

The purpose of both items is to try to save and provide long-term sustainability. The intent is more than just to help businesses survive the next several months. To effect this, the program needs to get real expertise (legal and accounting) to the eligible applicants. The final relief could well vary from eligible applicant to another based on their particular circumstances and needs. We cannot help everyone who is hurting and needs assistance. But we can help some and provide help that would ensure long-term sustainability. The ultimate awarding of assistance will involve some subjective determinations. Our staff is leery of being put in this position. As we've discussed, this task may more properly belong to an economic development corporation. The goal is to really maximize the purposes, as set out in the unanimously approved resolution a couple weeks ago.

I propose we postpone these two items, with direction to staff to come back with different program guidelines and we are working on getting you a draft of such direction for consideration. We're working with some of the stakeholders and our staff in doing this.

At a high level, the direction would reaffirm the purposes set out by Council in the prior resolution. Both programs would invite applicants (live music venues in one; legacy businesses in the other) that make the case they also meet the stated purpose/criteria. Staff would be asked to take another look at the stated purpose/criteria for applicants contained in that resolution as it may well be that the eligible applicant pool is smaller than what staff estimated without more strictly following Council direction previously provided.

Eligible applicants would receive a capped level of legal/accounting assistance. Staff could begin right away creating a pool of local attys/accountants who would advise eligible applicants both on how they might survive and better ensure longer term sustainability as well as what plan the applicant would present to the City for the grant or other funding or support. (Perhaps each would get a voucher for 10 to 20 hours of atty/CPA counsel and assistance?)

The kind of counsel and assistance the eligible applicants would get might involve, without limitation, helping a tenant negotiate a new lease with a landlord, exploring the pros and cons of re-organization under bankruptcy, bringing in new investors, participating in a Music Venue Conservancy, seeking historic preservation HOT funding, buying or establishing new ownership of a location, etc.

Some eligible applicants may not need any more help or support other than this professional assistance. Others will submit further application elements to the City informed by this professional assistance.

Staff would also have the ability to provide temporary and emergency assistance to an otherwise eligible applicant that will not survive long enough to participate in the application process. The atty/CPA advice might be able to mitigate such an emergency and buy the time to participate in the process. But if not able to this, staff may act so as to enable that eligible applicant to participate in the process.

The staff would be able to delegate to an economic development corporation the final selection of which application plans are to be supported by the fund and in what ways.

The program for the Live Music Venues and the Legacy Businesses would be very similar, except that more applicants would be able to compete and take advantage of the latter. An entity could get the legal/CPA assistance from only one fund and could get an award from only one fund, but could initiate an application in both and could ultimately receive its legal/CPA assistance from one, but an ultimate award from the other.

Many of the other program elements (e.g., equity, workers, etc.) would be maintained.

Hopefully, Council also will be able to provide direction to the City (associated with the postponement) as requested in the table staff provided.