



# County of San Mateo

## Inter-Departmental Correspondence

---

**Department:** COUNTY MANAGER

**File #:** 20-958

Board Meeting Date: 12/8/2020

---

**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Peggy Jensen, Deputy County Manager

**Subject:** Reallocation of Undistributed CARES Act Funds Originally Allocated to Small Property Owner Assistance Program

**RECOMMENDATION:**

Adopt a resolution:

- A) Authorizing the County Manager, or designee, to reallocate up to \$1,800,000 in undistributed Coronavirus Aid, Relief, and Economic Security ("CARES") Act funds from the Small Property Owner Assistance Program to the Child Care Relief Fund; grants for non-profit organizations dedicated to the arts; and the Small Business Assistance Program - Targeted Zip Codes; and
- B) Authorizing the County Manager, or designee, to enter into and execute agreements and/or amendments to existing agreements with the San Mateo County Credit Union Community Fund ("Community Fund") and Community Equity Collaborative ("Collaborative") to administer and distribute up to \$1,800,000 in reallocated CARES Act funds from the Small Property Owner Assistance Program, with additional administrative fees paid to the Community Fund in an amount not to exceed \$20,000 and paid to the Collaborative in an amount not to exceed \$2,500.

**BACKGROUND:**

On September 15, 2020, the Board allocated \$2,000,000 in CARES Act funds to the Small Property Owner Assistance Program. Due to low participation in the Program, however, staff currently projects that between \$1,500,000 and \$1,800,000 of the original \$2,000,000 in allocated funds will remain undistributed.

Anticipating this possibility, the Board, at its meeting on November 17, 2020, directed the County Manager to develop a plan for the reallocation of any undistributed CARES Act funds from the Small Property Owner Assistance Program to other CARES Act-funded grant programs previously authorized by the Board.

**DISCUSSION:**

In developing the requested plan for reallocation of CARES Act funds allocated to the Small Property Owner Assistance Program, staff analyzed each of the other CARES-funded grant programs previously authorized by the Board, based on the following three criteria:

- Currently-available funding for each program
- Number of eligible, but unfunded grant applicants for each program, which in some cases is an estimate, due to the ongoing review of applications
- Actual or estimated amount of CARES Act funds needed to provide grants to all eligible remaining applicants

Based on this analysis, staff recommends reallocation of \$1,600,000 of the \$2,000,000 in CARES Act funds originally allocated to the Small Landlord Assistance Program to three grant programs, as follows: (1) \$450,000 to the Child Care Relief Fund; (2) \$150,000 to non-profit organizations dedicated to the arts; and (3) \$1,000,000 to the Small Business Assistance Program - Targeted Zip Codes. The recommended reallocations to these programs will cover approximately 25% of the amount needed to provide grants to remaining eligible, but unfunded applicants.

The table below summarizes the proposed reallocation of \$1,600,000 in undistributed CARES Act funds, and includes the data staff reviewed for each potentially eligible grant program.

**Recommended Distribution of \$1,600,000 in CARES Act Funds to On-going Grant Programs**  
*Distribution Formula: Meet 25% of the estimated unmet cost of funding eligible applications*

<b>CARES Act-Funded Grant Programs</b>	<b>Remaining Funds as of 11/25/20</b>	<b>Estimated Unfunded Eligible Applicants</b>	<b>Estimated Cost of Funding Remaining Eligible Applicants</b>	<b>Recommended Share of Redirected Funds</b>
Child Care Relief Fund	\$0	100	\$1,900,000	\$450,000
Non-Profit Organizations: except Arts	\$420,000	76	\$500,000	0
Non-Profit Organizations: Arts	0	16	\$400,000	\$150,000
Small Business Grants - Countywide	\$271,281	75	\$750,000	0
Small Business Grants - Targeted Zip Codes	\$2,700,000	240	\$3,600,000	\$1,000,000
Support for Individuals and Families	\$7,100,000	244	Cannot estimate at this time	No
Rent Support for Residents of Board and Care Homes	\$500,000	Cannot estimate at this time	Cannot estimate at this time	No
<b>TOTAL</b>	<b>\$10,991,281</b>		<b>\$7,150,000</b>	<b>\$1,600,000</b>

If more than \$1,600,000 in CARES Act funds is available for reallocation from the Small Property Owner Assistance Program, the distribution ratio reflected above will be applied to any such additional funds up to \$1,800,000 (i.e., 28% of such additional funds to the Child Care Relief Fund;

9% to non-profit organizations focused on the arts; and 63% to the Zip Code Targeted Small Business Assistance Program).

The Community Fund is administering the non-profit grant program and the Small Business Assistance Program - Zip Code Targeted, while both the Community Fund and the Collaborative are administering the Child Care Relief Fund. Thus, the County Manager, or designee, will enter into new agreements or amendments to existing agreement, as appropriate, with the Community Fund and Collaborative to administer and distribute the reallocated CARES Act funds, with additional administrative fees paid from the reallocated funds to the Community Fund in an amount not to exceed \$20,000 and to the Collaborative in an amount not to exceed \$2,500.

**FISCAL IMPACT:**

There is no Net County Cost associated with the reallocation of CARES Act funds originally allocated to the Small Property Owner Assistance Program.