



COUNTY *of* VENTURA

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May 18, 2021

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Authorization for the County Executive Officer to Approve and Sign Agreements with Vendors to Administer the County's Third Business Assistance Grant Program; Authorization for the Auditor-Controller to Process Necessary Budgetary Transactions of \$19,340,000 to Fund Grants Under the Third Business Assistance Grant Program; Authorization to Utilize Previously Allocated, But Unused Grant Funds from the Second County Business Assistance Grant Program, to Fund Grants Under the Third Business Assistance Grant Program. (Recommendation No. 2 Requires 4/5th Vote).

Recommendations:

1. Authorize the County Executive Officer to approve and sign agreements with vendors to administer the County's third Business Assistance Grant Program, in a total contracted amount not to exceed \$600,000, subject to County Counsel review and approval.
2. Authorize the Auditor-Controller to process necessary budgetary transactions of \$19,340,000 to Fund Grants Under the Third Business Assistance Grant Program as follows (requires 4/5th vote):

INCREASE	CEO 1050	Services and Supplies	\$19,340,000
INCREASE	CEO 1050	Intergovernmental Revenue	\$19,340,000

3. Authorization to Utilize Previously Allocated, But Unused Grant Funds from the Second County Business Assistance Grant Program, to Fund Grants Under the Third County Business Assistance Grant Program.

Fiscal Mandates/Impact:

Mandatory: No

Source of Funding: COVID Relief Funds (CRF)/General Fund

Funding Match Required: None

Impact on Other Departments: None

<u>Summary of Revenues and Costs:</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Revenues:	\$19,340,000	\$ 0
Costs:		\$ 0
Direct	\$19,940,000	\$ 0
Indirect-Dept	\$ 0	\$ 0
Indirect-County CAP	\$ 0	\$ 0
Total Cost	<u>\$19,940,000</u>	<u>\$ 0</u>
Net County Cost	\$ 600,000*	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

* Existing appropriations will be used for the \$600,000 in Recommendation #1.

Existing appropriations (unused funds previously allocated for the Second County Business Assistance Grant Program) will be used to fund the remaining third grant program awards not reimbursed by CRF funding requested in Recommendation #2.

FY 2020-21 Budget Projection for Special Accounts and Contributions - Division 1050				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 59,955,764	\$100,640,075	\$98,396,371	\$ 2,243,704
Revenue	\$ 8,362,796	\$38,167,796	\$32,869,429	\$ (5,298,367)
Net Cost	\$ 51,592,968	\$62,472,279	\$65,526,942	\$ (3,054,663)

Background:

The COVID-19 pandemic has created both a health and economic crisis for the County of Ventura. In order to mitigate the devastating economic impacts of this emergency on our local business community, your Board has authorized multiple assistance measures to support businesses. These assistance measures have included tens of millions of dollars in fee waivers, rental assistance, and business grants just to name a few. As this pandemic has endured, the impact on our community and businesses has continued to grow, and there is an even greater need for additional assistance.

Discussion:

On April 27, 2021 your Board granted conceptual approval for a third grant program to send a second \$5,000 grant to recipients of the first and second Business Assistance Grant Programs. As a result, recipients will have the opportunity to receive a total of \$10,000 in grant funding (two \$5,000 grant awards) after all three grant programs are completed. This third grant program represents approximately \$30 million in additional assistance to local businesses and nonprofits.

Your Board's first Business Assistance Grant Program was completed in 2020 with a final result of 3,868 local businesses each receiving a \$5,000 grant. This utilized nearly \$20 million in CRF dollars for direct support to our local business and nonprofit community.

Your Board's second Business Assistance Grant Program approved on January 26, 2021, was created to give businesses who did not receive a grant in the first program another chance to apply for a grant. Your Board allocated \$20 million County General Fund dollars to fund grants in the second program. We received 2,271 grant applications for this program and are still determining eligibility and processing the payments for this program. The final number of successful applicants to this second program is not yet known, but recipients will also receive a \$5,000 grant. This represents approximately \$10 million in direct assistance to local businesses and nonprofits.

Combined, the first and second grant programs will provide approximately \$30 million in direct assistance to businesses and nonprofits. The third grant program will provide an additional \$30 million in funding for a total of approximately \$60 million in funding. Specifics of the total potential funding for all three grant programs can be seen here:

Grant Program	Grant Amount	Recipients	Funding
First Grant Program	\$5,000	3,868	\$ 19,340,000
Second Grant Program	\$5,000	*2,271	\$ 11,355,000
Third Grant Program	\$5,000	(3,868 + 2,271) = 6,139	\$ 30,695,000
Total Funding for All Three Programs Together			\$ 61,390,000

**2,271 is the number of total applicants. It is not yet known how many total recipients.*

Funding Sources

The proposed third Business Assistance Grant Program will include a variety of funding sources. It is anticipated that of the \$20 million your Board allocated for the second grant program, a little less than half will be needed to fund the grant recipients from the second grant program. While we did receive over 2,000 applications for the second Business Assistance Grant Program, our review process indicates we will ultimately have fewer than 2,000 applicants that are eligible recipients. Therefore, the unused grant funds already allocated for the second grant program can be used to fund this same population of recipients with another \$5,000 grant during the third grant program. Finally, there were 3,868 recipients in the first grant program for a total amount of \$19,340,000 in grant funding. In order to send another \$5,000 grant to eligible recipients during the third grant program, we are requesting your Board allocate \$19,340,000 in CRF dollars for these grants. Final terms of eligibility will be included in the Recipient Agreement that is developed for this third grant program.

Vendor Selection and Contract Execution

In order to expedite funding from this program to business and nonprofit organizations, we are requesting that your Board authorize the County Executive Officer to approve and sign agreements with vendors to administer the grant program and to authorize the Auditor-Controller to process the necessary budgetary transactions. These agreements, not to exceed \$600,000, will fund the administration of this third grant program. Among other provisions, the contracts will stipulate that the County owns all of the grant program data and it will be provided to the County in full.

Program Design and Preparations

One of our highest priorities is to design a streamlined third grant program to distribute the funds as quickly as possible. The third Business Assistance Grant Program will be different from the previous two programs because there will not be an open application period for new businesses to apply for this grant. Instead, only recipients of a grant from the first or second grant programs will be eligible. We know who these previous recipients are and will be contacting them directly by email and phone to offer an additional \$5,000 grant through this program. In order to accept this offer and participate in the grant program, recipients will need to provide some basic information as well as sign and return a new Recipient Agreement. This agreement will include terms such as attesting that they are still in business, they have additional eligible expenses, and they acknowledge program participation is subject to the Public Records Act. We will return to your Board for approval of the final terms of the Recipient Agreement at a future date. These terms will clearly define eligibility for the third grant program.

Program Schedule

We know that the timing of this third Business Assistance Grant Program is important as businesses are reopening and recovering from the pandemic impacts. Our intention is to expedite this program. A more detailed schedule of the program will be finalized after vendor contracts are developed with a timeline that all parties agree can be met. A preliminary anticipated timeline is as follows:

- Vendor Contracts; Program Startup – May/June
- Notifications to Businesses – June
- Grant Awards – First awards by June 30th; Additional awards through July and if needed, August

Now is a critical time for the businesses in our community and the nonprofits that are an integral part of the safety net in our community. They need our support more than ever. We are very proud that the vast majority of our businesses are doing their part to follow state and local guidance and operate safely to protect their employees and customers. They have done so much to support our community, and we must continue to support them however we can.

This letter has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions, please contact the following:

Business Assistance Grant Program – Paul Stamper, Deputy County Executive Officer, 805-654-3938
Program Funding – Scott Powers, Senior Deputy County Executive Officer, 805-677-8761



Paul Stamper
Deputy Executive Officer



Michael Powers
County Executive Officer

M.P.