



Legislation Text

File #: 20-646, Version: 1

Memorandum

Date: July 14, 2020

To: The Honorable Moke Simon, Chair, Lake County Board of Supervisors

From: Carol J. Huchingson, County Administrative Officer

Subject: 9:30 A.M. - PUBLIC HEARING- Community Development Block Grant Economic Development Program Presentation and Consideration of Resolution Approving Applications for Funding and the Execution of Grant Agreements and any Amendments from the 2019-2020 Funding Year of the State CDBG Program

Executive Summary: (include fiscal and staffing impact narrative):

Your Board participated in a public meeting on October 22, 2019 to consider projects and programs for Community Block Grant (CDBG) funding under the proposed Notice of Funding Availability (NOFA) for 2019-2020. On January 21, 2020, the California Department of Housing and Community Development (HCD) released that NOFA. Due to the rapidly changing conditions resulting from the COVID-19 pandemic, HCD amended the NOFA twice to 1) allow applicants additional time to complete their applications and 2) combined the competitive program with the over-the counter program and identified maximum funding for the Economic Development Program.

County is eligible to apply for up to \$750,000 for business assistance activities under the 2019-2020 NOFA. The two types of programs under the business assistance activities category are the business loan program (\$500,000) where businesses can access low interest capital in order to retain or create jobs, and the microenterprise program (\$250,000) where entrepreneurs and existing small businesses with up to five employees, can obtain free technical assistance and low interest financing to retain or create new jobs.

Due to the impacts of the COVID-19 Shelter in Place order, many local small businesses are in need of flexible low interest capital and technical assistance to help them recover from the loss of revenue during that period of business closures. The CDBG programs are designed to encourage businesses to retain existing employees and, in time, to provide capital to help create new jobs. The microenterprise program can provide technical assistance to small businesses with five employees or less to help with cash flow management, marketing, using the internet, accessing capital, and other business needs. The program is designed to help existing businesses as well as start up entrepreneurs.

County has an existing contract for CDBG services with Community Development Services (CDS), a local consulting firm, which is experienced with implementing these programs. County CDBG

consultant Jeff Lucas will provide a brief presentation about these two programs before the Board considers the proposed Resolution.

If not budgeted, fill in the blanks below only:

Estimated Cost: ____0____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Consistency with Vision 2028 and/or Fiscal Crisis Management Plan (check all that apply):

- | | | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Not applicable |
| <input checked="" type="checkbox"/> Economic Development | <input checked="" type="checkbox"/> Disaster Recovery | <input type="checkbox"/> County Workforce | <input type="checkbox"/> <i>Technology Upgrades</i> |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake | <input checked="" type="checkbox"/> <i>Revenue Generation</i> |
| | | | <input type="checkbox"/> <i>Cost Savings</i> |

If request for exemption from competitive bid in accordance with County Code Chapter 2 Sec. 2-38, fill in blanks below:

Which exemption is being requested?

How long has Agreement been in place?

When was purchase last rebid?

Reason for request to waive bid?

Recommended Action: Adopt Resolution approving applications for funding and the execution of grant agreements and any amendments from the 2019-2020 funding year of the state CDBG Program.