



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Micah Hinkle,
Deputy Director

SUBJECT: Grant Update for Bus Rapid Transit
(BRT) Business Assistance Fund

DATE: February 16, 2021

City Administrator 
Approval

Date Feb 16, 2021

INFORMATION

This Informational Memorandum provides an update and details on the distribution of Bus Rapid Transit (BRT) Business Assistance Fund grants.

Background

To support Oakland businesses and avoid adverse permanent impacts from BRT infrastructure changes, in 2014 the City Council created the \$2,000,000 Business Assistance and Sustainability Fund, which is currently known as the Business Assistance Fund (BAF). On July 19, 2016, the City Council approved the Eligibility Criteria and Disbursement Guidelines through Resolution No. 86321 C.M.S.

The BAF is to be distributed as follows: \$1,000,000 in Zone 1 (the area east of Lake Merritt Boulevard and west of 52nd Avenue) and \$1,000,000 in Zone 2 (the area west of Lake Merritt Boulevard and east of 52nd Avenue). On May 12, 2020, in response to the COVID-19 economic crisis, the City Council passed Resolution No. 88116 C.M.S., which enabled BRT businesses to use up to \$10,000 of BAF funds for operating costs if the business can demonstrate impacts due to COVID-19 and allowed the reallocation of funds from one zone to another should there be a lack of eligible businesses.

Following Council's modifications to the program, certified letters were sent to all known existing applicants (approximately 90 businesses) to inform them of the program changes, and to request submittal of incomplete items specific to each application to secure their funding. After additional staff follow up by phone and email, funding for Zone 1 businesses was fully committed. The Zone 2 business applications and program interest increased, but additional focused outreach was needed to reach full subscription.

On August 18, 2020, staff sent a mailing to over 350 BAF-eligible business owners in Zone 2 that had not previously submitted BAF applications. At the end of August, The Office of the City Attorney (OCA) finalized the grant form agreements for operating costs, allowing staff and program participants to execute agreements for funding.

Current Status

As anticipated, the \$10,000 operating grant revisions passed by City Council in May 2020 allowed significant progress to be made on grant execution and funding of BRT businesses. Below is the current grant status as of February 4, 2021. Since late August, 67 approvals for operating cost grants have been sent, and 58 operating cost grant agreements have been executed and funded. The last approximately \$150,000 of uncommitted funds is expected to be fully committed through executed grant agreements prior to August 2021, when the program expires.

BAF Grant Status as of February 4, 2021

Grant Status	To Date	
	#	\$
Approved		
Relocation	1	\$100,000
Construction	13	\$718,365
Equipment	8	\$356,823
Operating	67	\$670,000
Total	89	\$1,845,188
Funded		
Relocation	1	\$100,000
Construction	0	\$0
Equipment	7	\$344,486
Operating	58	\$580,000
Total	66	\$1,024,486

Notes:

[1] Does not include grantees in Zone 1 that have been approved, but are on a waitlist for funding.

[2] Funding date reflects when the payment request was issued.

As a result of the additional outreach in Zone 2, all funds for the BAF were initially committed by early October. Waitlists were established for both Zone 1 and 2, with the waitlist order determined by the date of receipt of a complete application.

On October 2, 2020, staff mailed letters to 15 BAF applicants with existing commitments for construction projects, reminding them of the next steps to proceed with their projects, and providing them until October 23, 2020 to provide any remaining missing documentation. As staff

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pressed for application completions, not all of the applicants wished to proceed with their construction projects, and as a result, some funding in Zone 2 was freed up, allowing for applicants on the waitlist in Zone 2 to be funded. As of the current date, a waitlist remains for Zone 1 and funds are still available in Zone 2.

In an effort to close out the program, on January 28, 2021, staff mailed certified letters to all known incomplete applications for operating cost grants in Zone 2, providing a deadline of March 1, 2021 to complete their applications, with staff available to assist in additional languages as needed. Since Resolution No. 88116 C.M.S allows the reallocation of funds from one sub-district to another, after March 1, all BAF funds will be distributed on a first-come, first-served basis to business owners along the BRT corridor regardless of the zone their business is located in. The list of known applicants with incomplete operating cost grant applications in Zone 2 who received the January mailing is included as *Attachment A*, and a sample letter is included as *Attachment B*.

Below is an update of the BAF funding commitments by zone, as of February 4, 2021:

Business Zone 1 (Lake Merritt Boulevard to 52nd Avenue)

Authorized Funds	\$1,000,000
Committed Funds	\$1,000,000
Executed Agreements [1]	\$594,486
Pending Executed Agreement	\$405,514
Set aside for Appeals	\$0
Remaining Uncommitted Funds	\$0

Business Zone 2 (52nd Avenue to the San Leandro Border & Downtown/Uptown from Lake Merritt Boulevard to Broadway)

Authorized Funds	\$1,000,000
Committed Funds	\$855,188
Executed Agreements [1]	\$430,000
Pending Executed Agreement	\$415,188
Set aside for Appeals	\$10,000
Remaining Uncommitted Funds	\$144,812

Notes:

[1] An Informational Memo released in August 2020 listed higher totals for Executed Agreements, however these totals included older agreements that could not be funded due to noncompliance with CDBG requirements. Those grantees have been recategorized as Pending Executed Agreement.

Attachment A: List of Incomplete Applications in Zone 2

Name	Address
365 Barber Shop	9312 A International Blvd.
Avraham Supplies	7126 International Blvd.
Bean and Lloyd	110 11th Street
Estetica Unisex Mary	9331 International Blvd.
Estetica Unisex Vero	7116 International Blvd
Fay Fay Hair Salon	1111 Webster Street
Frannie Mok Attorney	212 9th Street
Gloria's Beauty Supply	8740 International Blvd.
H&N Auto Repair	8332 International Blvd Ste C
Hoza Pizzeria	400 15th Street
International EZ Tires & Auto	10100 International Blvd
LA Nail Trap	10312 International Blvd
Mixty Thrifty	9401 International Blvd
Oakland Café	288 11th Street, Ste. D
R&C Auto Sales	5200 International Blvd

Attachment B: Sample Letter to Incomplete Applicants in Zone 2



250 FRANK H. OGAWA PLAZA • 3RD FLOOR • OAKLAND, CALIFORNIA 94612

Economic & Workforce Development Department
Business Development Division

(510) 238-3627

TDD: (510) 238-3254

January 28, 2021

[ADDRESS BLOCK]

Dear [SALUTATION],

Our records show that you have previously applied to the BRT Business Assistance Fund (BAF) for business owners that were impacted by the Bus Rapid Transit (BRT) project and/or the COVID-19 pandemic. However, your application remains incomplete.

In order to complete your application, you must provide:

- [CONDITION 1]
- [CONDITION 2]

If you are still interested in this program, **you must complete your application by March 1, 2021** by sending remaining documentation to BAFapp@oaklandca.gov.

At this time, the amount of funding available in your zone (Zone 2 - the area west of Lake Merritt Boulevard and east of 52nd Avenue) is sufficient to fund all existing incomplete applications in your zone, so **your application will be funded if you submit the required documents by the March 1st deadline.**

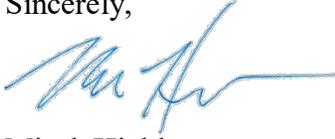
While email is preferred, you may send regular mail to:

City of Oakland
BRT Business Assistance Fund Program
Attn: Eric Simundza, BAF Manager
250 Frank H. Ogawa Plaza, Suite 3315
Oakland, CA 94612

After March 1, all BAF funds will be distributed on a first-come, first-served basis to business owners along the BRT corridor regardless of the zone their business is located in. Given there is already a waitlist for funding in the other zone (Zone 1 - the area east of Lake Merritt Boulevard and west of 52nd Avenue), any remaining funds after March 1 are likely to be quickly exhausted.

If you have questions, call Eric at (510) 238-6249.

Sincerely,



Micah Hinkle

Deputy Director/Business Development Manager

要求此文件中文翻譯本，請致電 (510) 238-3627.

Para solicitar esta carta en español, por favor llame al (510) 238-3627.

Để yêu cầu thư này bằng tiếng Việt, xin vui lòng gọi (510) 238-3627.