

## CITY OF PERU PUBLIC HEARING MAY 4, 2020

Pursuant to legal notice published in the News Tribune in the manner provided by law, the City Council of the City of Peru convened for a Public Hearing on Monday, May 4, 2020, at 5:00 p.m. in the City Municipal Building, 1901 Fourth Street, Peru, IL, to provide the public with the opportunity to express their views on four proposed City applications for Downstate Small Business Stabilization Program grants funded by Community Development Block Grant (CDBG) funds.

Mayor Scott Harl, Alderman Tony Ferrari, Alderman Dave Waldorf, Alderman Jim Lukosus, Alderman Mike Radtke, Alderman Tony Sapienza, Alderman Tom Payton, and Alderman Jeff Ballard were all in attendance. Alderman Aaron Buffo was absent. City Clerk Dave Bartley, Corporate Counsel Scott Schweickert, and Finance Officer Justin Miller were also in attendance.

A live video stream of the Public Hearing was made available to the public. In attendance on the video stream were Economic Development Director Bob Vickery, Bob and Carol DeAngelo, and # other anonymous remote viewers that failed to identify themselves.

City of Peru Corporate Counsel Scott Schweickert provided a summary of the Downstate Small Business Stabilization Program, stating:

- The Downstate Small Business Stabilization Program has \$20,000,000 available. The grants will be awarded until the money runs out.
- The program provides 60 days of verifiable working capital up to a grant ceiling of \$25,000.
- A business must employ 50 people or fewer (that can include the business owner).
- The program is to assist private, for-profit, small retail and service businesses or non-essential businesses (per the Governor's Executive Order) without the ability for working remotely.
- Projects must demonstrate an urgent need for funding due to the COVID-19 emergency and must show a solid commitment to retaining permanent jobs.
- The funding must be used for working capital expenses (for example, employee salaries, general operating expenses, inventory, and advertising/marketing expenses).
- Businesses involved in medical and/or recreational cannabis are not eligible to apply.
- Costs incurred prior to the date of grant award are not reimbursable.
- A grant agreement will be issued for a contract period of twelve months. All grants must have met the National Objective of retaining permanent jobs primarily benefiting low-to-moderate income persons by the end of the twelve-month grant term.
- If circumstances beyond a grantee's control are apparent and impact the project, a grantee may apply for a single six-month extension.
- If the National Objective is not met by the benefiting business, then the grantee (unit of local government) will be required to repay the entire amount of the grant to the State. The benefiting business will be required to repay the entire amount of the grant to the unit of local government per the enforcement of the Participation Agreement signed by the business and government body.

Corporate Counsel Scott Schweickert explained that the City is considering applications for grants on behalf of four qualified Peru businesses: Water Street Pub Inc., Pro Muscle Care Inc., Nicole Norris MD Medical Spa LLC, and DeAngelo's Hair Styling. Corporate Counsel Scott Schweickert stated that the public can obtain copies of the applications from the City Clerk's office.

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Corporate Counsel Scott Schweickert first addressed the City's application on behalf of Water Street Pub Inc., stating the funding request was for \$20,291.46. Corporate Counsel Scott Schweickert read aloud the project summary letter contained in the application written by the business owner, Russel Guynn. Thereafter, Corporate Counsel Scott Schweickert made a request for public comment and questions from the City Council. Hearing none, Corporate Counsel Scott Schweickert proceeded to address the next application.

Finance Officer Justin Miller noted a misunderstanding that the funds are only future expenses not previous losses.

Corporate Counsel Scott Schweickert stated that the application on behalf of Pro Muscle Care, Inc. requested grant funding in the amount of \$22,420.24 and read aloud the project summary contained in the application. Thereafter, Corporate Counsel Scott Schweickert made a request for public comment and questions from the City Council. Hearing none, Corporate Counsel Scott Schweickert proceeded to address the next application.

Corporate Counsel Scott Schweickert stated that the application on behalf of Nicole Norris MD Medical Spa, LLC requested grant funding in the amount of \$25,000.00 and read aloud the letter written by the business owner, Nicole Norris, MD, and the project summary contained in the application. Thereafter, Corporate Counsel Scott Schweickert made a request for public comment and questions from the City Council. Hearing none, Corporate Counsel Scott Schweickert proceeded to address the final application.

Corporate Counsel Scott Schweickert stated that the application on behalf of DeAngelo's Hair Styling requested grant funding in the amount of \$24,541.00 and then read aloud the project summary contained in the application. In response to Corporate Counsel Scott Schweickert via remote video stream, Bob and Carol DeAngelo stated that she had nothing to add. Corporate Counsel Scott Schweickert then made a request for public comment and questions from the City Council to which there were none.

Finance Officer Justin Miller reported another application had been received but was incomplete.

Corporate Counsel Scott Schweickert reiterated that copies of the City's applications can be obtained from the City Clerk's Office. Other interested qualified businesses can contact the City Clerk for the necessary forms to apply for grant funding, though the City would not be able hold the required public hearing for additional completed applications for at least a week after they are received due to the 7-day public notice requirement.

Corporate Counsel Scott Schweickert further explained that only \$20,000,000.00 of funds is available under the Downstate Small Business Stabilization Program. Any awarded grants are administered by the City to the business for working capital pursuant to a Participation Agreement with the business. The grant funds will support City businesses, which have been negatively impacted by the COVID-19 emergency and the Governor's Executive "Stay at Home" Order, and will help them remain open or reopen and retain or re-employ permanent jobs after the COVID-19 emergency is over. The City has the right to claw back grant funds from the business if it fails to observe or perform any covenant or agreement contained the Participation Agreement. The City is required to submit a 6-month report and close-out report with respect to the disbursed funds.

**PUBLIC COMMENT**

**ADJOURNMENT**

Hearing adjourned 5:26 p.m.