



Memorandum

TO: MAYOR LICCARDO

FROM: Councilmember M. Carrasco

SUBJECT: BUDGET DOCUMENT

DATE: May 27, 2021

Approved

Date

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: East Side Rescue Plan: Small Business Relief Fund

Amount of City Funding Required:

This change is: \$10,441,564

One-time Ongoing

Cost Estimate Number (if applicable): #95

Proposal Description, including the reason for the need and anticipated outcomes (Please describe how the proposal will affect services for San José residents, community groups, businesses, etc.):

Small businesses produce countless jobs that have kept families employed even throughout the pandemic. Many in East San José rely on small businesses for a reliable source of income. The spirit of this Budget Document is in line with MBA #16.

The COVID-19 pandemic swept East San José’s local economy like a wildfire, especially impacting our diverse small businesses. Overnight, thriving businesses in our neighborhoods were shuttered for months and many who have been operating for generations never reopened their doors. This has resulted in lack of resources being offered to our residents, including job losses for the city. A most recent survey by the Small Business Majority revealed 35% of small businesses will not survive post-COVID-19 recovery without additional relief or assistance.

It is important that we recognize the economic benefits of our small business community and take action to prevent our economy from failing. A Small Business Relief Fund would be used to provide equitable financial relief to small businesses in East San José guided with the understanding that relief should be distributed through a city managed grant program that is transparent and includes community input. To accomplish the City's economic recovery strategy, we must begin with our local small businesses, especially mom-and-pop shops. Zip codes that should be prioritized are 95127, 95116, and 95122.

Now is a crucial moment to take an equity approach to our recovery response to COVID-19 by identifying small businesses operating in low-income and economically disadvantaged communities like District 5 who were impacted by the pandemic and shelter in place order.

Funding Source

Essential Services Reserve:

X Other (Please specify program/project/fund): American Rescue Plan

Department or Organization Contact

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

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