

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION: (A) APPROVING THE ALLOCATION OF \$500,000 IN AMERICAN RESCUE PLAN ACT FUNDS TO THE EXTENT ELIGIBLE AND AVAILABLE, OR OTHER FUNDS AS DETERMINED BY THE COUNTY MANAGER, TO QUALIFYING BUSINESSES THAT HAVE EXPERIENCED ECONOMIC HARDSHIP DUE TO THE COVID-19 PUBLIC HEALTH EMERGENCY UNDER THE SAN MATEO COUNTY MICRO FOOD BUSINESS GRANT PROGRAM (THE “PROGRAM”); AND (B) AUTHORIZING THE COUNTY MANAGER, OR DESIGNEE, TO DEVELOP AND MODIFY APPLICATION AND GRANT AWARDING PROCESSES CONSISTENT WITH THE PROGRAM CRITERIA SET FORTH IN THE RESOLUTION; AND (C) AUTHORIZING THE COUNTY MANAGER, OR DESIGNEE, ACTING IN CONSULTATION WITH THE COUNTY COUNSEL, TO NEGOTIATE AND EXECUTE, ON BEHALF OF THE COUNTY OF SAN MATEO, AN AGREEMENT WITH SMCU COMMUNITY FUND FOR THE ADMINISTRATION AND DISTRIBUTION OF THE \$500,000 IN AMERICAN RESCUE PLAN ACT FUNDS TO THE EXTENT ELIGIBLE AND AVAILABLE, OR OTHER FUNDS AS DETERMINED BY THE COUNTY MANAGER, TO QUALIFYING BUSINESSES UNDER THE PROGRAM, AND PROVIDING A FEE TO THE SMCU COMMUNITY FUND IN A TOTAL AMOUNT NOT TO EXCEED \$12,500 FOR THE ADMINISTRATION AND EXPENSES RELATED TO THE PROGRAM, FOR A TERM ENDING ON JUNE 30, 2022, AND GRANTING A WAIVER OF THE COMPETITIVE BIDDING PROCESS**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, since its emergence in early 2020, the COVID-19 pandemic has negatively impacted public health and the economy on a global scale, in the country and in San Mateo County; and

**WHEREAS**, the pandemic both caused and magnified negative impacts on residents of the County, including regarding public health, food and housing insecurity, and childcare, among other areas; and

**WHEREAS**, the County has taken extensive steps to prevent and address the spread of the pandemic, including funding, supporting and coordinating testing, contact tracing, isolation, quarantine and treatment for infected individuals, public health and safety communications and interventions, issuance and enforcement of health orders, health system response and vaccination programs; and

**WHEREAS**, the State and local health orders taken to respond to the pandemic and to prevent and mitigate its spread also restricted certain types of economic activity which impacted the economy in the County, with revenue losses hitting small businesses and certain economic sectors particularly hard; and

**WHEREAS**, as of June 15, 2021, although the state substantially lifted public health orders that had been in place limiting certain activities to mitigate the spread of COVID-19, the pandemic continues to pose risks to public health and the need to respond to those risks and to recover from the negative public health and economic impacts of the pandemic continues; and

**WHEREAS**, although the State and the County “reopened” on June 15, 2021, the health and economic impacts of the pandemic are still being felt throughout the County; and

**WHEREAS**, due to the pandemic, many microenterprise food service establishments in the County have suffered significant adverse financial impacts that continue to cause lasting impacts, threatening their ongoing viability; and

**WHEREAS**, the continued viability of the County’s microenterprise food service establishments is critical to ensure the availability of essential food and beverage services

to residence of the County, sustain the vitality of the local economy and the sources of employment and neighborhood vitality that such establishments in the County provide to their communities, and provide entrepreneurial opportunity; and

**WHEREAS**, this Board wishes to allocate \$500,000 in American Rescue Plan Act funds to the extent eligible and available, or other funds as determined by the County Manager, to establish the Micro Food Business Grant Program (the “Program”) in order to make grants to microenterprise food service establishments located in San Mateo County to offset losses in revenue due to the COVID-19 pandemic, ensure continued operation and assisting in covering current business operating expenses; and

**WHEREAS**, this Board desires to authorize an agreement with SMCU Community Fund (“Community Fund”) for administration and distribution of these American Rescue Plan funds in the form of a grant of \$2,500 (for cottage food operators), \$5,000 (for caterers, food trucks, and food carts) or \$10,000 (for commissaries or incubator kitchens) to provide for the payment of fees by the County to the Community Fund for Program costs from American Rescue Plan Act funds to the extent eligible and available and/or sources deemed appropriate by the County Manager; and

**WHEREAS**, in light of the foregoing, the Board finds it appropriate for the County to enter into an agreement with the Community Fund under which the County will direct \$500,000 in available American Rescue Plan Act funds and other funds that may be identified from time to time to Community Fund to make grants to San Mateo County small food service businesses that meet the following eligibility criteria: (a) currently operate a small food service business that has lawfully operated since before January 1, 2021; (b)

provide food service or sale of food- or beverage-related goods as of the time of grant application; (c) have an active permit from County Environmental Health Services (EHS) in any of the following Fee (PE) Categories: (i) cottage food operators: PE 1590 and 1591, (ii) caterers: PE 1551, (iii) food trucks: PE 1542 and 1543, (iv) food carts: PE 1540 and 1541, and (v) commissaries and incubator kitchens: PE 1550; (d) must either live in San Mateo County or operate their business in San Mateo County, and in cases of non-sole proprietorship for businesses that are not operated in San Mateo County, 50 percent or more of business ownership must be comprised of residents of San Mateo County; and (e) have been negatively economically impacted by the COVID-19 public health emergency (including declines in revenues, or impacts of periods of business closure or diminished operating capacity); (f) owns no more than five qualifying businesses within the jurisdictional boundaries of San Mateo County; (g) are in full compliance with all applicable regulations for the business including, but not limited to the following: County EHS requirements, inclusive of a Food Placarding System “Pass” rating, if applicable, County/City planning and building requirements, State/County/City business and other licenses required by law, and State and local minimum wage requirements; and (h) possess and present a copy of government-issued photo identification; and

**WHEREAS**, applicants with multiple businesses and/or permits may submit an application for each qualifying business, however, applicants will only be eligible for one grant from this Program; and

**WHEREAS**, businesses that have changed ownership since January 1, 2021 and otherwise meet the Program criteria above are eligible; and

**WHEREAS**, under the Program, applicants who are members of a household that had a 2020 gross household income at or below 100% Area Median Income (“AMI”) will be prioritized (excluding applicants applying as commissaries and incubator kitchens), with AMI household data as follows:

- Household of 1: \$121,800
- Household of 2: \$139,200
- Household of 3: \$156,600
- Household of 4: \$174,000
- Household of 5: \$188,000
- Household of 6: \$201,900
- Household of 7: \$215,800
- Household of 8: \$229,700; and

**WHEREAS**, applicants will be ineligible for a grant from the Program under the following circumstances: (a) the applicant’s business has received or been approved for a grant from any of the following programs: (i) small business relief program managed by Renaissance Entrepreneurship Center, approved by the Board on October 20, 2020 (Resolution No. 077791), (ii) San Mateo County Strong Fund Small Business Grant administered by the Community Fund, approved by the Board on November 10, 2020 (Resolution No. 077828) (recipients of grants from earlier San Mateo County Strong grant programs are eligible for the Program), and (iii) San Mateo County Restaurant, Brewery, and Winery Relief Program administered by the Community Fund, approved by the Board on January 26, 2021 (Resolution No. 077963); (b) the applicant’s business has received over \$200,000 in revenue from participation in the “Great Plates” program; or (c) the applicant is a corporate-owned chain franchise, with “chain” defined as a business with six or more locations operating or doing business under the same brand name, regardless of owner; and

**WHEREAS**, this Board deems it appropriate for the Community Fund to be paid a fee for Program administration and expenses not to exceed Twelve Thousand Five Hundred Dollars (\$12,500), and this fee shall be to compensate SMCU Community Fund for its administrative overhead costs and expenses related to the administration of the Program and distribution of grants, and the County Manager is directed to identify appropriate sources of funds, to include American Rescue Plan Act funds to the extent eligible and available, and to pay the Community Fund such fees, provided that such fees shall not exceed \$12,500; and

**WHEREAS**, the Community Fund has developed substantial expertise in partnering with the County in quickly and efficiently distributing funds to individuals and entities that have been adversely impacted by the COVID-19 public health emergency, and here, there is a need for quick action to provide relief for impacted businesses throughout the County; and

**WHEREAS**, the Board has determined that the best interests of the County would be served without the necessity of competitive bidding for the administration of the Program and, therefore, grants a waiver of the competitive bidding process pursuant to Section 2.83.050(e) of the San Mateo County Ordinance Code.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Micro Food Business Grant Program (the “Program”) is established and \$500,000 is allocated from American Rescue Plan Act funds to the extent eligible and available, other funds as determined by the County Manager, in the form of grants of \$2500 (for cottage food operators), \$5,000 (for caterers, food trucks, and food carts) and \$10,000

(for commissaries and incubator kitchens) each to qualifying businesses to offset losses in revenue due to the COVID-19 pandemic, ensure continued operation and assist in covering current business expenses, and subject to the conditions and criteria set forth in this resolution, and County staff are authorized and directed to transmit such funds to the SMCU Community Fund, pursuant to the agreement for administration and distribution of Program grant funding, to be negotiated and executed, as set forth herein.

**BE IT FURTHER RESOLVED** that that the County Manager, or designee, is hereby authorized to develop and modify application and grant awarding processes consistent with the criteria set forth in this resolution.

**BE IT FURTHER RESOLVED** that the County Manager, or designee, is hereby authorized and directed, acting in consultation with the County Counsel, to negotiate and execute an agreement with SMCU Community Fund to administer and distribute to qualifying establishments grants from the Program, for a term ending on June 30, 2022, provided that the amount paid for such services shall not exceed \$12,500.

**BE IT FURTHER RESOLVED** that a waiver of the competitive bidding process is granted pursuant to Section 2.83.050(e) of the San Mateo County Ordinance Code.

**BE IT FURTHER RESOLVED** that the County Manager, or designee, is hereby authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) and/or modify the contract term

and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

**BE IT FURTHER RESOLVED** that the County Manager, or designee, is authorized to apply state and/or federal funds, to include those appropriated by the American Rescue Plan Act, that may be made for all or a portion of the monies expended on the Program, including all monies for grants under the Program and all monies paid to the SMCU Community Fund to administer and distribute Program funds.

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