



Roll Call Number

21-0041

Agenda Item Number

321

Date January 11, 2021

**APPROVAL OF ADMINISTRATION AND FUNDING OF
CITY'S COVID-19 RESTAURANT RELIEF PROGRAM**

WHEREAS, Des Moines restaurants have incurred significant financial impacts during the COVID-19 pandemic due to the nature of the restaurant industry, the federal Center for Disease Control (CDC) guidelines, and applicable Governor's and Mayor's proclamations, relating to social distancing, and the positive trend upward of COVID-19 cases in Polk County and the need to maintain safety, with the Iowa Restaurant Association estimating that the State of Iowa could lose up to sixty percent of restaurants state-wide, with said negative impact on restaurants expected to increase during winter 2021 as outdoor seating options may be limited or unavailable; and

WHEREAS, to assist with alleviating financial stress to the restaurant community as a result of the COVID-19 pandemic and to encourage customers to use restaurant services in a manner that is safe and in accordance with CDC guidelines relating to social distancing, the City Manager and Office of Economic Development are recommending a grant program, funded in an amount of approximately \$300,000.00 from the City's Economic Development Division Enterprise Fund, to reimburse Des Moines restaurants through winter 2021 for delivery/takeout supplies incurred for eligible restaurant delivery and takeout orders provided to customers; and

WHEREAS, said COVID-19 Restaurant Relief grant program shall be structured in accordance with the eligibility and timing requirements set forth in the Council Communication filed herewith, including but not limited to the following:

- Funds shall be used to provide reimbursements of up to \$7,500.00 to restaurants with a physical location in the City of Des Moines on a first-come, first-served basis, for delivery/takeout supply costs incurred by restaurants for deliveries and takeout orders made beginning December 1, 2020 through March 30, 2021;
- Restaurant order delivery fees charged by independent third-party delivery sources (i.e. Grub Hub, Door Dash, and similar services) are not eligible for reimbursement;
- Reimbursable costs for supplies related to delivery/takeout services can include warmer bags, disposable containers, and other supplies to facilitate delivery/takeout most effectively, and will exclude consumables, equipment, and technology investments and payroll expenses;
- No individual(s), parent company, or management company owning or operating more than one Des Moines restaurant shall receive more than \$15,000.00 cumulative total from the program for all restaurants owned or operated by said individual(s) or companies, including wholly-owned subsidiaries thereof;
- Restaurants containing on-site drive-through facilities shall not be eligible for the program due to their ability to continue to serve customers and minimize financial impacts in a safe and socially distant manner during winter 2021 via said drive-through facilities;
- Restaurants maintaining fewer than three waitstaff per shift prior to December 1, 2019 shall not be eligible for the program due to the desire of the program to attempt to minimize interactions between waitstaff and the general public for health and safety purposes and to assist with preventing the spread of COVID-19 throughout the community;



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- Restaurants that have been in business since at least December 1, 2019, shall not be eligible if they have not suffered significant year-over-year revenue loss of a minimum of twenty percent (20%) from April 1, 2020 through January 1, 2021;
- A “restaurant” for purposes of and eligibility in the program shall be an establishment that serves food or beverages for on- or off-premise consumption as its principal business, such as cafes, cafeterias, ice cream or yogurt shops, donut shops, and coffee shops, and at which at least fifty percent (50%) of the gross receipts are derived from the sale of prepared food and food-related services, excluding the sale of alcoholic beverages, as identified in Des Moines Municipal Code Chapter 134-3.5.9(A); and
- The City shall reserve the opportunity to request additional information or clarification from any restaurant applicant, as determined necessary by City staff administering the program, including but not limited to request(s) for affidavit from applicant and/of supporting documentation demonstrating year-over-year revenue loss when applicable; and

WHEREAS, said grant program shall be administered by the City’s Office of Economic Development in coordination with the City’s Communications Office and City Equity Coordinator, and with the Iowa Restaurant Association, Des Moines Chambers of Commerce, and Downtown Community Alliance for outreach and marketing purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa:

1. That the above referenced COVID-19 Restaurant Relief Program is necessary and appropriate to protect and preserve the rights, privileges, and property of the City, its residents, and its local restaurant industry, and to preserve and improve the safety, health, welfare, and comfort of City residents and restaurant owners and employees by alleviating the financial impacts of the COVID-19 pandemic on the significantly impacted restaurant industry during winter 2021, when outdoor dining options compliant with CDC guidelines for social distancing may be limited and/or unavailable.
2. That the Office of Economic Development is authorized and directed to administer the City’s COVID-19 Restaurant Relief Program in accordance with the above-listed criteria and additional requirements set forth in the Council Communication filed herewith; and the Finance Department is authorized and directed to issue reimbursement payments as required by said program.



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(Council Communication No. 21-013)

MOVED BY Voss TO ADOPT.

APPROVED AS TO FORM:

/s/ Glenna K. Frank
Glenna K. Frank
Assistant City Attorney

Council Member Gatto declares a conflict of interest and abstains from voting.

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, GATTO, GRAY, MANDELBAUM, VOSS, WESTERGAARD, and TOTAL.

CERTIFICATE

I, P. KAY CMELIK, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED
J. M. Frankin Cowne Mayor

City Clerk (Signature)