



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-249

Board Meeting Date: 4/28/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Distribution Plan for Additional Amounts Donated to San Mateo County Strong Fund

RECOMMENDATION:

Adopt a resolution approving:

- A) Allocation of undesignated (general support) donations through SMC Strong equally among (1) individuals and families residing in San Mateo County (the "County"), (2) County non-profit organizations, and (3) small businesses operating within the County; and
- B) Distribution plan for additional amounts donated through SMC Strong to (1) individuals and families residing in the County, (2) County non-profit organizations, and (3) small businesses operating within the County; and
- C) Development of grant program for additional amounts donated through SMC Strong to non-profit organizations.

BACKGROUND:

On March 24, 2020, the Board approved a \$3 million donation of Measure K funds to seed "San Mateo County Strong," a COVID-19 recovery fund ("SMC Strong"). At that meeting, the Board approved distribution of the County's \$3 million contribution among three groups:

- Individuals and families in San Mateo County needing assistance with basic needs due to COVID 19;
- Non-profit organizations that provide services and support to the most vulnerable San Mateo County residents for operating support; and
- San Mateo County small businesses affected by COVID-19

On March 31, 2020, the Board approved a partial distribution plan for SMC Strong, allocating \$1 million to support County individuals and families in the form of emergency financial assistance

disbursed through the County’s eight Core Service agencies and \$1 million to the Core Service agencies and homeless shelter providers. Silicon Valley Community Foundation (“SVCF”) is currently administering the \$2 million in Measure K funds allocated to individuals/families and non-profit organizations pursuant to a Grant Agreement with the County (the “Grant Agreement”).

On April 21, 2020, the Board approved a plan to distribute the final \$1 million to qualifying small businesses through the small business emergency grant program administered by the SMCU Community Foundation.

DISCUSSION:

A. Allocation of Undesignated Contributions to SMC Strong

When donating to SMC Strong, individual donors and foundations have the option of either directing their donation to one of the three groups covered by the County’s existing distribution plans- individuals/families, non-profit organizations, or small businesses-or making an undesignated (general support) donation.

Current projections indicate that, within the next 30 days, SMC Strong will raise an additional \$1.5 million through donations and commitments from individuals and foundations. On April 20, 2020, SVCF reported the following donations:

Designation	Number of Donors	Amount
General Support	386	\$181,360
Individual/Family	245	\$84,477
Non-Profit	60	\$16,270
Small Business	120	\$32,042
Total	811	\$314,149*

*This chart does not reflect more than \$1.4 million in funding commitments that should be received in the upcoming weeks.

As indicated by the above chart, over 50% of donations to date are undesignated (general support). In order to allocate these undesignated donations as efficiently and fairly as possible, staff recommends that such donations be shared equally among the identified three groups- individuals/families (one-third), non-profit organizations (one-third), and small businesses (one-third).

B. Distribution of Additional Donations to SMC Strong

1. Individuals/Families and Small Businesses

Staff recommends that additional SMC Strong donations to individuals/families and small businesses, including the one-third share of undesignated donations allocated to each as described above, be distributed according to the existing distribution plans adopted by the Board for those two groups. Thus, donations to individuals/families would be distributed to the County’s eight Core Service Agencies for emergency financial assistance to County residents adversely impacted by COVID-19, and donations to small businesses would be distributed to the SMCU Community Fund for additional emergency grants to qualifying small businesses.

2. Non-Profit Organizations

Staff recommends that additional donations to non-profit organizations, including the group's one-third allocated share of undesignated donations, be distributed differently than as provided under the County's existing distribution plan for non-profit organizations.

The existing plan directs the distribution of \$1 million in Measure K funds to the County's eight Core Service Agencies and homeless shelter providers. However, staff recommends that the next round of donations to non-profit organizations through SMC Strong be administered through a grant application process that targets organizations providing the next level of critical services to County residents during this COVID-19 pandemic, including mental health, food distribution, and assistance to the elderly and homebound.

In developing this new plan, staff partnered with Thrive, The Alliance of Nonprofits for San Mateo County ("Thrive"), to survey non-profit organizations in the County to assess how COVID-19 has impacted their operations. Of the 135 non-profit organizations that responded to the survey, 87% are anticipating cash flow issues, 93% have already cut services to minimize contact, and 67% have canceled fundraising events. Thus, the need for expanded assistance to non-profit organizations is clear.

C. Grant Eligibility and Application Process for Additional Non-Profit Donations

If the above distribution plan for non-profit organizations is approved by the Board, SVCF would administer the funds for the non-profit organization grant program and charge a 1% administration fee pursuant to the existing Grant Agreement. The County, however, would control the grant application and selection process. The grant application would be available on the SMC Strong Fund website beginning May 4, 2020 and the initial application period would end May 8, 2020.

To be eligible, an applicant must be a 501(c)(3) organization providing any of the following services in the County: mental health services; food distribution; or assistance-based services to individuals who are 65 years or older and/or homebound. The maximum grant amount would be \$20,000.

Applications would be reviewed by a committee comprised of representatives from the County Human Services Agency, County Health System, County Manager's Office, and Thrive, and selection criteria would include ensuring a geographic representation of services throughout the County. SVCF would distribute grant funds to selected non-profit organizations.

Resources and contacts in the County's Human Services Agency and Health System and Thrive will be leveraged for outreach to non-profit organizations.

FISCAL IMPACT:

There is no fiscal impact to the County associated with these recommendations, which involve the distribution of funds donated by individuals and foundations to SMC Strong. SVCF's 1% administration fee for administering the non-profit organization grant program funds would be charged against the private donations, not paid by the County.