

## Broyles, Randi

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**From:** Blankenship, Johni  
**Sent:** Tuesday, August 11, 2020 4:53 PM  
**To:** Broyles, Randi  
**Subject:** FW: <EXTERNAL-SENDER>Resolution 2020-056 for the 8/11 special meeting

**From:** Andy B [mailto:andbacon2@yahoo.com]  
**Sent:** Monday, August 10, 2020 2:01 PM  
**To:** EXT-Kenn Carpenter <wideeyed03@yahoo.com>; Carpenter, Kenn <KCarpenter@kpb.us>  
**Cc:** G\_Notify\_AssemblyClerk <G\_Notify\_AssemblyClerk@kpb.us>  
**Subject:** <EXTERNAL-SENDER>Resolution 2020-056 for the 8/11 special meeting

CAUTION:This email originated from outside of the KPB system. Please use caution when responding or providing information. Do not click on links or open attachments unless you recognize the sender, know the content is safe and were expecting the communication.

Dear Assemblyman Carpenter,

I am writing with a concern about the proposed amendment to the CARES Act spending plan that will be considered at your 8/11 Special Assembly Meeting. The specific revision that I am concerned with is listed as number 7 in the Resolution 2020-056 memo, amending small business grant amounts to the maximum allowable reward for each eligibility range. I wrote to borough staff about this topic just prior to the application period opening, and received a helpful and prompt response (included below).

What I was initially confused about was the question of whether my business would be eligible for 3.5% of gross sales or the maximum allowed in my revenue range. As my letter below points out, my business grossed just \$6,000 shy of being eligible for an additional \$5,250 in grant funding (94,000 gross sales in 2019). While we appreciate any and all help we can get during these times, that is a tough pill to swallow. I found it to be much more equitable the way Ms. Ahlberg explained the program in her response-- to apply the 3.5% gross revenue to all businesses. This information is easily verifiable with the sales tax division, and seemed pretty straightforward.

The grant thresholds table that is now proposed to be used to determine maximum award eligibility is a lot less fair to all businesses who grossed near the top of their tier. I would suggest that the Assembly either vote to strike revision number 7 from the resolution, or come up with a new eligibility range table that includes more revenue ranges and corresponding grant awards, and is ***designed to follow a directly proportional increase in revenues to award amounts.***

I understand that staff wants to make this process as simple and straightforward as possible, and protect the privacy of businesses. This substantial change to the CARES grant distribution warrants a closer look, and some additional work to ensure greater equity in the distribution of funds.

Thank you for your consideration, and I hope you will bring this up at the meeting as something that needs attention.

Sincerely,

Andy Bacon  
Steller Inn  
Bear Creek, AK

907-362-7719

P.S. **Section 1** of Resolution 2020-56 states "That the assembly hereby approves the Coronavirus Relief Fund Spending Plan – Amended August 11, 2020, a copy of *which is attached hereto and incorporated herein by reference.*"

I can't locate the spending plan with the draft revision language on the website (<https://kpb.legistar.com/LegislationDetail.aspx?ID=4611466&GUID=9DFEA329-DB59-4361-B092-36912CCED421&Options=&Search=>) so I am only able to refer to the memo- but number 7 is pretty clear in its proposed intent. I wanted to see the whole plan in case maybe the suggestion I made to add more income/award ranges has already been implemented.

referenced correspondence pasted below

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Question about CARES Grant Award Thresholds  
Yahoo/Drafts

- Andy B <[andbacon2@yahoo.com](mailto:andbacon2@yahoo.com)>

To:grants@kpb.us,Callie Bacon

Wed, Jul 8 at 11:14 AM

Good morning,

I have just caught up on the recent business of the Assembly and the passing of Resolution 2020-047 approving payment thresholds and a spending plan for CARES Act relief. First off, I'll say that we very much appreciate the work that the Assembly and Borough administration have done in quickly bringing this needed relief to businesses. I respect the amount of work that went into devising this plan and the amount of work Borough staff is preparing to take on with the administration of this program. We plan to apply for relief funds for our business, but have questions about the award threshold table that was approved by Assembly. It looks like this was approved either as a laydown or as an amendment, and in making these types of actions 'on the fly' I understand that there are sometimes unintended outcomes that can be overlooked when taking big and meaningful actions.

The concern that I have is that on my first reading of the grant rules at [cares.kpb.org](http://cares.kpb.org), it appeared that because my business grossed 94k in 2019, we were just \$6,000 in revenue shy of being eligible for an additional \$5,250 in grant funding. Upon reading the resolution and attachments on the KPB legislative information page (<https://kpb.legistar.com/LegislationDetail.aspx?ID=4572583&GUID=8A7F5725-0CD9-4DE9-9CA5-FC9FF71110FF>) it appears that the award thresholds allow for 'up to' \$8,750 for businesses making 100k-250k, but that 3.5% of gross revenues *may* be the deciding grant award amount? It does not say this explicitly in the grant FAQs or in the resolution attachments, but that IS implied in on of the attachments, and then referenced on an amended .ppt presentation outlining award thresholds (see image snips below)

Updated CARES Relief Small Business/NonProfit Grant thresholds at 3.5%

Estimated Gross Revenues		Borough grants	
		<i>bottom</i>	<i>Up to</i>
-	20,000.00	-	-
20,000.00	50,000.00	-	1,750.00
50,000.00	100,000.00	1,750.00	3,500.00
100,000.00	250,000.00	3,500.00	8,750.00
250,000.00	500,000.00	8,750.00	17,500.00
500,000.00	1,000,000.00	17,500.00	35,000.00

# Award Thresholds

\$20K - \$50K =

**Per KPB R2020-047: Motion approved the change of "up to amounts" of 3.5 percent funding ranges applied to each of the thresholds. See page 14.**

\$50K - \$100K = up to \$4,500

\$100K - \$250K = up to \$11,250

\$250K - \$500K = up to \$17,500

>\$500K = up to \$28,000

If my business, which grossed 94,000 dollars in 2019 is eligible for an award of 3.5% of that figure, and a business that earned, lets say, 122,000 in 2019 is eligible for 3.5% of that figure, then I would say that is totally fair. However, if my business is eligible for \$3,500 based on our earnings, and the example business is eligible for \$8,750 for earnings of 122k, I would argue that the basis for offering those grants is a bit arbitrary and unfair. Since I am a bit confused by all of this and have not been able to draw any definite conclusions from my research, I am hoping that Borough staff can clarify this for me as soon as possible.

Meanwhile, we are looking forward to applying for this assistance, and are incredibly thankful for ANY and ALL help we get during this stressful time. I thank you for reading my email and looking into my question.

Respectfully,

Andy Bacon

Steller Inn

Bear Creek, Alaska

907-362-7719 cell

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- grants <[grants@kpb.us](mailto:grants@kpb.us)>

To: 'Andy B', grants, Callie Bacon

Wed, Jul 8 at 12:38 PM

Greetings Andy:

*The 3.5% will be apply to the gross revenues demonstrated in the application. For example, an applicant may qualify for a grant of \$3,290 provided that the \$94,000 in gross revenues that can be verified ( $\$94,000 \times .035$ ). The same percentage of 3.5 is applied to gross revenues reported. For example \$100,200 gross revenues may qualify for a grant of \$3,507.*

*Thanks so much for sharing your perspective and giving us the opportunity to address this topic as an example in the FAQs. Kind regards, B*

Brenda Ahlberg  
Community & Fiscal Projects Manager  
Public Information Officer, MPIO, Type 1(t)  
907-714-2153 direct  
907-231-6505 mobile  
907-714-2377 fax

[bahlberg@kpb.us](mailto:bahlberg@kpb.us)

<https://cares.kpb.us> – CARES Act Relief Fund Project Updates

[www.kpb.us](http://www.kpb.us) – Information by departments and service areas

[www.kpboem.com](http://www.kpboem.com) -- Updates from agencies responding to area-wide response

Kenai Peninsula Borough Emergency Operation Center

**Coronavirus 2019**

Date: July 13, 2020 Time: 1600 hours

Incident Situation Report -42

@Kenai.Peninsula.Borough – Facebook Page for general government topics

@KPBalerts – Facebook Page for areawide response topics

@KPBinfo – Twitter Account

@KPBalerts – Twitter Account

**KENAI PENINSULA BOROUGH**

**144 North Binkley Street  
Soldotna, Alaska 99669**



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- Andy B <[andbacon2@yahoo.com](mailto:andbacon2@yahoo.com)>

To: grants

Thu, Jul 9 at 9:03 AM

Hi Brenda,

Thank you for your fast response, I totally understand it now. That is the answer I was hoping for, too.

Be well,

Andy

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