



## Legislation Text

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**File #:** 22-0664, **Version:** 1

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Chief Administrative Office and Planning and Building, Economic Development Division, recommending the Board:

- 1) Award twenty-four (24) Non-Profit Organization COVID-19 Economic Impact Grants to eligible recipients, in a cumulative amount of \$1,978,931.59;
- 2) Approve use of Non-Profit Organization COVID-19 Economic Impact Grant agreement template;
- 3) Authorize the Chief Administrative Officer, or designee, to execute grant awards and all other documents necessary to award Economic Impact Grants; and
- 4) Direct staff to return to the Board with a proposed program that would make funding available to other non-profits and small businesses with the remaining \$2,156,128.41 in ARPA funds the Board allocated for non-profit organizations.

**FUNDING:** American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF).

### **DISCUSSION / BACKGROUND**

On March 11, 2021, President Biden signed into law the American Rescue Plan Act (ARPA), which allocated \$1.9 trillion to assist in the recovery from the impacts of the COVID-19 pandemic. El Dorado County is receiving a direct allocation of \$37.46 million. Approximately \$18.7 million was received in June 2021 and the second payment totaling an additional \$18.7 million is scheduled to be delivered in June or July 2022.

On November 9, 2021, the Board approved the allocation of ARPA SLFRF funding based upon a recommendation from the Chief Administrative Officer (Legistar item 21-1680), including \$4,135,060 for the support of small businesses and/or non-profits. Included in this total is \$813,000 designated for the El Dorado County Fair Association.

### **El Dorado County Non-Profit Organization COVID-19 Economic Impact Grant Program**

Based on the Board's direction the Planning and Building, Economic Development Division developed, published, and received applications for the El Dorado County Non-Profit Organization COVID-19 Economic Impact Grant program. The grant is open to organizations which 1) are tax exempt under Section 501 (c) 3 of the IRS Code, 2) are located within El Dorado County and provide a majority of their services to County residents, and 3) experienced at least a 10% decrease in revenue in 2020, as compared to average revenue in 2018 and 2019.

The grant program was publicized through varying outreach efforts from the County and the business protection workgroup that consisted of local chambers and other organizations. The County sent 341 letters announcing the program to all nonprofits in our database. These letters were sent via Certified mail and were sent electronically as well. In addition to these efforts, the grant opportunity was published on various department web pages and was featured in the Mountain Democrat. A total of 43 applications from non-profit organizations were received. The applications and supporting documentation were reviewed by the Economic Development Division and Chief Administrative Office to verify applicant revenues for 2018, 2019, and 2020. After a review of the applications, it was

determined that 20 of the applicants were ineligible. Ineligibility was due to the following: applicant did not experience a loss in revenue (10 applicants), lost revenue was less than 10% (4 applicants), applicant is not tax exempt under Section 501 (c) 3 (3 applicants), or application was incomplete or inaccurate (3 applicants). Of the remaining 23 applications, 6 requested funding in excess of their lost revenue. Grant funding for these applicants is recommended at the amount of their lost revenue. Funding of the full requested amount is recommended for 17 applicants.

As a reminder, the Board previously approved \$813,000 to be allocated to the El Dorado County Fair Association. Due to this separate direction, the Fair did not apply for funding through the lost revenue grant program. During 2020, the Fair Association experienced \$892,866 in lost revenue. In order to reduce the administrative burden to the County and the Fair, staff is recommending that the \$813,000 be considered an award under the lost revenue grant program. This method will result in consistency across non-profits.

Including the Fair, grants are recommended for approval for 24 organizations, totaling \$1,978,931.59. The organizations and award amounts are attached (Attachment A).

### **Remaining small business and non-profit funds**

Should the Board approve the grant program and awards above, there will be a remaining allocation of \$2,156,128.41 from the small business and non-profit funding. Staff is requesting the Board provide direction on the use of the remaining funds.

Staff recommends the Board direct staff to return to the Board with a proposed program that would provide funding to other non-profits and small businesses.

### **ALTERNATIVES**

#### Reallocation to Other ARPA Projects

The remaining funding can be allocated to any ARPA projects that were previously considered and not funded, or that have been identified since the Board's initial allocation of funds.

#### Retain Funding for Future Allocation

The Board may also decline to allocate the remaining funds at this time, leaving the funding available for future allocation.

### **PRIOR BOARD ACTION**

July 13, 2021 - File 21-1080 - The Board provided funding priorities and directed the CAO to return with recommendations for use of ARPA funds.

November 9, 2021 - File 21-1680 - The Board allocated ARPA funding to various County and outside agency recipients.

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

N/A

### **FINANCIAL IMPACT**

This item regards the distribution of American Rescue Plan Act State and Local Fiscal Recovery Funds, and is consistent with prior Board direction regarding the use of funds.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

**STRATEGIC PLAN COMPONENT**

Economic Development

**CONTACT**

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