

**RESOLUTION NO.**

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

\* \* \* \* \*

**RESOLUTION APPROVING AN ALLOCATION OF \$512,500 IN AMERICAN RESCUE PLAN ACT (ARPA) FUNDS FOR 100 GRANTS OF \$5,000 EACH (TOTALING \$500,000) TO ELIGIBLE SMALL BUSINESSES LOCATED IN UNINCORPORATED NORTH FAIR OAKS IMPACTED BY THE COVID-19 PANDEMIC AND AUTHORIZING THE COUNTY EXECUTIVE, OR DESIGNEE(S), TO NEGOTIATE AND ENTER INTO AN AGREEMENT WITH THE SMCU COMMUNITY FUND TO ADMINISTER AND DISTRIBUTE THE 100 GRANTS IN EXCHANGE FOR AN ADMINISTRATIVE FEE TOTALING \$12,500**

---

**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 COVID-19 public health emergency has both caused and magnified negative impacts on residents of San Mateo County, including with regard to public health; mental health and emotional development; food and housing insecurity; economic dislocation and small business viability; and childcare, among other areas; and

**WHEREAS**, the COVID-19 public health emergency, while broadly impacting the community, has had an especially devastating impact on some segments of the San Mateo County population, including those of our neighbors who are lower income, who work in essential positions that cannot be performed remotely, and who hail from areas including the Mid- and South-Coast and North Fair Oaks; and

**WHEREAS**, over the course of the pandemic, the County along with other funders have contributed \$21.9 million in grants to 1,332 local small businesses, with grant programs focused on businesses and business owners in targeted zip codes and in sectors that were acutely impacted by COVID-19 such as restaurants, breweries, wineries, food trucks, food carts, catering companies, and other businesses; and

**WHEREAS**, many of the small businesses in the County's lower income communities lack an online presence and/or digital literacy, making them more susceptible to pandemic-related shut downs and shifts in customer purchasing practices, and many of these same small businesses also faced staffing challenges and experienced both significantly reduced revenue and increased costs, and, as result, have incurred substantial debt in order to remain in business over the past two years; and

**WHEREAS**, the unincorporated area of North Fair Oaks, a major commercial center in unincorporated San Mateo County, is one of the lowest income areas of the County and one of the communities that was most adversely impacted by the pandemic, and many of the small businesses that serve the residents of North Fair Oaks continue to struggle with the financial impacts of COVID-19; and

**WHEREAS**, although the County has performed outreach for many of its small business COVID-19 relief programs, participation in these programs has been lower in North Fair Oaks than in many communities; and

**WHEREAS**, in response to the continuing negative economic impacts suffered by small businesses located in the North Fair Oaks area and to mitigate their financial hardship, the Board desires to allocate \$512,500 in ARPA funds to establish and

administer the North Fair Oaks Small Business Grant Program, which would offer \$5,000 grants to 100 COVID-impacted small businesses with a physical presence in North Fair Oaks that meet all of the following criteria:

- Business must currently occupy a physical commercial business space in the unincorporated North Fair Oaks area;
- Business must be in full compliance with all applicable regulations for the business including, but not limited to, regulations related to County Environmental Health permits; County/City planning and building requirements; State/County/City business and Bureau of Alcoholic Beverage Control permits; State and local minimum wage requirements; and Health officer orders and other orders related to the COVID-19 public health emergency;
- Business was lawfully operating prior to March 11, 2020, when a local state of emergency was proclaimed due to the COVID-19 pandemic, with establishments that have changed ownership since March 11, 2020 but otherwise meet the Program criteria being eligible;
- Business must have fewer than 25 full time employees.
- Business must be independently owned and operated, and if the business is a franchise, it must be independently owned and operated by a County resident, or 50% or more of the franchisee ownership must be comprised of County residents;

- Business has not received a County small business grant in the past 12 months;
- Business must generate its income from active sources (not passive income, such as money earned from interest, dividends, and rental property);
- Business must have suffered a negative financial impact due to the COVID-19 pandemic (such as, for example, decreased revenue or gross receipts, increased costs, decreased capacity to weather financial hardship, challenges in covering payroll, rent or mortgage, and other operating costs); and

**WHEREAS**, however, the following businesses are ineligible to receive a grant under the North Fair Oaks Small Business Grant Program: cannabis businesses and/or businesses that support cannabis businesses; and/or liquor stores, tobacconists, and/or smoke/vape shops; and

**WHEREAS**, applications for the 100 small business grants will be accepted starting May 13, 2022, and will be awarded on a first-come, first-served basis to eligible small businesses; and

**WHEREAS**, in order to receive a grant under the North Fair Oaks Small Business Grant Program, grantees will be required to provide a copy of a government-issued photo ID, a completed attestation confirming the business was negatively financially impacted by COVID-19, proof of business address, and a completed W-9 form, but information regarding legal residency is not a condition of approval, and no such information collected in connection with the Program will be shared with other government agencies; and

**WHEREAS**, the Board desires to enter into an agreement with the SMCU Community Fund, as the County's Fiscal Agent, to administer the North Fair Oaks Small Business Grant Program and distribute all 100 grants to eligible businesses ("Agreement"), under which SMCU Community Fund would receive a fee of \$12,500, which is equal to 2.5% of the total amount allocated for grants ( $\$500,000 \times 0.025$ ).

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board allocates \$512,500 in ARPA funds to establish and administer the North Fair Oaks Small Business Grant Program offering \$5,000 grants to 100 COVID-impacted small businesses with a physical presence in North Fair Oaks according to the criteria and requirements set forth in this resolution.

**BE IT FURTHER RESOLVED** that the County Executive, or designee(s), is authorized and directed to negotiate and execute the Agreement with the SMCU Community Fund for and on the behalf of the County of San Mateo in an amount not to exceed \$12,500 in ARPA funding (from the total \$512,000 allocation above) to administer and distribute the North Fair Oaks Small Business Grant Program consistent with the intent and findings of the Board of Supervisors set forth in this resolution, and the County Executive, or designee(s), shall report back to the Board when all allocated grant funds have been awarded, or two months after the opening date, whichever occurs first.

**BE IT FURTHER RESOLVED** that the County Executive, or designee(s), is authorized to execute contract amendments to the Agreement 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 Executive, or designee(s), is authorized to apply state and/or federal funds, to include those appropriated by ARPA, that may be made available for all or a portion of the monies expended on the North Fair Oaks Small Business Grant Program.

\* \* \* \* \*