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2 Councilmember Charles Allen

Councilmember Kenyan R. McDuffie

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5 A PROPOSED RESOLUTION
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9 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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14 To declare the existence of an emergency with respect to the need to provide immediate financial
15 assistance to eligible small businesses for the purposes of recovering from the public
16 health emergency.

17 RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
18 resolution may be cited as the “Business Support Grants Emergency Declaration Resolution of
19 2020”.

20 Sec. 2. (a) On March 11, 2020, the Mayor issued Mayor’s Order 2020-046, declaring a
21 public health emergency in the District due to the imminent threat to the health, safety, and
22 welfare of District residents and businesses posed by COVID-19.

23 (b) As a result of the public health emergency, businesses across the District were forced
24 to close or reduce operations to prevent the spread of COVID-19. Even now, as the District
25 enters the next phases of the Reopen DC Plan, many businesses are restricted in their operations
26 and many face permanent closure without immediate Government assistance.

27 (c) One in every four business in the District faces permanent closure, many of which are
28 small and minority owned-businesses.

29 (d) Since the public health emergency began, businesses in the District have experienced
30 among the largest share of loss revenue in the nation. Compared to early January, small

31 businesses in DC, North Dakota, and Hawaii, have experienced a revenue loss of over 60% on
32 average since March 13, the declaration of the national emergency.

33 (f) Although DC, along with Florida and Nevada are among the most exposed to small
34 business revenue impact, having experienced declines in revenue of over 50%, all three continue
35 to have massive Payment Protection Program (PPP) application backlogs, with fewer than 40%
36 of applicants having received a loan.

37 (g) Recent scholarship such as works from Brookings or the Center for Equitable Growth
38 highlight how investing in certain at-risk industry sectors is essential to economic recovery. The
39 emergency grants provided for in this emergency, then, is not only to assist businesses during
40 recovery of the COVID-19 pandemic but also as the city and its businesses look to recovery and
41 restoring the District's local economy. As such, the District must take immediate steps to remedy
42 the harm that will befall businesses that fall within these categories as a result of this crisis.

43 (h) Unfortunately, to date, both local and Federal programs designed to assist small
44 businesses are either not reaching businesses that qualify as an equity impact enterprise or will
45 not be enough to sustain them throughout the duration of the COVID-19 crisis. At the Federal
46 level, Congress allocated an initial \$350 billion to the Small Business Administration (SBA) to
47 issue loans of up to \$10 million per business and up to \$10,000 in emergency grants to cover
48 operating expenses. Out of the \$2.2 trillion coronavirus relief bill, Congress allocated just \$10
49 million to the Minority Business Development Agency (MBDA) to support minority-owned
50 firms, not even one percent of relief assistance.

51 (h) The Mayor's ReOpenDC Plan included a recommendation, to "Address the
52 underlying structural disparities that contribute to racial/socioeconomic inequities in DC pre
53 COVID-19, including access to capital and access to markets." Therefore, this emergency is

54 essential in ensuring equity is at the forefront in supporting local and historically underserved
55 businesses and at-risk businesses within key industries.

56 (j) Emergency legislation is needed to ensure equitable recovery and that the businesses
57 that help sustain the local economy and add to it's cultural vibrancy are able to reopen and
58 survive the pandemic.

59 Sec. 3. The Council of the District of Columbia determines that the circumstances
60 enumerated in section 2 constitute emergency circumstances making it necessary that the
61 Business Support Grants Emergency Act of 2020 be adopted after a single reading.

62 Sec. 4. This resolution shall take effect immediately.