

# Placer Shares

Small Business & Non-Profit  
Grant Assistance Program

July 28, 2020



# Background

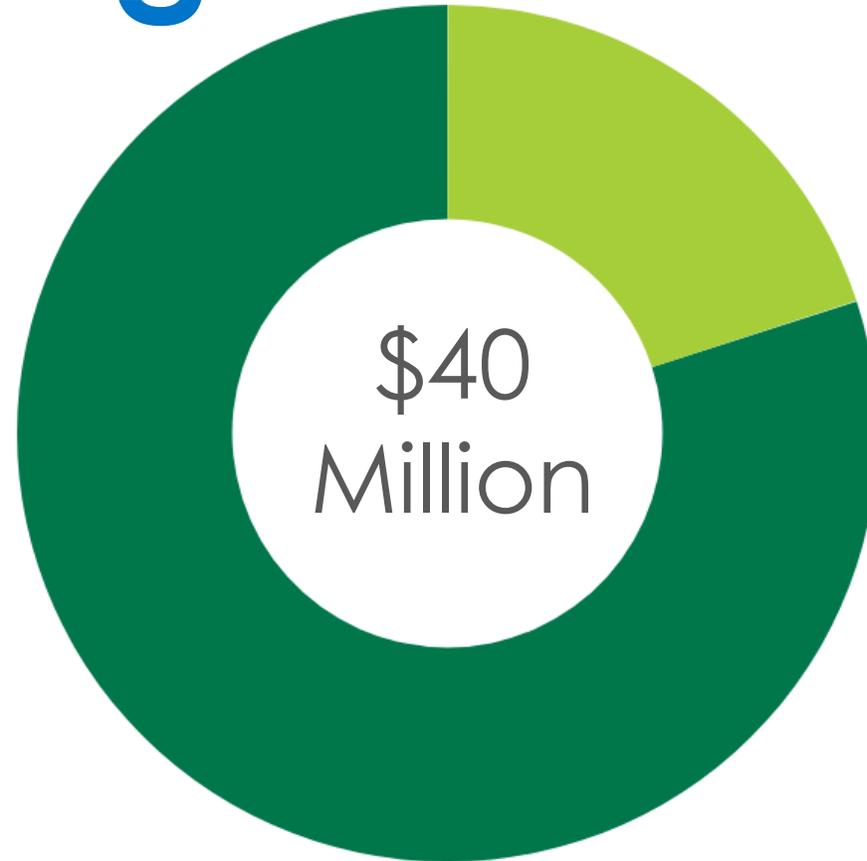
- CARES Act passed on March 27, 2020
- \$150 billion Coronavirus Relief Fund
- Reimbursement for specified COVID-19 (Coronavirus) expenses
- Placer County due to receive an estimated \$40 million via CA State budget process
- Funds distributed in monthly installments beginning in late July/early August



# Use of CARES Act Funding



**\$32 Million:**  
County service expenses, including staff time, HHS expenses, equipment and service enhancements



■ County Expenses (80%)   ■ Grant Funding (20%)



**\$8 Million:**  
Small business & non-profit grant assistance program

\$7 Million for small businesses + \$1 Million for non-profits

# Utilize Local Partnerships

Placer County



Small businesses



Non-profits





# Grant Administration

- SBC to oversee small business grant program including system design, management, implementation, hotline and translation services with admin costs @ 4% of grant funding (\$300,000)
- Supplemental assistance for the non-profit grant program provided by the Placer and Tahoe-Truckee Community Foundations @ 10% of grant funding (\$100,000)



# Baseline Eligibility

- Placer County businesses/non-profits
- Prioritized by length of closure, particularly State Resilience Roadmap Stage 3 & 4 business sectors
- Businesses with highest job loss per EDD
- 2019 gross revenues between \$25,000 - \$2 million
- Unsuccessful at accessing other relief efforts
- Small Business Administration eligibility guidelines



# Data-Driven Metrics

Identify the most-impacted organizations:

- Business sectors most negatively impacted by the COVID-19 crisis
- Business sectors with unemployment rates at or above 50%
- Input from key Placer County business stakeholders



# Priority Matrix

|            |                             |  |
|------------|-----------------------------|--|
| PRIORITY 1 | Retail (non grocery)        | Downtown historic districts, tourism based   |
|            | Restaurant / Bar            | Full service, indoor dining  |
|            | Lodging                     | Reduced occupancy from forced closure  |
|            | Wineries & breweries        | Tasting rooms + winemaking   |
|            | Other Hospitality           | Caterers, event planners   |
|            | Agriculture (growers)       | Crop & Livestock   |
|            | Health, Fitness & Beauty    | Salons, Fitness studios, spa, massage  |
|            | Arts & Entertainment        | Theatres, galleries, bowling, arcades  |
|            | Non Profit - Priority 1     | Safety net, C6 Business Assoc.   |
|            | Minority-owned businesses   | See scope description  |
| PRIORITY 2 | Restaurant - Take out       | Operate w/ limited service   |
|            | Manufacturing               | Supply chain disruption  |
|            | Medical / Dental            | Early reopening  |
|            | Agriculture (supply)        | Value add processors/ farmers markets  |
|            | Arts & Entertainment        | Artists, schools   |
|            | Non Profit - Priority 2     | All Other 501C3 Non-profits  |
| INELIGIBLE | SBA Indicated Ineligible    | See scope description  |
|            | Retail w/ online offering   | Flexible business model (books)  |
|            | Construction                | Non-Essential services   |
|            | Transportation              | Private services, shuttles   |
|            | Professional Service        | Designers, Architects, Accounting  |
|            | Real Estate Agents/ Brokers | Active in real estate sales  |
|            | Non Profit - Ineligible     | Churches, Religious Organizations, Parental Choice, Service Clubs, Sports Clubs, Private Schools |

# Award Details

- 1-9 employees: \$5,000
- 10 or more employees: \$10,000
- Awarded by lottery for small businesses
- Community Foundations to review and prioritize non-profit applications



# Proposed Timeline

|                  |  |
|------------------|--|
| <b>July 28</b>   | <b>Board of Supervisors presentation</b>   |
| July 28 – Aug 25 | Portal design, testing and implementation<br>Small Business/Non-Profit Outreach    |
| Aug 25 – Sept 7  | Grant Portal Live for Applications<br>Continued Small Business/Non-Profit Outreach |
| Sept 7           | Grant Application Deadline   |
| Sept 30          | Business Grant Awards announced  |
| Oct 3            | Non-profit Grant Awards Announced  |
| Oct 5 – 13       | Funds distributed  |



# Outreach Plan

Utilize traditional and non-traditional methods to reach potential applicants, including:

- Eligible small businesses and non-profits
- Sectors most negatively impacted by COVID-19
- Minority-owned businesses

Information will be shared via press releases, social media, email newsletters, professional organizations, and partnerships with other local agencies.



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# Ineligible Businesses

## per federal Small Business Administration guidelines

- Financial businesses primarily engaged in the business of lending, such as banks, finance companies, and factors (pawn shops, although engaged in lending, may qualify in some circumstances);
- Passive businesses owned by developers and landlords that do not actively use or occupy the assets acquired or improved with the proceeds
- Life insurance companies;
- Businesses located in a foreign country (businesses in the U.S. owned by aliens may qualify);
- Pyramid sale distribution plans;
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities;
- Businesses engaged in any illegal activity;
- Private clubs and businesses which limit the number of memberships for reasons other than capacity;
- Government-owned entities (except for businesses owned or controlled by a Native American tribe);
- Businesses principally engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting;
- Loan packagers earning more than one third of their gross annual revenue from packaging SBA loans;
- Businesses with an Associate who is incarcerated, on probation, on parole, or has been indicted for a felony or a crime of moral turpitude;
- Present live performances of a prurient sexual nature; or
- Derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature;
- Businesses primarily engaged in political or lobbying activities; and
- Speculative businesses.