



SUBJECT: Proposed Funding Awards for the FY 2024-25 Economic Development Grant Program and confirmation of the FY 2023-24 reimbursement process

DEPARTMENT: City Manager

STAFF: Darin Gale, Assistant City Manager
Abraham Salinas, Senior Analyst

TITLE/RECOMMENDATION

Consider funding award resolutions for the following:

1. Adopt a resolution approving a grant from the City's 2024-25 Economic Development Grant Program for Brentwood On Ice in the amount of \$20,000.
2. Adopt a resolution approving grants from the City's 2024-25 Economic Development Grant Program in the amount of \$117,000.
3. Adopt a resolution approving the FY 2023-24 reimbursement process.

FISCAL IMPACT

The total fiscal impact is anticipated to be \$137,000 as recommended by the Land Use and Development Committee. The fiscal year 2024-25 Economic Development Grant Program has a total of \$142,154 available for funding.

BACKGROUND

In 2002, the residents of Brentwood voted to amend the City's Business Tax Certificate ordinance, which is commonly referred to as a business license. This Business Tax Certificate is a tax on businesses based upon the business type and their gross receipts. The Business Tax Certificate ordinance established an "Economic Development Grant Program" by setting aside annually 20% of all revenue generated through the program. The language of the ordinance (Brentwood Municipal Code § 5.04.060 'Tax rate') is as follows:

"Twenty percent of the business license tax collected shall be set aside for economic development for the explicit purpose of business promotion and institutional advertisement for the City of Brentwood. Organizations, including the City of Brentwood and the Brentwood Chamber of Commerce, may apply



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annually for the use of these funds on a project by project basis to the city manager. Disbursement of these funds would require city council approval.

Historically, the funds have been set aside to support economic development efforts for the explicit purpose of promoting business development (supporting both existing and new businesses across the community), community services, and institutional advertisement for the City of Brentwood. Disbursement of these funds require City Council approval. Since 2004, the program has awarded approximately \$2.8 million in grant funding.

PRIORITY PROJECTS

The current process allows "Priority Projects" to be considered on a two-year cycle and all remaining funds are set aside for an annual competitive economic development grant program.

On March 12, 2024, by Resolution 2024-24, the City Council approved the Priority Projects for fiscal years 2024-25 and 2025-26 for a total of \$100,400 as listed in the table below.

Project	Organization	Funding Approved Per Year (FY 2024-25 and 2024-25)
Holiday Parade	Brentwood Chamber of Commerce	\$8,500
Hometown Halloween	Brentwood Chamber of Commerce	\$4,000
Harvest Time Annual Trail Map	Harvest Time of Brentwood	\$10,000
Summer Concert Series	City of Brentwood	\$50,000
Movies in the Park	City of Brentwood	\$4,300
Tree Lighting	City of Brentwood	\$3,600
Juneteenth	City of Brentwood	\$20,000
Approved Funding Per Fiscal Year:		\$100,400

At the May 25, 2024 budget workshop, the City Council recommended to fund the entire Juneteenth project from the general fund and not use funding from the



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Economic Development Grant Priority Projects. Due to this change, an additional \$20,000 has been allocated for the City's Competitive Economic Development Grant Program.

COMPETITIVE GRANTS (FY 2024-25)

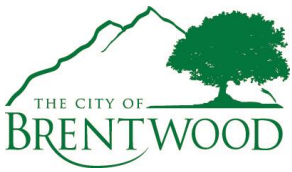
On March 13, 2024, staff announced the updated guidelines and application for the 2024/25 Economic Development Grant Program. The materials were distributed through the City's website, social media channels, and direct email communications. This announcement was also featured in a local news publication.

On April 3, 2024, staff hosted a virtual workshop via Zoom to provide an overview of the program, its history, and the revised guidelines and application process. Additionally, staff were available to meet with applicants either in person or via Zoom for further inquiries.

For the FY 2024-25 competitive grant cycle, a total of \$142,154 is available, which includes the extra \$20,000 that originally had been included in the Priority Project list. The City received sixteen (16) applications, requesting a total of \$261,625 in funding. A staff committee, including the Assistant City Manager, Economic Development Manager, and Senior Analyst, reviewed the applications. Fourteen (14) applications were determined to be complete and met the City's grant eligibility requirements. One (1) of the applications was determined to not be eligible and one (1) is not recommended for funding.

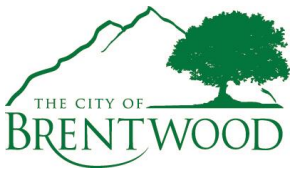
On May 29, 2024, staff presented funding recommendations to the Land Use and Development Committee (LUD). After a robust discussion and analysis, LUD recommended that the City Council award Economic Development Grant funds to organizations, projects and events as detailed below in the amount of \$137,000.

Additionally, LUD has recommended that staff work directly with the Brentwood Chamber of Commerce in implementing the Small Business Development In-Person Training project listed below. The FY 2024-25 Economic Development Grant Program applications, funding summary, rationale for staff's funding recommendations, and additional program details are included in the [Staff Report for the Special LUD meeting on May 29, 2024.](#)



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Project/Event	Organization	Requested Funding	Staff's Recommended Funding	LUD's Recommended Funding
3 rd Annual La Gran Fiesta	Brentwood Chamber of Commerce	\$6,000	\$4,000	\$6,000
Banner Up!	Art Guild of the Delta Inc.	\$12,625	\$5,000	\$5,000
Brentwood On Ice	Got A Party	\$25,000	\$20,000	\$20,000
Brentwood Turkey Trot	Brentwood Elementary & Liberty High School Districts	\$30,000	\$11,000	\$11,000
Cancer Memorial Garden Experience	Adventure Therapy Foundation	\$15,000	\$7,500	\$5,000
Dia De Los Muertos	Azucar Candies and More	\$18,000	\$10,500	\$18,000
Diwali 2024	United Indian Association	\$30,000	\$3,500	\$5,000
East Bay Business Expo and Job Fair 2025	Brentwood Chamber of Commerce	\$9,000	\$9,000	\$9,000
Elevate Dance Convention	East County Performing Arts Center	\$10,000	\$0	\$0
Holi 2025	United Indian Association	\$20,000	\$2,000	\$2,000
Lunar Year Festival	Chinese Culture Club	\$1,000	\$1,000	\$1,000
Mitchell Canyon Education Center	Mount Diablo Interpretive Association	\$20,000	\$0	\$0



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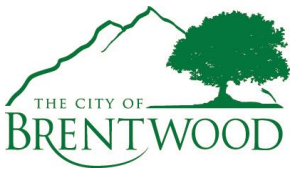
Project/Event	Organization	Requested Funding	Staff's Recommended Funding	LUD's Recommended Funding
Micro-Business Launch Program	City of Brentwood	\$10,000	\$9,954	\$0
Oktoberfest	Downtown Brentwood Coalition	\$44,000	\$30,000	\$44,000
Quilt Show	Delta Quilters Guild	\$3,800	\$1,500	\$3,800
Small Business Development In-Person Coaching	Brentwood Chamber of Commerce	\$7,200	\$7,200	\$7,200
Total		\$261,625	\$122,154	\$137,000

Staff now seeks direction from the City Council in funding these grant amounts. These will be formally considered in two separate actions by the City Council. First, the Council will consider and take action on the request from Brentwood on Ice. As one Councilmember has a conflict of interest as to this applicant, that Councilmember will recuse themselves from this portion of the meeting and will not participate in that discussion or decision. Next, the entire City Council will consider all other grant requests and take action on those. Two resolutions are included for consideration separately as to the funding recommendations.

FY 2023/24 ECONOMIC DEVELOPMENT PROGRAM GUIDELINES

On March 14, 2023, by Resolution 2023-30, the City Council approved an update to the Economic Development Grant Program Guidelines and Application (Guidelines). The update aimed to provide a comprehensive enhancement for the administration of the program. Staff discussed removing some of the reimbursement requirements from the guidelines. However, staff inadvertently failed to remove two requirements from the previously adopted Guidelines. These requirements, which are not included in the FY 2024-25 Economic Development Grant Program Guidelines and Application but are included in the FY 2023-24, are:

1. Documentation of Expenses for Reimbursement (Detailed Expense Report)
2. Payment Documents (Invoices and Receipts)



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These changes were discussed with staff during the May 29, 2024 Special LUD meeting. LUD recommends the City Council remove these requirements from the FY 2023-24 Economic Development Grant Program Guidelines to align with the recently adopted FY 2024-25 Economic Development Grant Program Guidelines and Application. The revision is necessary for auditing purposes and proper program administration. A redline version of the FY 2023-24 Economic Development Grant Program Guidelines and Application is included as Attachment 5.

CITY COUNCIL STRATEGIC INITIATIVE

Not Applicable.

PREVIOUS ACTION

Previous Action by the City Council is included on Attachment 1.

DATE OF NOTICE

Not Applicable.

ENVIRONMENTAL DETERMINATION

Not Applicable.

ALTERNATIVE OPTION(S)

Alternative Options to LUD's Recommendation:

1. Do not approve LUD's recommendation.
2. Modify LUD's recommendation.
3. Continue item with direction for staff to return with additional information.

ATTACHMENT(S)

1. Previous Action
2. Resolution – FY 2024-25 ED Grant Program Award for Brentwood On Ice
3. Resolution – FY 2024-25 ED Grant Program Awards
4. Resolution – FY 2023-24 ED Grant Program Guidelines
5. FY 2023-24 ED Grant Program Guidelines and Application (redline)