



MEMORANDUM
COUNTY EXECUTIVE OFFICE
County of Placer

TO: Honorable Board of Supervisors **DATE:** January 25, 2022
FROM: Todd Leopold, County Executive Officer
BY: Paul Griffith, Business Development Manager
SUBJECT: California Office of Small Business Advocate Grant Program

ACTION REQUESTED

1. Ratify submittal of County application dated November 24, 2021, to California Office of Small Business Advocate (CalOSBA) for California Microbusiness COVID-19 Relief Grant Program.
2. Approve a CalOSBA grant program agreement with the State of California (Grant Agreement), commencing January 21, 2022 and ending December 30, 2022, and authorize the County Executive Officer, or designee, to execute the Grant Agreement subject to County Counsel and Risk Management approval.
3. Approve a Memorandum of Understanding for Grant Funding Management in an amount not to exceed Forty-Eight Thousand Dollars (\$48,000) with Sierra Business Council (Grant Funding Management MOU), commencing January 21, 2022 and ending December 30, 2022, and authorize the County Executive Officer, or designee, to execute the Grant Funding Management MOU subject to County Counsel and Risk Management approval.
4. Approve a FY 2021-22 Budget Amendment AM-00600 for CC10006 Economic Development to recognize \$510,500 in grant revenue and increase expenditure authority by the same amount.

BACKGROUND

The California Microbusiness COVID-19 Relief Grant Program (MBCRG) was created in 2021 to assist qualified microbusinesses that have been significantly impacted by the COVID-19 pandemic in California. Existing law (Government Code Section 12100.83) requires CalOSBA to make grants to assist qualified small businesses negatively affected by the COVID-19 pandemic, in accordance with specified criteria, including geographic distribution based on COVID-19 restrictions and industry sectors most impacted by the pandemic, among other things.

The MBCRG provides approximately fifty million dollars (\$50,000,000) in one-time grant funding to administer a Request for Proposal (RFP) for eligible grantmaking entities defined as a county government or consortium of nonprofit, community-based organizations. The intent of the funding is to provide relief to the hardest to reach microbusinesses and entrepreneurs. The grantmaking entities will develop and implement an outreach and marketing plan to identify and engage eligible microbusinesses that face systemic barriers to access capital.

The MBCRG awards funds to eligible grantmaking entities to distribute grants to eligible microbusinesses that have been impacted by COVID-19 and the associated health and safety restrictions. Distribution of grant funding is in the amount of \$2,500 per eligible microbusiness. It is estimated applications will begin in mid-February 2022, and funds must be disbursed to eligible businesses by November 30, 2022, or funds returned to CalOSBA by December 31, 2022.

Placer County's pre-determined allocated award amount is \$510,500. This grant funding is not a competitive bid but a set amount in the MBCRG using county population ratios. Application was made on November 24, 2021, pursuant to a Letter of Designation authorized in the RFP and signed by County Executive Officer, Todd Leopold. CalOSBA notified County of its intent to award the funding on December 22, 2021. County received the Grant Agreement January 7, 2022.

The Sierra Business Council (SBC) is the existing host for the Sierra Small Business Development Center and has deployed over \$14 million in grant funding since the start of the COVID-19 pandemic on behalf of multiple County agencies, including working with Placer County through the Placer Shares program. Placer County will subcontract with SBC pursuant to a Memorandum of Understanding for Grant Funding Management (MOU) to manage this Grant Program process, provide technical assistance to applicants, ensure eligibility of applicants through evaluations, collect required information, distribute microgrant funds, and provide detailed and timely reports to Placer County and CalOSBA. The Grant Program allows for up to a total of \$98,000 in administrative, outreach, and marketing costs. SBC shall be compensated pursuant to the MOU in an amount not-to-exceed \$48,000, and the balance of \$50,000 shall be available for County expenses. The remaining grant funding of \$412,500 shall be made available for up to 165 eligible and approved grant participants.

ENVIRONMENTAL IMPACT

The requested actions are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15061(b)(3) and 15378(b) since they consist of organizational and administrative activities involving government funding mechanisms that do not result in a potentially significant physical impact on the environment.

FISCAL IMPACT

The total amount of the grant awarded to Placer County is \$510,500. County and subcontractor/SBC costs are covered by this grant funding. The Grant Agreement allows for a total of \$98,000 in administrative, outreach, and marketing costs. County and SBC shall sign a MOU which allows for SBC compensation in an amount not-to-exceed \$48,000, and the remaining balance of \$50,000 shall be available for County expenses. A FY 2021-22 Budget Amendment AM-00600 in the CC10006 Economic Development budget to recognize \$510,500 in grant revenue and increase expenditure authority by the same amount is included for consideration and approval. There is no impact to the General Fund.

ATTACHMENTS

None

Grant Agreement and MOU on file with Placer County Clerk of the Board.