



SUMMARY REPORT

Agenda Date: 12/7/2021

To: Sonoma County Board of Supervisors
Department or Agency Name(s): Economic Development Board
Staff Name and Phone Number: Ethan Brown (707) 565-7589
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:
California Microbusiness COVID-19 Relief Grant Program

Recommended Action:
Delegate authority to the Economic Development Board Director, or designee, in consultation with County Counsel and the County Administrator, to enter into contracts necessary to utilize \$610,367.82 in grant funds to be distributed to local microbusinesses in compliance with the terms of the grant and the County's competitive procedures.

Executive Summary:
The Economic Development Board (EDB) Director, or designee, seeks authority to contract with a Fiscal Agent to develop and disburse funds in accordance with requirements set forth by the California Office of the Small Business Advocate (CAOSBA) for a COVID-19 grant program available to local microbusinesses. The contracts would comply with the terms of the grant, in addition to the County's competitive procedures.

Discussion:
In October, the CAOSBA announced its COVID-19 Relief Grant Program. The first round of funding is set aside for California counties to access funds to sub-grant to local micro-businesses with five or fewer employees.

- The state program prioritizes awarding grant funds to counties that have the following:
1. Demonstrated operational experience and organizational capacity to serve the County;
 2. Demonstrated preexisting relationships with the county's microbusiness community;
 3. Identified key outreach activities for the County, including outreach efforts to underserved small business groups that have faced historic barriers to accessing capital, including businesses majority owned and operated on a daily basis by women, minorities or persons of color, veterans, undocumented individuals, and individuals living in rural or low-wealth areas on low incomes.
 4. Entities that have experience administering similar grant programs; and
 5. Entities that commit to working with nonprofit organizations with a mission that includes economic or business development support for California's underserved businesses and entrepreneurs.

Sonoma County's share of the \$50 million set aside for this program is \$610,368.

To prioritize outreach efforts among businesses and groups that have faced historic barriers to accessing

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capital, as prioritized by the State of California, the EDB has contacted the following partners to expand and amplify outreach efforts (this list may expand as further outreach takes place):

Cloverdale Chamber of Commerce
Corazon Healdsburg
Hispanic Chamber of Commerce
La Luz Center
Latino Alliance
Latino Service Providers
NB Black Chamber
Raizes Collective
Red LatinX the Hub
Russian River Chamber of Commerce

As it did with the \$2.5 million in CARES Act funding allocated by the Board of Supervisors in 2020 for the County's Business Stabilization Grant Program, the EDB proposes to contract with a Community Development Finance Institution for the administration of these grant funds. This will ensure that the funds are distributed equitably, based on the terms of the grant, and in compliance with the County's competitive procedures, and within a reasonable period of time. Up to 20% of the funds may be used for administrative, outreach and marketing. The EDB is planning to utilize a portion of the funds for marketing, outreach and translation/transcription. The balance of the funds will be sub-granted to Working Solutions CDFI for the purpose of grant administration and distribution of \$2,500 grants to an estimated 218 eligible Sonoma County micro-businesses. All funds must be distributed by no later than November 30, 2022.

The state requires this Board action to signal sufficient intent to contract with a Fiscal Agent, as well as the EDB's authority to do so, in order to be considered for this grant opportunity. A scope of work is attached. The EDB has applied for these funds, and will return to the Board for further action should the funds be awarded.

Strategic Plan:

Prior Board Actions:

N/A

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$610,368		
Total Expenditures	\$610,368		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$610,368		
Use of Fund Balance			
Contingencies			
Total Sources	\$610,368		

Narrative Explanation of Fiscal Impacts:

The County of Sonoma is eligible to receive up to \$610,368 in grant making funds from the California Microbusiness COVID-19 Relief Grant Program. Should the funds be awarded, EDB will return to the board with a budget resolution for the award amount.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1. CA Microbusiness COVID-19 Relief Grant Program Request for Proposals
2. Scope of work for Fiscal Agent

Related Items "On File" with the Clerk of the Board:

N/A