## **RESOLUTION NO. .**

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

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## RESOLUTION AUTHORIZING THE COUNTY MANAGER, OR DESIGNEE(S), TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SOUTH SAN FRANCISCO FOR THE CONTRIBUTION OF \$200,000 TOWARDS A ONE-YEAR PILOT PROGRAM FOR THE ESTABLISHMENT AND OPERATION OF A NORTH COUNTY SMALL BUSINESS AND ENTREPRENEURSHIP RESOURCE CENTER

**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, which remains in place; 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, County aligned 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, due to an unprecedented surge in COVID-19 cases, effective December 17, 2020, the State issued a Regional Stay at Home Order for the entire Bay Area region, which included the County; and

WHEREAS, while the Regional Stay at Home Order has now been lifted and vaccination efforts are underway across the State and in the County, the COVID-19

pandemic is not yet over and its effects continue to impact the County and its residents; and

WHEREAS, over the course of the past year, there have now been over 3,630,000 confirmed COVID-19 cases across the State, with nearly 57,000 deaths, and over 39,000 confirmed cases in the County, with 536 deaths; and

WHEREAS, early in 2021, the City Council in South San Francisco ("City") directed City staff to establish a small business resource center, and City staff issued a Request for Qualifications on February 3, 2021, seeking to identify service providers with proven experience assisting small businesses and entrepreneurs with targeted technical assistance, accessing capital and overall support with post-COVID-19 business recovery and long-term sustainability; and

WHEREAS, the City has since selected the Renaissance Center as the service provider to be awarded the contract for the establishment and operation of a Small Business and Entrepreneurship ("SBE") Resource Center ("Service Provider"), subject to approval from City Council at its March 24, 2021 meeting; and

WHEREAS, small businesses represent 88% of the County's private enterprises, and these small businesses have historically provided the County a critical source of job growth and are essential to the vibrancy, diversity, and long-term sustainability of the County's cities and local communities; and

WHEREAS, many of the County's small businesses have been hit particularly hard by the COVID-19 pandemic, in particular those in vulnerable communities, as shoppers who have been sheltering in their homes are increasingly purchasing on-line, and, while some small businesses have successfully pivoted to on-line models, many are struggling due to a lack of technology, digital literacy, and/or adequate resources; and

WHEREAS, the San Mateo County COVID Recovery Initiative Economic Committee (the "Committee") developed 35 recommendations to support local businesses and prepare the County's workforce for the post-pandemic economy, and while many of the Committee's recommendations, such as webinars and on-site support with health guidance compliance and expansion of the small business assistance program, were implemented, many were not; and

WHEREAS, in November 2020, the County contracted with NOVAworks, the County's Workforce Development Board, to undertake two projects: pilot a work experience program for unemployed residents and assess the current attitudes and concerns of workers and small businesses impacted by COVID-19; and

WHEREAS, NOVAworks then developed an action-oriented Strategic Plan for Workforce Recovery (the "Plan"), which consists of three phases and includes a total of seven recommendations that, when implemented, will help the County emerge from the COVID-19 pandemic with workers and businesses ready for the post-pandemic economy and beyond; and

WHEREAS, in the meantime, at the March 9, 2021 meeting, the Board of Supervisors accepted the Plan; and

WHEREAS, the first phase of the Plan, which would be immediately implemented, includes three measures to prevent permanent closures of small businesses and to encourage emerging entrepreneurs; and

WHEREAS, the Board requested additional information on two of these measures; specifically, the development of a Shop Local application and associated incentive program, and a Digital Tools and Training Grant Program; and

WHEREAS, the Board also approved (i) the contribution of \$200,000 toward the establishment and first-year operating expenses of an SBE Resource Center in North County, and (ii) pursuant to Section 2.83.050(e) of the San Mateo County Ordinance Code, the waiver of the request for proposals process for the services related to the establishment and operation of the SBE Resource Center in North County; and

WHEREAS, recognizing their common goal of assisting small businesses in the northern portion of the County, City and County staff have combined efforts to establish the SBE Resource Center, which if established, would assist business owners and businesses located in the Cities of Colma, Daly City, Milbrae, Pacifica, San Bruno and South San Francisco with legal, human resources, business planning and financial matters, technology, group purchasing, and other needs; and

WHEREAS, to this end, City and County staff have negotiated a Memorandum of Understanding ("MOU") that includes the following material terms:

 The County will contribute \$200,000 toward the cost of establishing and operating the SBE Resource Center, including real property rental expenses, during the one-year pilot period. The City will contribute a total amount at least equal to the County's contribution toward the operation and establishment of the SBE Resource Center, including real property rental expenses, during the Pilot Period.

- The City will contract with the SBE Resource Center Service Provider, and the County will participate in the Service Provider selection process.
- The City will also serve as the contracting agency for the lease of commercial property related to operation and establishment of the SBE Resource Center.
- The Service Provider will deliver monthly reports and hold monthly meetings with the City and the County to provide key performance data and program updates and to review any issues. In particular, the Service Provider will be required to track, and provide written reports regarding, all Target Businesses served to ensure that the County's contribution is properly applied as set forth above and the Parties further agree to meet and confer to accomplish that purpose.
- The SBE Resource Center will focus on assisting "Target Businesses" which are defined in the MOU as small businesses (i) with the equivalent of 50 or fewer full time employees or less than \$5 million in annual revenues, with the amount of County funding reserved to serve small businesses with the equivalent of 10 or fewer full time employees or less than \$2.5 million in annual revenues; and (ii) that have a primary office, storefront, or business space located in North County or are owned by a resident of North County.
- To the extent that businesses that have a current business license from a local jurisdiction within San Mateo County, or that are owned by a resident of San Mateo County seek to participate in SBE Resource Center programs, but they do not fall within the definition of a Target Business, they will be referred to other programs in the County that may be able to provide similar assistance and support.

- In addition to operating the SBE Resource Center for the benefit of Target Businesses, the Service Provider will design, offer, and promote programs attractive to "hard to reach" businesses, which include without limitation: (i) Target Businesses owned by or offering products or services to people whose primary language is not English; and (ii) Target Businesses owned by people with limited access to technology and who are unlikely to be reached through standard online marketing.
- Target Businesses located in or owned by a resident of the City shall be given an opportunity to pre-enroll for events, trainings, and/or resources provided at the SBE Resource Center. In the event that SBE Resource Center programs are oversubscribed, the Parties will meet and confer to determine how to ensure that Target Businesses located in or owned by a resident of the City are able to access those programs.
- The Service Provider will begin offering "rapid response" assistance to Target Businesses as soon as possible after the City enters into a contract with the Selected Provider.
- In addition to providing initial rapid response services, the Service Provider will work with City and County staff to develop a longer term program to assist Target Businesses to stabilize and successfully emerge from the pandemic.

WHEREAS, the MOU will be presented to the City Council for its approval on March 24, 2021 and at that same meeting, the City Council will also consider awarding a

contract to Renaissance Center as the Service Provider for the SBE Resource Center; and

WHEREAS, if the Service Provider contract is awarded, post-COVID-19 business recovery and assistance programs may be available for Target Businesses in the near future.

## NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED THAT the

County Manager, or designee(s), is hereby authorized to execute an MOU with the City of South San Francisco for the contribution of \$200,000 towards a one-year pilot program for the establishment and operation of a North County Small Business and Entrepreneurship Resource Center.

**BE IT FURTHER RESOLVED THAT** the County Manager, or designee(s), is hereby authorized to enter into amendments to the above MOU which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the 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), is hereby authorized to apply state and/or federal funds that may be made available in connection with the County's response to the COVID-19 pandemic to reimburse the County's General Fund for all or a portion of monies expended on the one-year pilot program for the establishment and operation of the SBE Resource Center.

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