

RESOLUTION NO. _____

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

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RESOLUTION EXPANDING THE ELIGIBILITY CRITERIA FOR THE TECHNOLOGY TOOLS AND TRAINING GRANT PROGRAM FOR SMALL BUSINESSES TO INCLUDE BUSINESSES LOCATED IN THE GEOGRAPHIC AREAS AND WAIVING THE REQUIREMENT FOR THOSE BUSINESSES THAT THE BUSINESS OWNER MUST RESIDE IN ONE OF THE GEOGRAPHIC AREAS

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 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, over the course of the past year, there have now been nearly 4,000,000 confirmed COVID-19 cases across the State, with over 64,000 deaths, and nearly 44,000 confirmed cases in the County, with 588 deaths; and

WHEREAS, the State and County are experiencing a recent surge in cases as the more contagious Delta variant has become the dominant strain of COVID-19 in California; 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, and continue to be, adversely impacted by the COVID-19 pandemic, in particular those in vulnerable communities, as shoppers 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, in late 2020, the County contracted with the Renaissance Entrepreneurship Center (REC) to administer over \$3,500,000 in grants to small businesses owners residing in the lower income zip codes in San Mateo County ("Targeted Small Business Grant Program"); and

WHEREAS, many of the applicants for grants from the Targeted Small Business Grant Program expressed a need for technology-based assistance; and

WHEREAS, on March 23, 2021, to address the technology-based needs of small businesses in vulnerable communities throughout the County and position those small businesses for success in the post-pandemic economy, the Board established a pilot Technology Tools and Training Grant Program targeting small businesses owners in the lowest income zip codes of the County; and

WHEREAS, under the Technology Tools and Training Grant Program, the County is to disburse grants of up to \$2,500 to assist small business owners with website development, e-commerce capabilities, digital/online marketing, and social media presence at a total cost not to exceed \$350,000, including \$50,000 in fees paid to REC to administer the Program; and

WHEREAS, currently, to be eligible for the Technology Tools and Training Grant Program as approved by the Board, a business owner must **(1)** be lower income (i.e., must have had an annual income below \$120,000 during 2019 or an average annual income below \$120,000 over the last three years) and **(2)** live in one of the of the following zip codes which were selected based on percent of families living below the poverty level, high numbers of immigrant assistance applicants, and lower average family income (“Targeted Zip Codes”):

- Daly City: 94014 and 94015
- East Palo Alto: 94303
- Menlo Park: 94025
- Unincorporated Mid-Coast: 94038
- Pescadero: 94060
- Redwood City/NFO: 94061, 94063
- San Mateo: 94401, 94403
- South San Francisco/San Bruno: 94066, 94080; and

WHEREAS, for businesses owned as partnerships, a person meeting the qualifications in the above paragraph must own 51% of the business in order for the business to be eligible for a grant from the Technology Tools and Training Grant Program; and

WHEREAS, REC expected to distribute 50 grants in May and another 50 in June, with the program wrapping up in early July, but, to date, only 25 completed applications have been submitted, 21 reviewed by REC and sent to the County staff for review, and 16 applications have been approved by the County; and

WHEREAS, according to the REC staff, owners of many business in the Targeted Zip Codes are interested in a Digital Tools and Training grant, but they are not eligible because they do not reside in one of the Targeted Zip Codes; and

WHEREAS, the owners of small businesses in the Targeted Zip Codes may live in other parts of the County or outside San Mateo County but operate small businesses that serve residents of the target communities and generate tax revenue for those communities; and

WHEREAS, to ensure the target vulnerable communities fully benefit from the Digital Tools and Training Grant Program, the Board desires to expand the Program eligibility criteria to include businesses located in the Targeted Zip Codes regardless of where the business owner lives while maintaining all the other grant eligibility criteria, including a demonstrated COVID-19-related impact, the lower-income requirement, and documentation of the location of the business in the target community.

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

Board authorizes expanding the eligibility criteria for the Technology Tools and Training Grant Program to include business owners operating businesses located in the Targeted Zip Codes and, for those businesses, waiving the requirement that the business owner must reside in one of the Targeted Zip Code. All other eligibility criteria for the Program shall remain unchanged.

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