

**BRIEFING PAPER**  
Community, Housing and Human Services Board  
**COVID-19 LMI Job Retention Project**  
Wednesday, March 25, 2020

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**SUBJECT:** Allocation of Community Development Block Grant (CDBG) funds to provide qualified businesses with loan subsidy to retain low and moderate income (LMI) jobs jeopardized by the COVID-19 pandemic.

**BACKGROUND:** On Monday, March 16, 2020 Washington State Governor Jay Inslee announced a statewide shutdown of restaurants, bars and expanded social gathering limits in response to the growing COVID-19 pandemic. The City of Spokane is working to develop resources to assist businesses impacted by COVID-19. Many businesses impacted by COVID-19 employ low and moderate income wage earners.

The COVID-19 LMI Job Retention Project will partner with local Community Development Financial Institutions (CDFI) to assist businesses located within the City of Spokane. Assistance will be provided in the form of loan interest subsidies that create, or retain jobs.

**PROJECT ELIGIBILITY:** This project meets the regulatory requirements for dispersing CDBG funds.

- National Objective: Activities benefiting low- and moderate-income persons: Job creation or retention activities
  - Regulatory Citation: 24 CFR Part 570.208(a)(4)(i-iii)
- Eligible Activity: Special economic development activities
  - Regulatory Citation: 24 CFR Part 570.203(b), and; 24 CFR Part 570.209

**TIMELINE:** This public hearing will open public comment between March 27 and April 27, 2020.

**IMPACT:** CHHS will allocate at least \$100,000 from unencumbered CDBG funding sources to Craft3.

**ACTION:** Open a public comment period for 30 days.