



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-631

Board Meeting Date: 8/3/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager
Peggy Jensen, Deputy County Manager

Subject: Amendment to Technology Tools and Training Grants for Small Businesses Eligibility Criteria

RECOMMENDATION:

Adopt a resolution expanding 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.

BACKGROUND:

On March 23, 2021, the Board of Supervisors approved funding for a pilot Technology Tools and Training Grant program to be administered by Renaissance Entrepreneurship Center (REC). The grants help small businesses in vulnerable communities throughout the County address their technology needs, so they are better positioned for success in the post-pandemic economy. The grants assist qualifying local small businesses with website development, e-commerce capabilities, digital/online marketing, and social media presence.

The grant program, as approved by the Board, offered \$2,500 grants to business owners that met the following criteria: (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:

- 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

REC began actively seeking applicants for the Digital Tools and Training Grant Program in May.

DISCUSSION:

REC expected to distribute 50 grants in May and another 50 in June with the program wrapping up in early July. Unfortunately, to date, only 25 completed applications have been submitted, 21 were reviewed by REC and sent to the County staff for review, and 16 applications have been approved and payments sent. According to the REC staff, owners of many business in the target zip codes are interested in a Digital Tools and Training grant, but they are not eligible because they do not reside in a target zip code. The owners 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.

To ensure the target communities fully benefit from the Digital Tools and Training Grant Program, staff recommend that the Board amend the program eligibility criteria to include businesses located in the target zip codes. All the other grant eligibility criteria including demonstrated COVID impact, income cap, and documentation of the location of the business in the target community would be required.

FISCAL IMPACT:

Since \$350,000 in funding for the Digital Tools and Training Grant has been approved by the Board, there is no additional fiscal impact associated with this action.