

## 2021-2023 Neighborhood Economic Recovery Fund

### Funding Opportunity Guidelines and Requirements

The City of Seattle’s equitable recovery efforts aim to build a thriving City as a whole, by investing in and implementing intentional strategies that meet the varying needs of our neighborhoods and communities. Our vision is a Seattle that is vibrant, innovative, and diverse, with an inclusive economy that ensures all Seattleites can thrive and share in the new opportunities of the future. The Office of Economic Development (OED) is committed to building an inclusive economy in the City of Seattle by working at all levels of our local economy to:

- support small and micro-businesses,
- partner with neighborhood business districts,
- support creative business sectors and workers,
- partner with key industries that drive innovation, job growth and global competitiveness, and
- invest in our local workforce with an emphasis on young people, low-income, as well as un-and under-employed adults.

As the city transitions from emergency COVID-19 response, to near- and long-term economic recovery and community resilience efforts, OED will invest in strategies and activities to achieve the following results:

- Neighborhoods and communities rebound from the impacts of COVID-19 and thrive.
- Entrepreneurs and small businesses can recover from the impacts of COVID-19, stabilize and grow their businesses.

The Neighborhood Economic Recovery Fund supports community-led strategies to reignite the local economy and respond to the specific economic and community needs of neighborhoods across Seattle, with an intentional focus on promoting racial equity. This Request for Proposals (RFP) is funded through the Coronavirus Local Fiscal Recovery Fund (CLFRF) established under the American Rescue Plan Act (ARPA), which identifies “the pandemic and the necessary actions taken to control the spread had a severe impact on households and small businesses, including in particular low-income workers and communities and people of color.” As a result, CLFRF funding should provide “assistance to those households, businesses, and non-profits in communities most disproportionately impacted by the pandemic.”

The Neighborhood Economic Recovery funding will be administered through OED. Neighborhood Economic Recovery strategies will be varied, community-specific and multifaceted. They can range from long-standing strategies of outreach and business coaching, community festivals, litter cleanup, and murals. Other strategies could include digital equity, outdoor restaurant seating, commercial affordability, and community-based workforce projects. Equitable economic recovery requires intentional focus on Black, Indigenous, and other people of color (BIPOC) communities, particularly Black, Latinx, and Indigenous communities that have been most disproportionately impacted by the negative economic impacts of the pandemic and existing inequities. This Neighborhood Economic Recovery effort will focus on making Seattle:

- **Vibrant** – where neighborhoods have a healthy ecosystem of strong businesses serving the community, equitable wealth creation opportunities, active public spaces and unique character;
- **Engaged** – with community led organizations and members having strong voices and the experience, tools, and skills for self-determination to address their most pressing needs; and
- **Racially Equitable** – where business owners of color and historically under resourced communities are benefiting from the city’s recovery and growth.

Project impact will be measured based on how much was accomplished, how well it was done and is anyone better off as a result of the project. Impact measures could include positive neighborhood activity, businesses served including BIPOC-owned businesses, increased foot traffic in neighborhood business districts, community members impacted by the pandemic are supported in their neighborhood.

### Eligible Projects and Activities

Projects can be community-based solutions to address the negative impacts that the COVID-19 pandemic and related public health measures had on neighborhoods and our local economy. The Neighborhood Economic Recovery Fund can support a variety of activities and projects that directly help businesses, communities and local economies recover from those impacts. Some of these projects may be similar to the Only in Seattle neighborhood business district strategies, and you can learn more about Only in Seattle [here](#). All funded projects are required to follow current public health guidelines which may change over the course of a contract and impose new restrictions that prevent completion or cause postponements or delays.

Examples include but are not limited to:



- **Public and commercial space activations**, such as, outdoor seating, retail/vendor markets, public art and music, community events and commercial space popups
- **Digital equity projects**, such as neighborhood digital marketplaces
- **Communications infrastructure**, such as websites, social media, and contact databases to promote community news and resources, and share stories of local businesses and events
- **Physical Improvements**, such as lighting, sidewalk cleaning, murals, façade
- **Community safety projects**, such as business block watches, community organizing
- **Outreach** to support businesses and residents, build partnerships and shared vision, and
- **Other economic recovery projects** specific to neighborhood needs

CLFRF is a federal fund source and carries specific requirements and restrictions on its use. Certain expenses may not be allowable. See the Federal Funding Requirements section below for more information about ineligible costs. OED staff will work with grantees to determine the types of expenses that are allowable for funding in developing the final contract budget.

## Selection Criteria

Selection of awardees and grant amounts will be based on applications meeting all of the following criteria:

- **Equity:** Projects serving high COVID impacted and high displacement risk neighborhoods and/or projects focusing support for BIPOC businesses and communities.
- **Neighborhood Economic Recovery:** Projects helping businesses and communities recover economically from COVID impacts and stimulating economic activity.
- **Community Supported:** Projects directed by and directly benefiting the community.

Grants will also be categorized based on the project team's experience and/or ability to execute the project. The review panel has extensive experience working with community organizations of various sizes and experience levels and an understanding of the types of support that can be needed to complete projects. Projects that may require OED staff assistance to complete will be granted based on their overall score and OED staff capacity to support them.

## Award Amounts

**Awards will be given based on the applicant's proposed project budget and application review scores. The maximum award amounts will only be given if the budget and scoring justify it.** Applicants should make a reasonable budget request based on experience and/or research of probable costs, including a modest contingency for cost overruns. OED reserves the

right to award an amount that is less than the budget requested, which may require a revision of the project budget and scope.

- Minimum grant amount will be \$10,000. Projects needing less than \$10,000 in funding can explore the Seattle Department of Neighborhood's Community Partnership or Small Sparks programs [here](#).
- Maximum grant amount will be \$100,000 through this RFP.

## Timeline for Spending Awards

Awards must be contracted within six months of the award announcement, or by May 1, 2022, and must be fully expended by December 15, 2023.

## Application Process

Applicants will complete the Neighborhood Economic Recovery application using the online grant portal [https://seattle.fluxx.io/user\\_sessions/new](https://seattle.fluxx.io/user_sessions/new). Instructions for registering and using the portal can be found [here](#).

Bi-lingual staff are available in the following languages to answer questions and help applicants complete their applications: Vietnamese, Mandarin, Cantonese, Spanish, Korean, Amharic, Somali. Other languages can be supported using a language-line for simultaneous translation. Call the OED Resource line for language assistance: 206-684-8090.

### Application Timeline:

- **August 26, 2021:** Request for Proposals opens to receive applications.
- **October 7, 2021:** Request for Proposals closes at 5:00 pm PST.
- **October 8– late October, 2021:** Applications are reviewed and decisions made.
- **Early November, 2021:** Grant awardees will be notified and contracting will begin.

### Community Workshops/Information Sessions

Three information sessions will be held to describe the intent of this funding opportunity and answer questions such as: the types of activities that can be funded, the application process, and how to use the online grant portal. The online sessions will be hosted on Webex and will be recorded and posted to OED's website. **The password for all online sessions is NERF**

- **August 31, 2021: Session 1 from 12:00-1:00 pm** (online)
- **September 8, 2021: Session 2 from 6:00 – 7:00 pm** (online or in person, location to be determined)
- **September 21, 2021: Session 3 from 10am-11am** (online)

OED staff are also available to answer questions while the application is open. Questions received close to the deadline might not be answerable in time.

### Minimum Applicant and Awardee Eligibility Requirements

Eligible applicants can be business organizations, community organizations, cultural districts, cultural organizations, arts organizations, small businesses such as community event producers, artists, consultants, or a collection of individuals that are supporting neighborhood strategies with broadly shared benefits. In order to receive an award, there must be a legally constituted entity that meets the following minimum eligibility requirements. If the applicant does not meet these requirements, they can have a sponsor organization to accept and manage the grant funds on their behalf (fiscal sponsor).

- Awardees or their Fiscal Sponsor must meet all licensing requirements that apply to its organization. Companies must license, report and pay revenue taxes for the Washington State Business License (UBI#) and Seattle Business License, if they are required by the laws of those jurisdictions.
- Awardees or their Fiscal Sponsor must have a Federal Tax ID number/employer identification number (EIN) to facilitate payments from the City of Seattle.
- Awardees or their Fiscal Sponsor must be incorporated as a private non-profit corporation in the State of Washington OR a federally recognized or Washington State-recognized Indian tribe OR a public corporation or other legal entity established pursuant to RCW 35.21.660 or RCW 35.21.730,
- The Awardee or their Fiscal Sponsor's status as a legal entity must be in good standing and must not have been revoked in the previous calendar year.
- The Awardee or their Fiscal Sponsor cannot be on the list of current entities disbarred or suspended from receiving federal funds.
- The Grantee or their Fiscal Sponsor cannot be on the list of current entities disbarred or suspended from receiving federal funds.

If you do not meet these legal requirements and do not have a fiscal sponsor, you can complete the application but will need to find a fiscal sponsor before you can receive a grant contract. The application has a question for you to indicate that you need help finding a fiscal sponsor.

### Screening, Rating and Selection Process

All interested parties must submit a completed application using the online grant portal by the deadline to be considered for funding. All completed applications, submitted on or before the deadline, that meet the minimum eligibility requirements will be reviewed and individually

scored by members of the review committee, which will include city staff and community members. Submitted applications that are incomplete or do not meet minimum eligibility requirements upon initial eligibility screen will be deemed ineligible and will be eliminated from further consideration. OED reserves the right to seek clarification and accept or waive any nonmaterial irregularities or informalities in determining whether an application is eligible. Eligible and complete applications will be rated based on the selection criteria. OED may contact the primary contact person listed on the completed application to clarify application contents. OED also reserves the right to schedule and conduct interviews and/or site visits with some or all applicants prior to making funding recommendations to the OED Director. Following the review process, including interviews if any, the review committee will forward its funding recommendations to the OED Director for final decision regarding the award(s). Notification of investment awards will be sent to the primary contact of the applicant indicated on the application.

To ensure a fair and equitable process, OED staff are available during scheduled information sessions and individual help sessions up until 5pm of the day of the application deadline. Applicants must contact OED to request assistance in advance of the application deadline and give sufficient time to schedule a follow up meeting to discuss the assistance needed. Applicants must review all written materials and addendums related to this funding opportunity. OED reserves the right to make an award(s) without further discussion of the proposal submitted. Therefore, the application should be submitted on the most favorable terms. If the application is selected for funding, applicants should be prepared to enter into a contract resulting from this funding opportunity. OED also reserves all rights not expressly stated in the funding opportunity, including making no awards or awarding partial funding and negotiating with any applicant regarding the funding amount and other terms of any contract resulting from this funding opportunity.

## Appeals Procedures

In the event that an unsuccessful applicant wishes to appeal the decision, they must do so by submitting in writing the reason for the appeal to the Director of the Office of Economic Development. Any such appeal must be received within three (3) business days of receipt of notification of decision. The Director shall consider all the facts available and issue a decision within five (5) business days after receipt of the request for rehearing, unless additional time is necessary, in which case, the affected respondent will be notified of the delay. The decision of the Director will be final and conclusive. A request for reconsideration will be denied. Questions about these Appeals Procedures should be directed to Theresa Barreras at [theresa.barreras@seattle.gov](mailto:theresa.barreras@seattle.gov) or (206) 684-4505.

## Program Requirements

**Reporting Requirements** – Applicants are required to keep records and documentation of their expenditures and activities; and track outcomes in their contract, including but not limited to a list of businesses receiving direct support. All reporting requirements will be included in the contract.

**Code of Conduct** – The Office of Economic Development is committed to providing a friendly, safe and welcoming environment for all, regardless of gender, sexual orientation, ability, race, ethnicity, socioeconomic status, and religion. Participants in this program include City of Seattle staff, awardee organization staff, volunteers, board and committee members, businesses, and individuals involved in funded projects. We invite all those who participate in this program to help us create safe and positive experiences for everyone.

**ADA Compliance** – The Americans with Disabilities Act (ADA) requires the City of Seattle and public accommodation to provide equitable access for people with disabilities. Applicants are expected to make every effort to follow ADA guidelines and provide and maintain access for people with disabilities. This may include providing a clear path of travel to and on sidewalks, curb cuts and restrooms; maintaining already-designated parking for people with disabilities, providing additional parking for people with disabilities if parking is provided; and providing accessible restrooms. For additional resources, refer to the [City of Seattle ADA information](#).

## Resources and Training

Grantee staff and volunteers working on projects will have access to several trainings to help them learn new tools and approaches to expand their work and connect with others in the city.

### Trainings and Webinars:

- Racial Equity in Business Districts cohort training
- Operationalizing Racial Equity facilitated work sessions
- Contract management and reporting requirements for federal funds.
- Webinars on topics of interest such as digital marketplace examples, producing community events, community safety strategies, etc.

### The following resources are available to support grantees in their projects.

- Toolkit for organizing special events in public spaces
- Best practices for working with artists





- Community Liaison bilingual/ bicultural support to improve outreach and build relationships with business owners of color and non-English speaking business owners
- Assistance in forming a Business Improvement Area (BIA), modifying an existing BIA's boundaries or rate payment structure, exploring the feasibility of a BIA, or BIAs interested in support to strengthen or improve operations.
- Business technical assistance and financing services and referrals
- Peer-to-peer connections and learning events
- Affordable commercial tools

Grantees will have an OED staff person as their primary point of contact who can help them connect to available resources and identify others that may be needed. Grantees may need to complete projects with limited support from OED staff.

## Contracting Process

Grantees will receive a time bound grant commitment and contract. Grants are contingent upon the availability of funds for this program and the grantee's satisfactory progress on activities.

Grant awards that are not contracted or acted upon by the awardee within six months of the date awarded may be forfeit at OED's discretion. Public awards are often based on cost estimates; if actual project costs are lower than estimated, the unused funds could be maintained by OED.

Contracts need to be completed and signed before work is eligible for reimbursement. Contracts can be developed immediately after notification of award. Contracts cannot be back-dated. The contract will include specific activities, milestones and a budget based on a project plan that is accepted by OED and the grantee.

## Contracting Requirements

- Any contract resulting from this funding opportunity will be between the City of Seattle, through its Office of Economic Development, and the applicant organization (referred to as "Grantee" in this section).
- Contracts may be amended.





- Grantees will be required to comply with the Terms and Conditions included in the contract awarded as a result of this funding opportunity and are not negotiable.
- OED will attach Exhibits and Attachments to all resulting contracts which will further specify program terms, rules, requirements, guidelines and procedures.
- Grantees will be required to maintain records, documents, and other evidence directly related to performance of the work in accordance with Generally Acceptable Accounting Procedures. The City of Seattle, or any of its duly authorized representatives, shall have access to such records and documents for inspection, audit, and copying for a period of seven (7) years after completion of work.
- Grantees and/or their Fiscal Sponsor must use internal controls to ensure financial transactions are accurate, well documented and free from errors or misstatements.
- Grantees must complete all required reports and billing documentation as stated in the contract. Reimbursement will be contingent upon receipt and approval of required documentation. Additional data may be required for audit or evaluation purposes.
- All projects funded through this funding opportunity must publicly recognize OED's contribution to the program.
- Insurance certification is not required. However, the Grantee agrees that it will maintain premises operations and vehicle liability insurance in force with coverages and limits of liability typically maintained by consultants performing work of a scope and nature similar to that called for under this grant agreement, but in no event less than the coverages and/or limits required by Washington state law. Such insurance shall include "The City of Seattle" as an additional insured for primary and non-contributory limits of liability. Workers compensation insurance shall also be maintained if required by Washington state law.
- Grantees must have the capacity to protect and maintain all confidential information gained by reason of any resulting contract against unauthorized use, access, disclosure, modification or loss.
- Grantees must be able to collect and report data as described in the contract.

## Federal Funding Requirements

This RFP is funded through the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act of 2021, a federal source with specific requirements. Details can be found here [31 CFR Part 35](#). Among the requirements is compliance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. You can read this regulation here: [2 CFR Part 200](#)

There are other federal regulations that also apply such as the Davis Bacon Act (40 U.S.C. §§ 3141-3148). More information can be found here: [Davis-Bacon](#)

In particular, [Subpart E Cost Principles, section 200.420 Selected Items of Cost](#) lists certain types of costs that are not allowed including:

[§ 200.421 Advertising and public relations](#). Most advertising, promotion and public relations costs are not allowed. Costs related to program outreach and communicating about your grant-funded accomplishments can be allowed.

[§ 200.423 Alcoholic beverages](#). Costs of alcoholic beverages are not allowed

[§ 200.434 Contributions and donations](#). Grantees cannot use grant funds to make contributions or donations to other entities.

[§ 200.438 Entertainment costs](#). Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable.

### [Subpart D - Post Federal Award Requirements](#)

[§ 200.313 Equipment](#). There could be additional requirements related to purchases of equipment with per unit values of \$5,000 or more. All equipment purchased must be used for the project during the period of performance. Equipment with a per unit cost over \$5,000 that is considered a “capital expenditure” is not allowed. [§ 200.439 Equipment and other capital expenditures](#). *Capital expenditures* means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life. [§ 200.1 Definitions](#).

[§ 200.314 Supplies](#) If there are unused supplies exceeding \$5,000 upon completion of the project, those supplies will need to be used for the another Federal award or be sold or retained by the City.

OED staff will review project budgets and determine the allowability of costs before finalizing the contract budget. Documentation of expenditures will be required to ensure grant funded costs are allowable.

Other federal regulations applicable to this award include, without limitation, the following:

- Universal Identifier and System for Award Management (SAM), [2 C.F.R. Part 25](#), pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference
- OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), [2 C.F.R. Part 180](#)
- Governmentwide Requirements for Drug-Free Workplace, [31 C.F.R. Part 20](#).
- New Restrictions on Lobbying, [31 C.F.R. Part 21](#).
- Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 ([42 U.S.C. §§ 4601-4655](#)) and implementing regulations.
- Generally applicable federal environmental laws and regulations.
- Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:
  - Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at [31 C.F.R. Part 22](#), which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
  - The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 ([42 U.S.C. §§ 3601 et seq.](#)), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

- Section 504 of the Rehabilitation Act of 1973, as amended ([29 U.S.C. § 794](#)), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at [31 C.F.R. Part 23](#), which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- Title II of the Americans with Disabilities Act of 1990, as amended ([42 U.S.C. §§ 12101](#) et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto

As a result of these regulations, all grantees will be required to have a DUNS number or a SAM registration, to sign certifications as part of their contract, and will be reviewed for inclusion in the list of suspended or debarred federal contractors.

## COVID-19 Impact Examples

Applicants will be asked to describe the specific COVID impacts in their neighborhoods and how their project proposals will address those impacts. Challenges such as reduced foot traffic, business closures and vacant storefronts, inequitable access and distribution of resources and technical assistance, rapid shift to e-commerce, and public space vandalism and deterioration have continued to hinder economic and social recovery throughout Seattle. Below are examples of these impacts experienced across the city. Each proposal should provide more specific examples of impacts felt in the community that will be served.

**Reduced foot traffic:** Storefront businesses such as small restaurants and retail depend heavily on foot traffic for their customer base and have been severely impacted by the extended closures and stay at home orders over the past 18 months. The decline in tourism, travel, conventions and special event cancellations in addition to the loss of office workers exacerbated the reduction of foot traffic and reliable customer base that support our hospitality, food service, and retail storefronts.

**Business closures and vacant storefronts:** The hardest-hit businesses within our neighborhoods have been restaurants, retail stores, beauty stores and spas, bars, nightlife venues, and fitness venues—key businesses that contribute to thriving neighborhood business districts. As of June

2021, the number of small businesses open in the Seattle metropolitan area was 38 percent lower than in January 2020, just prior to the initial economic impacts of the COVID-19 pandemic. According to a study by the National Bureau of Economic Research, COVID-19 caused BIPOC owned businesses to close at a much higher rate than the average with Black owned businesses losing 41% of their businesses, Latinx owned businesses losing 32% of their businesses, and immigrant owned businesses losing 36% of their businesses. These closure rates exceeded the average loss of 22% for all businesses.

**Inequitable access to resources and technical assistance in highest impacted**

**neighborhoods:** A sample analysis of OED’s Small Business Stabilization grant applicants, found that business-owners of color reported receiving less COVID related financial support than white business owners. Nationally, small businesses in communities of color have had inequitable access to federal COVID-19 relief, according to analysis from Brookings. Brookings research also found that racial and ethnic composition of neighborhoods is related to small businesses’ liquidity and profitability, and businesses in communities of color were already cash-constrained, unbanked or underbanked, the onset of the pandemic further delayed their ability to access necessary resources to survive. Treasury data shows that on average it took 31 days for small businesses in majority Black-zip codes to receive PPP loans—an average of seven days longer than small businesses in majority White neighborhoods.

**Accelerated shift to e-commerce:** In Seattle, many small and BIPOC owned businesses were not able to quickly and easily adapt their businesses to respond to the immediate pivot to e-commerce operations. Challenges with ongoing impacts have included lack of websites and online commerce tools to fulfill online orders, disruption to supply chains, lack of technology, and lack in technological skillsets necessary for e-commerce and the new digital economy. Neighborhood efforts like Essential Southeast Seattle were a first step to get local businesses online and connected to customers that were unable to patronize businesses in person due to stay at home orders, local restrictions, hesitancy to gather outside of personal residences, and consumer behavior changes.

**Public realm impacts:** Since the onset of COVID-19, neighborhoods have seen an increase in vandalism, break-ins, trash and litter accrual, and graffiti that have significantly impacted public spaces within neighborhoods and public perception of our neighborhoods’ safety. This has impacted foot traffic and a willingness to patronize small businesses, and ongoing vandalism to local storefronts has resulted in increased insurance costs and replacement expenses for individual business owners. Additionally, While the City of Seattle has expanded a wide range of free options for public space activations, the financial and staff capacity to take advantage of these pilot permits are not equal across business districts.