



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-814

Board Meeting Date: 10/19/2021

Special Notice / Hearing: None
Vote Required: 4/5 Vote

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Supplemental funding analysis for County Pandemic Recovery Initiatives

RECOMMENDATION:

Recommendation to:

A) Adopt a resolution:

1. Accepting a \$400,000 grant to the County of San Mateo from the Silicon Valley Community Foundation to fund an agreement with Boston Consulting Group to prepare an assessment of federal, state, foundation and other funding options to supplement County allocations of American Rescue Plan Act funds for County Pandemic Recovery Initiatives; and
2. Authorizing and directing the County Manager, acting in consultation with the County Counsel, to negotiate and enter into an agreement with Boston Consulting Group for the term of October 20, 2021 through January 31, 2022 for an amount not to exceed \$400,000 to prepare an assessment of federal, state, foundation and other funding options to supplement County allocations of American Rescue Plan Act funds for County Pandemic Recovery Initiatives; and

B) Approve an Appropriation Transfer Request (ATR) in the amount of \$400,000, recognizing unanticipated revenue from the Silicon Valley Community Foundation grant to Non-Departmental Services to fund the agreement with Boston Consulting Group to prepare an assessment of federal, state, foundation and other funding options to supplement County allocations of American Rescue Plan Act funds for County Pandemic Recovery Initiatives.

BACKGROUND:

In April of 2020, San Mateo County formed the Recovery Initiative, a collaboration of local agencies, nongovernment organizations, private partners, and residents, to develop a strategic pandemic recovery plan ("strategic plan") designed to build a more equitable and inclusive County. Over the past 18 months, the Board has allocated Measure K and federal COVID-relief funds, including part of

the first round of American Rescue Plan Act (“ARPA”) funds, to implement selected strategic plan recommendations.

The County expects to receive a second tranche of ARPA Funds, totaling around \$72,000,000, in May of 2022. To develop budget allocation recommendations for consideration by the County Manager and the Board regarding the use of the second tranche of ARPA funds, the Recovery Initiative staff have reviewed the strategic plan and gathered community input to refine and update the initial recommendations and add new ideas.

In addition, the County’s Chief Equity Officer will soon begin hosting a series of community forums and focus groups to assess community priorities, focusing on getting input from our communities that have been most impacted by the pandemic. This effort will also include “posters” located at community gathering locations where residents can share written feedback on community priorities. Recommendations and suggestions from this equity focused outreach effort will also be incorporated into development of funding recommendations for the second tranche of ARPA money.

Staff members from the Silicon Valley Community Foundation (“SVCF”) have participated in the Recovery Initiative over the past 18 months. SVCF recently offered to fund technical assistance related to the County’s development of the allocation plans for the second tranche of ARPA funds.

The County suggested two projects along these lines for SVCF funding. The first was support for the equity review efforts being led by the Chief Equity Officer. SVCF is providing \$85,000 for a contract with the Gardner Center at Stanford to assist with that work. The second request was for an analysis of federal, state, foundation and other funding options that would leverage County-designated ARPA funds and provide more funding from outside sources for County recovery priorities. SVCF asked County staff to work with the Boston Consulting Group (“BCG”) to develop a proposal for this work.

DISCUSSION:

County staff and BCG developed a scope of work that includes a fiscal opportunity assessment of four recovery priority areas, which may include (1) providing food and shelter for the County’s most vulnerable residents, (2) bridging the digital divide throughout the County, (3) assisting local small businesses and workforce development support for displaced workers, or (4) providing childcare and out-of-school care for socio-economically disadvantaged children within the County. The selected focus areas will be determined after conversations with Board members on their priorities and receiving input from the community-based efforts led by the County’s Chief Equity Officer.

In addition, to assist in building the capacity of County staff, BCG has agreed to embed into their work County staff assigned to each of the priority areas. We anticipate that County staff who work with BCG will develop “funding stacking” analysis skills, which will enable County staff to perform similar analyses for additional priority recovery focus areas, if there is interest. Thus, there are two goals for this effort, to identify state, federal, foundation and other funding sources to supplement County ARPA investments in high priority recovery programs and develop the skill sets of County staff so they can perform this analysis in the future.

To provide funding for the County’s work with BCG, SVC has agreed to make a grant to the County in the amount of \$400,000. Approval from this Board is now being sought to authorize the County’s acceptance of these grant funds and to appropriate them for use to pay for the County’s agreement with BCG. An Appropriation Transfer Request (“ATR”) is presented to this Board which has been

approved by the County Manager's Office and County Controller, in satisfaction of the County's requirements to recognize unanticipated revenue and appropriate such funds via appropriate Board action.

FISCAL IMPACT:

There is no fiscal impact associated with the County contracting with BCG, as SVCF is providing \$400,000 to fully fund this work. This ATR will recognize the \$400,000 in funds from the SVCF to fund the cost of the agreement with BCG.