

RESOLUTION NO. .

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

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RESOLUTION: A) APPROVING AN ALLOCATION OF \$2,500,000 IN CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT FUNDS FOR RENAISSANCE ENTREPRENEURSHIP CENTER FOR ADMINISTRATION AND DISTRIBUTION TO BENEFIT SMALL BUSINESS OWNERS WHO RESIDE IN CERTAIN TARGET AREAS OF THE COUNTY AND WHO ARE LOWER-INCOME AND DIRECTLY AND ADVERSELY IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY; AND B) AUTHORIZING AND DIRECTING THE COUNTY MANAGER, OR DESIGNEE, TO NEGOTIATE AN AGREEMENT WITH RENAISSANCE ENTREPRENEURSHIP CENTER FOR ADMINISTRATION AND DISTRIBUTION OF \$2,500,000 IN CARES ACT FUNDS TO BENEFIT SMALL BUSINESS OWNERS WHO RESIDE IN CERTAIN TARGET AREAS OF THE COUNTY AND WHO ARE LOWER-INCOME AND DIRECTLY AND ADVERSELY IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY, AND PROVIDING FOR A FEE TO RENAISSANCE ENTREPRENEURSHIP CENTER NOT TO EXCEED \$500,000 FOR ADMINISTRATION AND EXPENSES RELATED TO THE GRANT PROGRAM, FOR A TERM OF OCTOBER 20, 2020 THROUGH DECEMBER 30, 2020

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

WHEREAS, on March 3, 2020, and pursuant to Section 101080 of the California Health and Safety Code, the San Mateo County Health Officer (the “Health Officer”) declared a local health emergency throughout San Mateo County related to the novel coronavirus (“COVID-19”) and the Board of Supervisors has ratified and extended this local health emergency, which remains in effect throughout San Mateo County; and

WHEREAS, on March 3, 2020, and pursuant to Section 8630 of the California Government Code and Chapter 2.46 of the San Mateo County Ordinance Code, the San Mateo County Director of Emergency Services proclaimed a local emergency throughout San Mateo County related to COVID-19 and the Board has ratified and extended the proclamation of a local emergency (“Local Emergency”), which remains in effect; and

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency related to COVID-19 (“State of Emergency”), effective throughout the State of California; and

WHEREAS, on March 14, 2020, the Health Officer prohibited all public or private gatherings of 50 or more people and urged the cancelation of all gatherings of 10 or more people in a single confined space; and

WHEREAS, on March 16, 2020, the Health Officer issued an order that, among other things, directed all individuals living within San Mateo County to shelter in their place of residence (“Original Shelter-in-Place Order”), and authorized individuals to leave their residences only for certain “Essential Activities,” Essential Governmental Functions,” or to operate “Essential Businesses,” all as defined in the Original Shelter-in Place-Order; and

WHEREAS, several times since March 16, 2020, and most recently, on June 4, 2020, the Health Officer issued revised Shelter-in-Place Orders extending the Original Shelter-in-Place Order due to evidence of continued significant community transmission of COVID-19 within the County and throughout the Bay Area; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20, which, imposed a Statewide Shelter-In-Place Order requiring individuals to remain in their places of residence except as needed to maintain continuity of operations of critical infrastructure, access necessities such as food, prescriptions and healthcare, or engage in other authorized activities; and

WHEREAS, on May 8, 2020, Governor Newsom announced a plan to allow the limited reopening of some businesses beyond those in the category of essential critical infrastructure, which is part of the "Resilience Roadmap" for California, the multiphase plan to modify the Statewide Shelter-In-Place Order; and

WHEREAS, on June 16, 2020, the State approved the County's request for a variance allowing the County to align with the Resilience Roadmap for California; and

WHEREAS, on June 17, 2020, the Health Officer rescinded the June 4, 2020 revised Shelter-in-Place Order and replaced it, effective immediately, with a new order aligning the County with the Statewide Shelter-in-Place Order/Resilience Roadmap, emphasizing individual behavior and the practices that businesses must follow as they resume operations, including limiting gatherings to no more than 50 people, outlining social distancing and face covering requirements, allowing for social bubbles, and requiring businesses to implement a social distancing protocol and written health and safety plans, based on evidence of continued significant community transmission of COVID-19 within the County and throughout the Bay Area and the Health Officer will continue to update San Mateo County orders to align with State guidelines; and

WHEREAS, as the State and County continue with reopening, the number of identified COVID-19 cases continues to grow; in fact, as of October 13, 2020, there were 855,072 positive COVID-19 cases in California, as well as 16,639 people in the State who have died of COVID-19 causes, as well as 10,622 COVID-19 cases and 155 deaths in San Mateo County and, as COVID-19 cases continue to increase, the Governor has ordered the closure of some businesses that had been permitted to reopen; and

WHEREAS, while the long-term societal and economic impacts of COVID-19 will not be known for some time, the continuing direct impacts to the local San Mateo County community have already been substantial, as residents throughout the County are confronting continuing and substantial income loss due to business and school closures, corresponding layoffs or loss of work hours and wages, and extraordinary out-of-pocket medical expenses; and

WHEREAS, among the businesses located in San Mateo County, small businesses have been hit the hardest by this crisis, and this negative impact has been felt in particular among small business owners who are lower-income and living in certain target areas of the County; and

WHEREAS, the existence, health and vibrancy of small businesses are essential to the health, welfare, diversity, and the long-term sustainability of communities throughout the County and that, in these current circumstances, a primary goal of this Board, and an appropriate use of public funds, is to provide emergency grants to support small, local businesses, particularly those whose owners are lower-income and living in certain target areas of the County; and

WHEREAS, through the SMC Strong Fund, which included \$1 million in seed funds contributed by the County of San Mateo, over \$3.5 million in grants of \$10,000 each have been made to approximately 350 small businesses located throughout San Mateo County; and

WHEREAS, relatively few small business owners who reside in certain areas of the County, including in Daly City, East Palo Alto, unincorporated North Fair Oaks, Menlo Park, the unincorporated Mid-Coast, unincorporated Pescadero, Redwood City, San Mateo, South San Francisco, and San Bruno applied for initial SMC Strong Fund grants; and

WHEREAS, although the initial SMC Strong small business grant fund program included extensive outreach throughout the County and the applications materials and informational materials were made available in multiple languages, the County's experience to date reflects that a different, more focused program will more effectively

reach small businesses that are owned by individuals residing in certain target areas of the County who are lower income and have been adversely impacted by COVID-19; and

WHEREAS, in light of the foregoing, on August 4, 2020, this Board adopted a resolution to authorize an agreement with Renaissance Entrepreneurship Center (“Renaissance”) pursuant to which Renaissance agreed to administer and distribute a small business assistance program fund consisting of \$200,000 in SMC Strong funds that is focused on small businesses that are owned by individuals residing in certain target areas of the County who are lower income and have been adversely impacted by COVID-19; and

WHEREAS, on September 15, 2020, this Board adopted a resolution to authorize an agreement with Renaissance pursuant to which Renaissance agreed to administer and distribute a small business assistance program consisting of a total of \$230,000 in SMC Strong funds (i.e., the \$200,000 in funds referenced in the August 4, 2020 resolution, and an additional \$30,000 in identified SMC Strong funds identified in the Board’s September 15, 2020 resolution), that is focused on small businesses that are owned by individuals residing in certain target areas of the County who are lower income and have been adversely impacted by COVID-19; and

WHEREAS, Renaissance is dedicated to assisting very low to moderate income women and men to start and grow their small businesses and, in the last two years, Renaissance has worked with over 195 small business owners throughout the County and their clients are 97% lower income and 37% immigrants; and

WHEREAS, Renaissance's business assistance program has been reviewed, and is supported by, the Economic Recovery, Equity and Recovery Coordinating Council of the San Mateo County COVID Recovery Initiative; and

WHEREAS, the Board finds that assisting small business owners who have been directly and adversely impacted by COVID-19 and who are among those sought to be assisted by the grant funds authorized by the above-referenced resolutions of this Board of August 4, 2020 and September 15, 2020 is necessary and appropriate to respond to the COVID-19 public health emergency and the Board has identified up to Two Million Five Hundred Thousand Dollars (\$2,500,000) in Coronavirus Aid, Relief, and Economic Security (CARES) Act funds that may be used for this purpose, subject to CARES Act requirements; and

WHEREAS, this Board desires to authorize an agreement with Renaissance for administration and distribution of these CARES Act funds in the form of a package of assistance/support for grantee small business owners with a typical approximate value of \$10,000 for each grantee, with each assistance/support package consisting of a cash grant that shall not exceed \$25,000 for any grantee, consulting support, information technology assessment and assistance, and other services identified and deemed appropriate by Renaissance ("Assistance/Support Packages") and to provide for the payment of fees by the County to Renaissance for program costs from CARES Act funds and/or sources deemed appropriate by the County Manager; and

WHEREAS, in light of the foregoing, this Board finds it appropriate for the County to enter into an agreement with Renaissance under which the County will direct \$2,500,000 in available SMC Strong funds and other funds that may be identified from

time to time to Renaissance to establish and administer a program that will make grants of Assistance/Support Packages to small business owners who are Lower Income (as defined herein); who have been directly and adversely impacted by COVID-19; and who reside in Target Areas (defined as the areas that lie within the boundaries of the following zip codes): 94014 and 94015 (Daly City); 94303 (East Palo Alto); 94025 (Menlo Park); 94038 (Unincorporated Mid-Coast); 94060 (Pescadero); 94061 and 94063 (Redwood City and North Fair Oaks); 94401 and 94403 (San Mateo); and 64066 and 94080 (South San Francisco/San Bruno); and

WHEREAS, individual small business owners who had annual incomes below \$120,000 in 2019 or who had an average annual income below \$120,000 for the last three years shall be deemed “Lower Income” for purposes of this resolution and businesses owned by partnerships must be at least fifty-on percent (51%) owned by a qualifying individual in order to be eligible for a grant through the program described in this resolution; and

WHEREAS, this Board deems it appropriate for Renaissance to be paid a fee for program administration and expenses not to exceed Five Hundred Thousand Dollars (\$500,000) and this fee shall be to compensate Renaissance for its administrative overhead costs related to the program, as well as the cost of staff and subcontractors retained to administration of the program and to assist in providing the services contemplated for the Assistance/Support Packages and the County Manager is directed to identify appropriate sources of funds, to include CARES Act funds, and to pay Renaissance such fees, provided that such fee paid to Renaissance shall not exceed \$500,000.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the County Manager, or the County Manager's designee, is authorized and directed to execute an Agreement with Renaissance for and on behalf of the County of San Mateo that provides for the distribution of the \$2,500,000 in CARES Act funds referenced above, and other funds that may be identified from time to time; that calls for the administration and distribution of these funds as Assistance/Support Packages to be granted to eligible small business owners; that reflects the eligibility requirements and conditions set forth in this resolution, including that Renaissance shall distribute grants to small business owners residing in the target areas of the County enumerated in this resolution who are lower income and have been directly and adversely impacted by COVID-19; and that provides for Renaissance to receive a fee for program administration and expenses not to exceed \$500,000.

BE IT FURTHER RESOLVED that that the Board authorizes the County Manager, or the County Manager's designee, to contribute or cause to be contributed Two Million Five Hundred Thousand Dollars (\$2,500,000) in CARES Act funds, and other funds that may be identified from time to time, to Renaissance Entrepreneurship Center for distribution to San Mateo County small businesses in accordance with the terms and intent of this resolution and to pay Renaissance a fee for program administration and expenses not to exceed \$500,000.

BE IT FURTHER RESOLVED that the County Manager or his designee is 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(s), shall periodically report back to the Board regarding the status of the efforts called for by this resolution.

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