



Board Agenda Item 19

DATE: February 1, 2022

TO: Board of Supervisors

SUBMITTED BY: Board of Supervisors

SUBJECT: Retroactive California Microbusiness Covid-19 Relief Grant Program Application and Agreement with California Office of the Small Business Advocate

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to ratify the County Administrative Officer's previous submission of an Application for the California Microbusiness Covid-19 Relief Grant Program (MCRGP) (\$1,294,184.19);**
2. **Approve and authorize the Chairman to execute a Grant Agreement with the California Office of the Small Business Advocate, effective upon execution through December 31, 2022 (\$1,294,184.19);**
3. **Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances as Fresno Area Hispanic Foundation made the County of Fresno aware of the MCRGP grant, was able to write the grant prior to the filing deadline, and has substantial experience in implementing small business grant programs;**
4. **Approve and authorize the Chairman to execute an agreement with the Fresno Area Hispanic Foundation to provide services associated with the MCRGP effective upon execution through December 31, 2022 (196,684.19); and**
5. **Adopt Budget Resolution increasing FY 2021-22 appropriations and estimated revenues in the Interest and Miscellaneous Expenditures Org 2540 in the amount of \$1,294,184.19 (4/5 vote)**

There is no Net County Cost associated with the recommended actions. To meet the filing deadline, the County Administrative office submitted the grant application, contingent upon your Board's approval. The MCRGP provides microbusinesses that have been significantly impacted by the COVID-19 pandemic with grants up to \$2,500. This program will provide a total of 427 grants. The recommended actions will authorize the submittal of the grant application, execute the grant agreement, approve an agreement with the Fresno Area Hispanic Foundation (FAHF) to implement the grant program, and approve a budget resolution to increase the appropriations and estimated revenue to provide funding for the grant in the Interest and Miscellaneous Expenditures Org 2540.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the Grant funds will not be accepted. This would result in funding from the MCRGP not being available to microbusinesses within Fresno County.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The request to waive the competitive bidding process, consistent with Administrative Policy No. 34 under

unusual and extraordinary circumstances, results from the unique circumstances associated with the MCRGP. Fresno County was made aware of the MCRGP application by the FAHF in mid-November 2021 with an application deadline of November 30, 2021. FAHF indicated they were able to write the grant on behalf of the County. Due to the limited time, the County Administrative Officer approved FAHF to move forward with writing the grant. FAHF has over 70 years of combined experience in the microenterprise development arena including administering grant programs for small businesses. Recently, FAFH had an agreement with Fresno County to administer the Helping Underserved Businesses program using CARES Act funding. This program provided grants to small businesses impacted by COVID-19. The MCRGP requires FAHF to include four other agencies to assist in marketing, outreach, and submittal of grant applications from microbusinesses. Purchasing Division within the Internal Services Department has reviewed and concurs with the request to suspend the competitive bidding process.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. The grant will provide a total of \$1,294,184.19 in grant funds with \$1,067,500 being available for grants to microbusinesses. There is no match required for this grant. The recommended agreement with FAHF to administer the grant program has a maximum compensation of \$196,684. In addition, \$30,000 of grant funds will be used to offset the costs of the Administrative Office and the Auditor-Controller/Treasurer-Tax Collector's Office to oversee the grant and for the issuance of the grant checks. The recommended Budget Resolution will provide the necessary appropriations and estimated revenue in the Interest and Miscellaneous Expenditures Org. 2540 for the grant.

DISCUSSION:

Fresno County submitted the grant application for the MCRGP on November 30, 2021 and was notified the grant was awarded on December 22, 2021. The grant agreement was received from the California Office of the Small Business Advocate on January 7, 2022. In order to meet the grant filing deadline, the application was previously submitted to the Office of the Small Business Advocate, contingent upon your Board's approval, and is being brought to your Board with the associated agreement on the first available Board date.

The MCRGP will provide \$2,500 grants to microbusinesses impacted by the COVID-19 pandemic. The Grant's definition of a microbusiness is one that has had less than \$50,000 in revenues in the 2019 taxable year. With the approval of the recommended actions, FAHF will administer the grant program. FAHF will subcontract with the Fresno County Economic Development Corporation, Hidden Wealth Foundation, California Hmong Chamber of Commerce, and the Fresno Metro Black Chamber of Commerce to assist in the marketing, outreach, and submission of grant applications from microbusinesses. FAHF will complete the program in four phases as follows:

Phase I - Advertising and outreach efforts to identify eligible microbusinesses and assist them in completing the application. In addition, it will include application verification to ensure the microbusiness meets the eligibility requirements of the grant.

Phase II - Conducting a lottery to select eligible microbusinesses that ensure equal number of businesses are selected in each Supervisorial District and notifying businesses of their selection.

Phases III - Collection and validation of required documentation including W9 and 590 forms from selected applications. FAHF will notify the County of selected applications. Upon verification of information, the County will issue checks for each selected application and FAHF will hand deliver checks and obtain signature of receipt of check from each awardee.

Phase IV - FAHF will obtain testimonials, document success stories and compile all applicant data for grant reporting.

ATTACHMENTS INCLUDED AND/OR ON FILE:

- On file with the Clerk - Grant Application
- On file with the Clerk - Grant Agreement
- Suspension of Competition Acquisition Request Form
- On file with the Clerk - Agreement with Fresno Area Hispanic Foundation
- On file with the Clerk - Budget Resolution

CAO ANALYST:

Greg Reinke