RESOLUTION - ACTION REQUESTED 2020-413

MEETING: July 14, 2020

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: CDBG Economic Development Over the Counter Grant

RECOMMENDATION AND JUSTIFICATION:
Adopt a Resolution Approving an Application for Funding and Authorize the Board of Supervisors Chair to Sign the Grant Agreement and Any Amendments Thereto from the State CDBG Over the Counter Program (Subject to County Counsel Approval as to Legal Form).

Per CDBG’s microenterprise guidelines, each reimbursement must be processed by an underwriter. The draft agreement with the underwriter is attached for reference.

The novel coronavirus pandemic has triggered the closure of local businesses and attractions, necessitated new guidelines and procedures designed to mitigate spread, and required many of our local businesses to modify their facilities in order to continue providing services as safely as possible. Each of these pandemic results has had significant impacts on local businesses in Mariposa County.

In recognition of and response to the economic impacts on local businesses, staff proposes leveraging CDBG program income to initiate the Safety and Freedom Enhancement (SAFE) business relief program. For businesses who have been and continue to be compliant with guidelines to mitigate the spread of COVID-19, SAFE provides an opportunity for reimbursement of business expenses encountered in order to adhere to reopening safety measures.

After requesting guidance from CDBG, staff was directed to transfer funds from the Revolving Loan Fund to a Program Income Fund, since CDBG guidelines prohibit RLFs to be used as grants or reimbursements, while PIF’s can allow loan forgiveness and reimbursements. Submission of a grant application is required to utilize CDBG Program Income funds for a business relief program.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The current program income reuse plan was approved in 2016 and the RLF program was adopted in 2017.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
The County would forgo using CDBG funds and County staff would explore other
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grant opportunities to fund the SAFE program.

FINANCIAL IMPACT:
This action would allow $78,000 intended for revolving loans to be used as reimbursements or grants. There is no impact to the General Fund. The County has already applied for additional funds to be used as revolving loans in the future. If approved this action will be incorporated into the FY 20-21 Adopted Budget.

ATTACHMENTS:
board memo for SAFE program.doc (PDF)
Mariposa BOS Resolution_OTC (DOCX)
Underwriting Services Agreement_SAFE (DOC)

RESULT: ADOPTED [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Marshall Long, District III Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
MARIPOSA COUNTY
BOARD OF SUPERVISORS
RESOLUTION NO. 2020-413

A RESOLUTION APPROVING THE TRANSFER OF CDBG REVOLVING
LOAN FUNDS TO PROGRAM INCOME AND AN APPLICATION FOR CDBG
(COMMUNITY DEVELOPMENT BLOCK GRANT) OVER-THE-COUNTER
ECONOMIC DEVELOPMENT GRANT TO UTILIZE MARIPOSA COUNTY’S
PROGRAM INCOME FOR A BUSINESS RELIEF PROGRAM

BE IT RESOLVED by the County Board of Supervisors of the County of Mariposa as
follows:

The County Board of Supervisors has reviewed and hereby approves the application for
the following CDBG activities, pursuant to the January 2020 CDBG NOFA:

SECTION 1
Activity and amount:
- Over-The-County Economic Grant - $78,500

SECTION 2
The County acknowledges compliance with state and federal public participation
requirements in the development of this application.

SECTION 3:
The County hereby authorizes and directs the Board Chair, to sign this application and
act on the County’s behalf in all matters pertaining to this application.

SECTION 4:
If the application is approved, the Board Chair is authorized to enter into and sign the
grant agreement and any subsequent amendments thereto with the State of California
for the purposes of this grant.

SECTION 6:
If the application is approved, the Board Chair is authorized to sign Funds Requests and
other required reporting forms.
PASSED AND ADOPTED at a regular meeting of the County Board of Supervisors of the County of Mariposa held on July 14th, 2020 by the following vote:

AYES: SMALLCOMBE, JONES, LONG, CANN, MENETREY

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

By: [Signature]

Kevin Cann, Board Chair
Board of Supervisors

Approval as to Legal Form:

[Signature]
Steve Dahlem, County Counsel

Attest:

[Signature]
Rene LaRoche, Clerk of the Board