



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-839

Board Meeting Date: 11/10/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Agreement with SMCU Community Fund to Administer and Distribute \$998,000 in CARES Funds to Non-Profit Organizations Adversely Impacted by COVID-19

RECOMMENDATION:

Adopt a resolution:

- A) Approving an allocation of \$998,000 in Coronavirus, Aid, Relief, and Economic Security (CARES) Act funds to SMCU Community Fund for administration and distribution to benefit San Mateo County non-profit organizations that have been directly and adversely impacted by the COVID-19 public health emergency; and
- B) Authorizing and directing the County Manager, or designee, to negotiate and enter into, on behalf of the County, an agreement with the SMCU Community Fund for the administration and distribution of \$998,000 in CARES Funds to benefit San Mateo County non-profit organizations directly and adversely impacted by the COVID-19 public health emergency and providing for a fee to the SMCU Community Fund not to exceed \$75,000 for administration and expenses related to the grant program, for a term of November 10, 2020 through December 30, 2020.

BACKGROUND:

On March 24, 2020, the Board of Supervisors approved the allocation of \$3,000,000 to seed the "San Mateo County Strong Fund" ("SMC Strong Fund"), a COVID-19 recovery fund. At that meeting, this Board directed that \$1,000,000 of the SMC Strong Fund would be used to assist non-profit organizations in San Mateo County and entered into an agreement with the Silicon Valley Community Foundation ("Foundation") to administer the program and distribute the funds. This \$1,000,000 in SMC Strong Funds went to the County's eight Core Services Agencies and to other agencies providing services to residents experiencing homelessness in the County.

In addition to the seed funds from the County, the SMC Strong Fund received another \$1,000,000 in donations from a variety of donors to assist County non-profit agencies. In April, this Board of

Supervisors approved a grant program to distribute these additional donations in the form of grants of up to \$20,000 each to non-profit organizations in San Mateo County affected by COVID-19. These grants were focused on non-profit organizations providing critical services in the County that were in need of financial assistance to meet increased client needs caused by the COVID-19 emergency and to address the challenges of providing services during the COVID-19 pandemic. The County began accepting applications for this second round of funding for non-profits on May 6, 2020. The application period closed May 11, 2020, after 213 applications had been submitted.

All applications that met the grant eligibility criteria were referred to experts in the organization's area of work for review. The review teams included members from First 5 San Mateo County, San Mateo County Health, the County Human Services Agency, and the County Manager's Office. The reviewers ranked the applications based on criteria approved by the Board of Supervisors and prioritized grant recipients in four service areas: mental health; human services; child care; and arts and environment and other services. At the time that the first set of applications were reviewed, and grants approved, funding was available for 52 grants. Since then, additional donations to the SMC Strong Fund have funded another 9 grants.

The initial two rounds of funding assisted about 25 percent of the non-profit organizations that applied for funding. In addition, in the interim, the County has adopted and implemented a separate program to distribute grant funding assistance to child care providers in the County, as well as a separate program, through the County Arts Commission, to distribute grant assistance to arts organizations. Other non-profit organizations that needed and applied for assistance in May 2020 and that were not funded continue to need assistance today.

DISCUSSION:

Because of the continuing need on the part of non-profit agencies that have been directly and adversely impacted by the COVID-19 public health emergency for additional funding in order to continue providing critical services to County residents and due to the availability of CARES Act funds, staff recommends that \$998,000 in CARES Act funds be allocated to fund grants for 11 eligible non-profit organizations focused on health or human services that received some, but not all, of the funding they requested in the initial rounds of grant funding, and 62 such organizations focused on health or human services that did not receive funding in the initial round of grants. This additional funding will provide grants, up to a total of \$20,000 each, to 73 non-profit organizations.

Staff inquired of the Foundation whether it would be able to distribute this additional round of funding for non-profit agencies, but the Foundation has stated that, owing to its current work load and the requirement that CARES Act funds be disbursed by December 30, 2020, it is unable to do so. Staff then approached the SMCU Community Fund ("Community Fund"), which has administered and distributed the SMC Strong Small Business Grants and the Child Care Grant Fund. The Community Fund offered to administer and distribute the proposed third round of non-profit grants.

The County Manager will work in coordination with the County Counsel to prepare and execute, on behalf of the County, an agreement with the Community Fund that implements the intent of this resolution. The Community Fund will receive an administrative fee that will not exceed \$75,000 for this work in administering and distributing these CARES Act funds to San Mateo County non-profit organizations.

FISCAL IMPACT:

The amendment to the Community Fund agreement will be fully funded by CARES Act funds. There is no impact on the General Fund associated with this agreement.