



Council Meeting Date: March 24, 2020

Subject: One Buncombe Fund

Staff Resource(s): Sam Powers, CED Director

Action Requested: Consideration of participation in the One Buncombe Fund; set date of April 14, 2020, for public hearing for participating in One Buncombe Fund.

Background:

- In response to the COVID-19 crisis, our local governments in Buncombe County, business community and other stakeholders are coming together to create a single point of donations to help individuals and businesses impacted by COVID-19.
- This effort will be branded as the “One Buncombe” campaign. A donation page will be hosted by Buncombe County with funds deposited to the Buncombe County Service Fund (BCSF), which is an existing Non Profit organization created by Buncombe County.
- Funds placed into the BCSF will be managed by a seven person board, which will include members of local governments including the City of Asheville, businesses, and philanthropic organizations. Funds will be used for individuals and small businesses that have been impacted by COVID-19.
- *Funds for individuals* who have lost employment due to COVID-19 will be delivered via the Buncombe County Health and Human Services (HHS) existing General Assistance (GA) program.
- Funds will be used for life essential needs caused by the COVID-19 public health crisis, such as utility bills, deposits, fuel oil, kerosene, natural gas, propane, wood, mortgages, etc.
- Funds will be paid to the service providers, not directly to individuals. Individuals will be screened and referred to other HHS programs as needed.
- *Funds for small businesses* impacted by COVID-19 will be provided through loans of up to \$10,000 with an initial 6-month period of no payments of any kind.
- Interest will accrue at 5.5% during that period, but this is not paid, and rolls up into the loan at the end of the 6-month period.
- Loans will be designed to provide low cost “bridge funding” to help businesses stay open and limit job losses until businesses can apply for longer term disaster funding from SBA or other sources. The BCSF will contract with a third party to administer this business program.
- The City Attorney has advised that this initiative meets the Economic Development requirements or the Community Development requirements in North Carolina. A public hearing is required as per N.C. Gen. Stat. 158-7.1.
- Both individuals and businesses will be encouraged to donate.

Council Goal(s):

- Financially Resilient City
- Equitable and Diverse Community
- Thriving Local Economy

Committee(s):

- None.

Pro(s):

- Provides immediate disaster assistance from a centralized fund, administered by existing experienced program management agencies.

- Supports both individuals and business community members in Asheville.

Con(s):

- The magnitude of this crisis may require additional resources, and the City is limited in the funding available.

Fiscal Impact:

- This economic development appropriation is not in the current adopted budget.
- The appropriation of \$100,000 would come from the City Fund Balance.
- A budget amendment would be required and would be considered at the April 14, 2020 meeting along with the Public Hearing.

Suggested Motion:

- Motion to direct staff to advance the concept of the City of Asheville's participation in the Buncombe County Service Foundation (BCSF) One Buncombe Fund; to consider an appropriation of \$100,000 from City Fund Balance; and to set the public hearing for consideration of the economic development appropriation to the BCSF One Buncombe Fund for April 14, 2020.

Attachment(s)

- None