



## Legislation Text

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**File #:** 22-0548, **Version:** 1

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Planning and Building Department, Economic Development Division, recommending the Board approve and authorize the Chair to sign a Memorandum of Understanding with the Chabot-Las Positas Community College District, Economic Development & Contract Education, to implement and administer the California Microbusiness COVID-19 Relief Grant Program on behalf of the County, which provides micro grants in the amount of \$2,500 to qualified microbusinesses in the County through December 31, 2022.

**FUNDING:** California Microbusiness COVID-19 Relief Grant funds.

### **DISCUSSION / BACKGROUND**

The California Microbusiness COVID-19 Relief Grant Program (Program) was created in 2021 and is administered by the California Office of the Small Business Advocate (CalOSBA). This Program provides competitive micro grants to assist qualified microbusinesses that have been significantly impacted by the COVID-19 pandemic and related health and safety restrictions in California. The amount of funds awarded to the County under this Program is \$246,263.85, which is based on population as determined from the latest population estimates from the California Department of Finance. Implementation and administration of the Program is typically provided at the County level; however, nonprofits and/or other eligible organizations that are approved to serve as a fiscal agent may take on this role on behalf of counties.

The County has been approached by Chabot-Las Positas Community College Districts, Economic Development & Contract Education Department (CLPCCD-EDCE) to implement and administer this Program, including the disbursement of funds, on behalf of the County. CLPCCD-EDCE has been serving as a Fiscal Agent since 2012, and has managed approximately \$250 million in fiscal agreements annually focused on education, child welfare, community outreach and diversity.

Under the proposed MOU, CLPCCD-EDCE will provide outreach and marketing, translation/interpretation, validation, verification and approval processes, disbursement of funding, customer service, compliance, and required reporting. With awards of \$2,500 per eligible microbusiness, this Program could fund up to 79 grants to qualified microbusiness in the County which have or continue to face systemic barriers to access capital. To be considered eligible, a microbusiness must have \$50,000 or less in gross revenue for the 2019 tax year, is currently open or has a clear plan to reopen, and has fewer than five (5) full-time equivalent employees. CLPCCD-EDCE will receive the total allocated award amount of \$246,263.85 from CalOSBA and will be able to disburse up to \$197,011.08 through the micro grants, with the difference of \$49,252.77 considered the Fiscal Agent fee to implement and administer the Program.

It's anticipated that this effort will begin upon the Board's approval of the proposed MOU and CLPCCD-EDCE is approved to be a Fiscal Agent through CalOSBA, with the final micro grants disbursed by November 30, 2022. Any unspent Program funds are required to be returned to CalOSBA by December 31, 2022. It should be noted that CLPCCD-EDCE is currently in the final approval process to become a Fiscal Agent on behalf of the County for this Program; however,

should CLPCCD-EDCE not be approved, the MOU will become void.

### **ALTERNATIVES**

The Board may choose not to approve the proposed MOU. This would result in the forfeiture of Program funds available to be disbursed to eligible businesses in the County.

### **PRIOR BOARD ACTION**

N/A

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel has approved the proposed MOU.

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

There is no change to Net County Cost associated with this item. The Department may elect to receive up to \$15,000 of the awarded Program funds to offset costs related to providing assistance to CLPCCD-EDCE with outreach to identify qualified microbusinesses. There is a potential to infuse the local economy with the allocated \$197,011.08.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will obtain the Chair's signature on two (2) original copies of the MOU; and
- 2) The Clerk of the Board will forward one (1) fully-executed original MOU to the Planning and Building Department, attention Tom Meyer, for further processing.

### **STRATEGIC PLAN COMPONENT**

Good Governance: The administration and disbursement of grant funds under this Program will further this strategic plan component by promoting the development of resources to identify and pursue additional revenue, including local, state, federal, and private funding for new and existing projects.

Economic Development: Retain, develop and attract businesses that provide economic sustainability and quality job creation.

### **CONTACT**

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