



COUNTY OF SAN DIEGO

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CLERK OF THE BOARD  
OF SUPERVISORS

# County of San Diego

**ANDREW POTTER, CCB**  
EXECUTIVE OFFICER/CLERK

CLERK OF THE BOARD OF SUPERVISORS  
1600 PACIFIC HIGHWAY, ROOM 402, SAN DIEGO, CALIFORNIA 92101-2471  
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**ERIN DEMOREST**  
ASSISTANT CLERK OF THE BOARD

**SPECIAL MEETING OF THE BOARD OF SUPERVISORS  
WEDNESDAY, NOVEMBER 25, 2020, AT 2:00 P.M.  
COUNTY OF SAN DIEGO, CALIFORNIA**

**PLEASE TAKE NOTICE** that the Board of Supervisors will hold a special meeting in accordance with Government Code section 54956 on **WEDNESDAY, NOVEMBER 25, 2020**, at 2:00 p.m., in the County Administration Center, 1600 Pacific Highway, Room 310 (Board Chamber), San Diego, California 92101, to consider the matters contained in the attached agenda.

California Governor Gavin Newsom issued Executive Order N-29-20 on March 17, 2020, relating to the convening of public meetings in response to the COVID-19 pandemic. Pursuant to the Executive Order, and to maintain the orderly conduct of the meeting, the Board of Supervisors may attend the meeting via teleconference or phone conference and will participate in the meeting to the same extent as if they were present. Due to the Executive Order to stay home, in person public participation at Board of Supervisors meetings will not be allowed at this time. The public may participate in the meeting via teleconference, instead of attending in person.

### Agenda Item

- 1. SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)**

**BY ORDER OF THE PRESIDING OFFICER.**

DATED: November 24, 2020

  
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GREG COX

Chairman of the Board of Supervisors

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COUNTY OF SAN DIEGO BOARD OF SUPERVISORS  
SPECIAL MEETING AGENDA  
**WEDNESDAY, NOVEMBER 25, 2020, 2:00 PM**  
BOARD OF SUPERVISORS NORTH CHAMBER ROOM 310  
1600 PACIFIC HIGHWAY, SAN DIEGO, CALIFORNIA

Order of Business

- A. Roll Call
- B. Discussion Items

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Supporting documentation and attachments for items listed on this agenda can be viewed online at [www.sandiegocob.com](http://www.sandiegocob.com) or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101.

**ASSISTANCE FOR PERSONS WITH DISABILITIES:**

Agendas and records are available in alternative formats upon request. Contact the Clerk of the Board of Supervisors office at 619-531-5434 with questions or to request a disability-related accommodation. Individuals requiring sign language interpreters should contact the Countywide ADA Title II Coordinator at (619) 531-4908. To the extent reasonably possible, requests for accommodation or assistance should be submitted at least 72 hours in advance of the meeting so that arrangements may be made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

**Board of Supervisors' Agenda Items**

<b>Category</b>	<b>#</b>	<b>Subject</b>
Financial and General Government	1.	SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS [FUNDING SOURCE: AVAILABLE PRIOR YEAR GENERAL FUND FUND BALANCE] (4 VOTES)

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**1. SUBJECT: SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)**

**OVERVIEW**

As the COVID-19 pandemic continues to spread across the globe, our region continues to be impacted by this unprecedented health emergency. As of this writing, there have been 72,815 positive cases and 968 deaths in San Diego County.

Given the current number of cases in our region, the County is now in the purple tier on the State of California's COVID-19 *Blueprint for a Safer Economy*, causing certain businesses to have to close once more in an attempt to limit the spread of the virus. Understanding that businesses adversely affected by the purple-tier may be disproportionately impacted in their ability to remain in operation, and acknowledging that many may have to shutter permanently, we bring this proposal forward to provide immediate relief to these businesses.

On May 19, 2020 (28), August 4 (3), and October 13 (13), the Board approved a total of \$27.5 million of CARES Act Coronavirus Relief Fund funds for economic stimulus grants for restaurants and small businesses. In that same spirit, we request Board approval for an additional \$20 million to assist businesses most impacted by the State's highest tier restrictions.

As members of the Board of Supervisors COVID-19 subcommittee, we urge your support.

**RECOMMENDATION(S)**

**CHAIRMAN GREG COX AND SUPERVISOR NATHAN FLETCHER**

1. Approve the amended San Diego County Small Business Stimulus Grant Fund Program and authorize the Chief Administrative Officer to execute grant agreements with qualifying business selected by each Supervisorial District Office (totaling up to \$4 million per District), disburse checks and take any other actions necessary to administer the program.
2. Direct the Chief Administrative Officer to establish appropriations of \$20,000,000 in Finance Other - Countywide General Expense, Other Charges, for the Small Business Stimulus Program based on available prior year General Fund fund balance. **(4 VOTES)**
3. Direct that any additional Federal or State stimulus funding, such as CARES Act Coronavirus Relief Fund allocations, received by the County of San Diego during Fiscal Year 2020-21, be prioritized for replacement of General Fund Unassigned Fund Balance used for this program as a funding source, provided that such use adheres to Federal and/or State guidance published for the referenced stimulus funding and that any unused portion of existing CARES Act Coronavirus Relief Fund allocations received by the County of San Diego be prioritized for replacement of General Fund Unassigned Fund Balance as a funding source used for this initiative.

**FISCAL IMPACT**

Funds for this request are not included in the Fiscal Year 2020-21 Operational Plan in Finance Other - Countywide General Expense. If approved, this request will result in costs of \$20,000,000. The funding source is available prior year General Fund fund balance. There will be no additional staff years.

**BUSINESS IMPACT STATEMENT**

This action will help support individuals, families and small businesses impacted by COVID-19.



# COUNTY OF SAN DIEGO

## BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

### AGENDA ITEM

**DATE:** November 25, 2020

**01**

**TO:** Board of Supervisors

#### **SUBJECT**

**SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)**

#### **OVERVIEW**

As the COVID-19 pandemic continues to spread across the globe, our region continues to be impacted by this unprecedented health emergency. As of this writing, there have been 72,815 positive cases and 968 deaths in San Diego County.

Given the current number of cases in our region, the County is now in the purple tier on the State of California's COVID-19 *Blueprint for a Safer Economy*, causing certain businesses to have to close once more in an attempt to limit the spread of the virus. Understanding that businesses adversely affected by the purple-tier may be disproportionately impacted in their ability to remain in operation, and acknowledging that many may have to shutter permanently, we bring this proposal forward to provide immediate relief to these businesses.

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**SUBJECT: SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)**

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**BUSINESS IMPACT STATEMENT**

This action will help support individuals, families and small businesses impacted by COVID-19.

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

As the COVID-19 pandemic continues to spread across the globe, our region continues to be impacted by this unprecedented health emergency. As of this writing, there have been 72,815 positive cases and 968 deaths in San Diego County.

Given the current number of cases in our region, the County is now in the purple tier on the State of California's COVID-19 *Blueprint for a Safer Economy*, causing certain businesses to have to close once more in an attempt to limit the spread of the virus. Understanding that businesses adversely affected by the purple-tier may be disproportionately impacted in their ability to remain in operation, and acknowledging that many may have to shutter permanently, we bring this proposal forward to provide immediate relief to these businesses.

Despite improved financial conditions reported to the Board of Supervisors during the economic update on October 27, 2020, the reality is that many businesses are on the brink of closure and this new placement in the purple-tier may force some operations to shutter permanently.



**SUBJECT: SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)**

As it is, red-tier restrictions only allow for a limited percentage of indoor operations while purple-tier eliminates all indoor operations and forces businesses to move their operations outdoor. This specifically impacts restaurants, gyms, fitness centers, yoga studios, movie theaters, museums, zoos, and aquariums – many of which do not have any more capacity outdoor. Add to that, changes in customer behavior due to cold weather and the rising number of cases which leads to a significant decrease in revenue.

For these reasons, we recommend economic assistance to the following industries impacted by the movement from the red-tier to the purple-tier:

- Restaurants
- Gyms and fitness centers, including yoga studios
- Movie theaters
- Museums
- Zoos and aquariums

Eligible expenses will mirror the previous small business stimulus grant program and include rent, payroll assistance, outstanding invoices, personal protective equipment, specialized cleaning supplies, and any other costs associated with moving operations outdoor that is in compliance with the County’s Safe Reopening guidelines. The County website will host the grant application.

Our Board had previously allocated funds to assist in providing economic stimulus relief to those affected by our current public health crisis. On May 19, 2020 (28), August 4 (3), and October 13 (13), the Board approved a total of \$27.5 million of CARES Act Coronavirus Relief Fund funds for economic stimulus grants for restaurants and small businesses. In that same spirit, we request Board approval for an additional \$20 million to assist businesses most impacted by the State’s highest tier restrictions.

As members of the Board of Supervisors COVID-19 subcommittee, we urge your support.

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today’s proposed action to provide grants to small businesses and restaurants supports the Sustainable Environments/Thriving Strategic Initiative in the County of San Diego’s 2020-2025 Strategic Plan by keeping small businesses in operation.

**SUBJECT:** SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)

Respectfully submitted,



GREG COX  
Chairman



NATHAN FLETCHER  
Supervisor, Fourth District

**ATTACHMENT(S)**

Attachment A – Amended Small Business Stimulus Grant Program Fund Guidelines

**SUBJECT:** SMALL BUSINESS STIMULUS GRANT PROGRAM 2.0: EMERGENCY ASSISTANCE FOR BUSINESSES IMPACTED BY PURPLE-TIER RESTRICTIONS (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**            Yes            No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**

     Yes            No

**PREVIOUS RELEVANT BOARD ACTIONS:**

October 13, 2020 (13) Approval of additional funding for Economic Stimulus Program;  
August 4, 2020 (03) Approval of additional funding for Economic Stimulus Program dedicated to food service businesses; May 19, 2020 (28) Approval of Economic Stimulus Program  
March 24, 2020 (19), Protecting Tenants, Homeowners and small businesses affected by the novel coronavirus pandemic;

**BOARD POLICIES APPLICABLE:**

N/A

**BOARD POLICY STATEMENTS:**

N/A

**MANDATORY COMPLIANCE:**

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):**

N/A

**ORIGINATING DEPARTMENT:** Districts 1 and 4

**OTHER CONCURRENCE(S):**      N/A

**CONTACT PERSON(S):**

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## San Diego County Small Business Stimulus Grant Fund

(Amended November 25, 2020)

### I. BACKGROUND

The current COVID-19 pandemic has led to an insurmountably devastating economic impact across San Diego County. Outlined is a proposal that if implemented, would facilitate immediate mitigation of the already worsening dire economic situation countywide. This proposal addresses a multi-pronged approach to utilize \$47.5 million in Board of Supervisors allocated federal CARES Act funding and General Fund fund balance to provide a lifeline grant to many local small businesses to get them open, keep them open, and help prevent more from going out of business. Grant funds will be equally distributed by Supervisorial District (\$9.5 million per district). These grant funds will be quickly mobilized and disbursed through the community through the County of San Diego's Office of Financial Planning. The County of San Diego's Small Business Stimulus Grant Funding is to provide economic assistance to help businesses and nonprofit entities impacted by COVID-19. Financial assistance will be allocated to eligible, qualified small businesses and nonprofit entities with final award recommendations made by individual district offices based on the availability of funds, program guidelines, and the submission of all required information and supporting documentation.

Applications will be made available by the County via an online portal. The first step of the application process will be to ensure eligibility of the applicant. Eligible applicants will be invited to immediately submit applications, subject to funding available by district. Applications will be provided to each Supervisorial District for review and recommendation of awards. Final award information will be posted to the online portal. Successful applicants will be required to enter into a grant agreement with the County.

### II. ELIGIBLE BUSINESSES

1. Must have experienced financial hardship as a result of COVID-19. These impacts must be documented, quantifiable, and clearly driven by COVID-19.
2. Private for-profit and non-profit businesses with fewer than one hundred (100) employees including sole proprietorships and independent contractors.
3. Employers headquartered and operating in San Diego County.
4. Minimum 1-year operating history as of February 14, 2020.
5. Businesses in the following sectors (restaurants, gyms and fitness centers, including yoga studios, movie theaters, museums, zoos and aquariums) that have been impacted by moving from Red to Purple Tier.
6. Must be in compliance with Public Health Order.

### III. ELIGIBLE ACTIVITIES

Activities eligible for funding must be as a direct result supporting public health and response activities associated the COVID-19 pandemic. These activities should be clearly driven by response to COVID-19. For awards made prior to November 25, 2020, the eligible expenditures period begins March 1, 2020 through December 30, 2020. **For awards made after November 25, 2020 eligible expenditures would be from March 1, 2020 through sixty (60) days after the date of executed grant agreement.**

1. Innovation to promote outdoor business to protect employee and public health
2. Payroll/employee retention, including but not limited to Workers Comp Insurance premium and Unemployment Insurance premium increases related to COVID-19, employee paid leave due to COVID-19 illness
3. Purchase of Personal Protective Equipment (PPE) to protect employee and public health and efforts to sanitize the business environment
4. Rent or mortgage payments (excluding property tax payments)
5. Addressing temporary COVID-19 related restrictions on business activity
6. Increasing technology capacity to enable alternative work forms
7. Creating new marketing campaigns or business plans
8. Paying vendor invoices
9. Facility cleaning/restoration
10. Costs associated with additional training or virtual learning to implement COVID-19 safety measures
11. Expenses required to plan for a safe reopening such as expert assessments and/or to conduct research or market surveys

The list below provides a list of examples of ineligible activities or costs covered under the County of San Diego's Small Business Stimulus Grant Funding:

- a) Expenses for the State share of Medicaid
- b) Damages covered by insurance
- c) Reimbursement to donors for donated items or services
- d) Workforce bonuses other than hazard pay or overtime
- e) Severance Pay
- f) Legal Settlements

### IV. APPLICATION PROCESS

The County will make available a centralized, web-based application with instructions to include on the County's website. Completed applications will be accepted subject to funding available by district. Applicants will answer the below questions to demonstrate eligibility. Eligible applicants

will be allowed to immediately complete the online application. Ineligible organizations will receive an immediate notification of ineligibility.

- a) Has your for-profit or non-profit business been impacted by moving from the Red to Purple Tier?
- b) Are you a private for-profit or nonprofit business?
- c) Do you have fewer than one hundred (100) employees, including sole proprietorships and independent contractors?
- d) Are you headquartered in San Diego County, providing local goods and services to the community?
- e) Do you have a minimum 1-year operating history as of February 14, 2020?
- f) Have you experienced financial hardship as a result of COVID-19? These impacts must be documented, quantifiable, and clearly driven by COVID-19.

Eligible applicants will upload a description of the anticipated uses of grant funds to the online application portal.

## V. APPLICATION REVIEW AND AWARD PROCESS: ROLES AND RESPONSIBILITIES

### 1. Application Processing

OFPP will provide a weekly summary of applications received to each Supervisorial District. Applications will be reviewed for legal conformance by the Office of County Counsel.

### 2. Grant Agreement

OFPP will facilitate the execution of a grant agreement between the County of San Diego and the applicant, or Grantee. The County shall require all Grantees to comply with all applicable requirements associated with the CARES Act Coronavirus Relief Fund.

### 3. Customer Service

OFPP will provide technical assistance and support throughout the application and review process and during the term of the grant agreement.

### 4. Recommendations for Grant Awards

Each Supervisorial District will notify the Chief Administrative Officer of approved grant awards, certifying that the grantees meet the program guidelines. Submissions will be made according to the format determined by the Chief Administrative Officer. Payment Processing

Upon execution of the agreement, OFPP will ensure the Grantee is paid in a timely manner.

### 5. Reporting/Documentation

OFPP will ensure the grantees convey all grant deliverables as noted below in section VI. OFPP will follow up with grantees to ensure program compliance. Organizations that fail

to provide satisfactory grant deliverables will receive a demand letter requiring return of funds. Failure to return funds will result in collection action.

6. Audits, Records Retention

OFP will review for adequacy and maintain all records of the San Diego County Small Business Stimulus Grant Fund.

## VI. GRANT DELIVERABLES

### **Grantee Reporting and Documentation Requirements**

At the conclusion of the grant period, Grantee shall deliver to County Office of Financial Planning a program utilization and impact report along with supporting documentation detailing Grantee's expenditure of funds to date and grantee shall deliver to County Office of Financial Planning all unexpended funds. The grant reports shall include documentation of eligible expenditures incurred beginning March 1, 2020 and through the end of the term of the agreement. Organizations that fail to provide satisfactory grant deliverables will receive a demand letter requiring return of funds. Failure to return funds will result in collection action. The list below catalogues examples of documents which show eligible expenditures:

1. Detailed payroll reports
2. Receipts showing purchase of PPE
3. Rent/mortgage invoice, including copy of cleared check or bank statement showing evidence of payment
4. Lease agreement or mortgage contract
5. Payroll records related to paid leave due to COVID 19 illness (employees names should not be listed since this information may be confidential)
6. Receipts for purchase of equipment or other expenditures used to improve telework capabilities
7. Invoice and copy of cleared check, or bank/credit card statement showing evidence of payment for other eligible activities