



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 22-096

Board Meeting Date: 2/8/2022

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Peggy Jensen, Assistant County Manager
Subject: California Microbusiness COVID-19 Relief Grant Program Funding

RECOMMENDATION:

Recommendation to:

- A) Approve an Appropriation Transfer Request (ATR) accepting unanticipated revenue in the amount of \$964,630 to fund the California Microbusiness COVID-19 Relief Grant Program; and
- B) Adopt a resolution ratifying grant agreement with the State of California for the California Microbusiness COVID-19 Relief Grant Program and directing the County to administer the California Microbusiness COVID-19 Relief Grant Program in San Mateo County, in partnership with Renaissance Entrepreneurship Center, as well as other community partners.

BACKGROUND:

The California Microbusiness COVID-19 Relief Grant Program (MBCRG), created in 2021, was established to assist qualified microbusinesses that have been significantly impacted by the COVID-19 pandemic in California. The MBCRG program was enacted by Senate Bill No. 151 with the intent of providing relief to the hardest to reach microbusinesses and entrepreneurs. Eligible counties were identified by the State and allocated a preliminary award amount based on county population.

DISCUSSION:

The County has been awarded the full allocation of \$964,630.37 in MBCRG funds, which will provide 309 grants in the amount of \$2,500 each to eligible San Mateo County microbusinesses that meet the criteria for the MBCRG program. In order to avail itself of these MBCRG grant funds, the County has executed a grant agreement with the California Office of the Small Business Advocate, in the Governor's Office of Business and Economic Development. Staff requests that the Board of Supervisors adopt the resolution accompanying this memorandum to ratify this agreement and to authorize and direct staff to implement the MBCRG program in San Mateo County.

San Mateo County will partner with Renaissance Entrepreneurship Center (Renaissance) as the lead agency for program implementation. Renaissance has been serving San Mateo County small businesses for 14 years. In January 2022, Renaissance became the US Small Business Administration (SBA) Small Business Development Center (SBDC) for San Mateo County. The County will also collaborate with trusted community organizations and leaders to provide in-language outreach and marketing to reach underserved and undocumented microbusiness owners.

The County's MBCRG program will open to applicants this spring. After the first round of applications closes, the program will move to a rolling review of applications submitted, with the program closing by the end of the 2022 calendar year. In order to be eligible for an MBCRG program grant, a microbusiness must meet MBCRG criteria, including the following:

- Meet criteria of qualified microbusiness owner, including being the majority owner of the microbusiness
- Microbusiness owner's primary source of income in 2019 was the microbusiness
- Microbusiness owner did not receive a grant under the California Small Business COVID-19 Relief Grant Program
- Microbusiness has been an active business since at least December 2019
- Microbusiness experienced significant impact by COVID-19 pandemic
- Microbusiness had less than fifty thousand dollars (\$50,000) in revenues in 2019
- Microbusiness had fewer than five full time equivalent employees

Attached to this board item, for reference, are copies of the executed grant agreement between the State and the County, as well as a copy of the executed agreement between the County and Renaissance, which the County was required to include in its grant application to the State for the MBCRG funds. The agreement with Renaissance is for a term through December 31, 2022 and for an amount not to exceed \$145,130.67.

FISCAL IMPACT:

Funds for the Microbusiness COVID-19 Relief Grant Program in the amount of \$964,630 will be provided through the California Office of the Small Business Advocate. There is no net County cost associated with the grants to be provided to microbusinesses. Funding for additional program implementation costs not covered by the grant agreement will come from American Rescue Plan Act funds, or other funds as determined by the County Manager.