



Legislation Text

File #: 20-778, Version: 1

Memorandum

Date: August 25, 2020

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

From: Carol J. Huchingson, County Administrative Officer

Subject: 10:00 A.M. - PUBLIC HEARING - Community Development Block Grant Cares Act Presentation and Consideration of Resolution Approving an Application and the Execution of Grant Agreement and any Amendments for Funds in the Amount of \$202,859 for a Small Business Assistance Revolving Loan Fund Program

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

California Department of Housing and Community Development announced the availability of Community Development Block Grant Coronavirus Round 1 funding for local assistance in June 2020 and Lake County has been allocated \$202,859. In order to access this allocation, the County must submit a funding request for a specific use of the funds. All applications for CDBG funds must be approved for submittal to the HCD by resolution. Projects and programs under this funding source must benefit low and moderate-income households and provide assistance to mitigate the impacts of the COVID-19 pandemic.

Due to the impacts of the COVID-19 Shelter in Place order, many local small businesses are in need of flexible low interest capital to help them recover from the loss of revenue during these business closures. The CDBG Business Loan program is designed to encourage businesses to retain existing employees and, in time, to provide capital to help create new jobs. In response to this problem, the Board approved by resolution submitting an application for CDBG funds from the annual State funding allocation in the amount of \$500,000 for small business loans. This application for the \$202,859 would provide additional funding for the business loan program.

The County has an existing contract for CDBG services with Community Development Services, a local consulting firm that is experienced with implementing these activities.

No additional expenses or staff time are expected to implement this program.

If not budgeted, fill in the blanks below only:

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

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

- | | | | |
|--|---|--|--|
| <input 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 checked="" type="checkbox"/> County Workforce | <input type="checkbox"/> Technology Upgrades |
| | | | <input checked="" type="checkbox"/> Revenue Generation |

☐ Community Collaboration ☐ Business Process Efficiency ☐ Clear Lake ☐ *Cost Savings*

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: Approve Resolution to submit application for CDBG Cares Act Response Round 1 funds for the allocated amount of \$202,859 for a Small Business Assistance Revolving Loan Fund Program