

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Chief Executive Office

BOARD AGENDA:10.2  
AGENDA DATE: September 15, 2020

**SUBJECT:**

Update on the Use of \$15 Million of Coronavirus Aid, Relief, and Economic Security Act  
Coronavirus Relief Funds and Approval of Actions of the Chief Executive Officer  
Related to the Response of COVID-19, the Business Grant Scoring Criteria, Nonprofit  
Support Program, and Related Actions

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2020-0473**

On motion of Supervisor Withrow Seconded by Supervisor Chiesa  
and approved by the following vote,  
Ayes: Supervisors: Chiesa, Withrow, DeMartini and Chairwoman Olsen  
Noes: Supervisors: None  
Excused or Absent: Supervisors: District Four vacant  
Abstaining: Supervisor: None

- 1)  Approved as recommended
- 2)  Denied
- 3)  Approved as amended
- 4)  Other:

**MOTION:** Approved Staff Recommendations Nos. 1-3; and, amended the item in regards to the StanRAD Card program, to allow staff the flexibility to adjust the allocations for jurisdictions.

ATTEST:

  
KELLY RODRIGUEZ, Assistant Clerk

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Chief Executive Office

BOARD AGENDA:10.2

AGENDA DATE: September 15, 2020

CONSENT

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Update on the Use of \$15 Million of Coronavirus Aid, Relief, and Economic Security Act Coronavirus Relief Funds and Approval of Actions of the Chief Executive Officer Related to the Response of COVID-19, the Business Grant Scoring Criteria, Nonprofit Support Program, and Related Actions

**STAFF RECOMMENDATION:**

1. Approve the Non Profit Support Grant Program Evaluation Criteria/Scoring Rubrix developed in collaboration with the Stanislaus Community Foundation (SCF) as detailed in the staff report.
2. Approve the use of up to \$1 Million of Coronavirus Aid, Relief, and Economic Security Act (CARES) Coronavirus Relief Funds (CRF) to partner with the Downtown Modesto Partnership (DoMo) to launch a countywide touchless gift card program, StanRAD Card.
3. Authorize the Chief Executive Officer, or designee, to negotiate and execute agreements with Stanislaus Community Foundation and Downtown Modesto Partnership to provide administrative support as detailed in the staff report.

**DISCUSSION:**

On June 9, 2020, the Board of Supervisors approved a local plan for the use of \$96.1 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund (CRF) funding. This local plan included the allocation of \$15 million in CRF funds for business revitalization and economic development support. An ad hoc committee comprising of Chairwoman Olsen and Supervisor Withrow met with local community stakeholders from the business sector, philanthropy, and community-based organizations on June 16<sup>th</sup> to solicit input that was used to provide staff direction in creating a plan for the \$15 million.

On July 14, 2020, staff presented an investment strategy in local businesses and non-profit organizations intended to stabilize the small business economy and secure the ongoing operation of non-profit services critical to community support and economic recovery in Stanislaus County. This included the recommendation to allocate funding among three different elements:

- Business Grant Program - \$10 million
- Non-Profit Support Program - \$4 million
- Community Match Fund - \$1 million

At the July 14, 2020, meeting the Board authorized the Chief Executive Officer (CEO) to initiate the application process for the Business Grant Program and directed the CEO to return to the Board of Supervisors with grant application scoring criteria. Furthermore, the Board directed the CEO to return with plans to initiate the non-profit support program and community match funds.

### **Business Grant Program**

The approved \$10 million Stanislaus County Business Grant Program will award grants to eligible and qualified business applicants for operational needs such as payroll, lease/mortgage payments, materials, services, and supplies. The application period was opened on July 31, 2020 and closed at 5:00 p.m. on August 28, 2020. Businesses that employed 50 or less full-time equivalent employees for 12 months prior to the COVID-19 mandate closures on March 19, 2020 were eligible for a maximum award of \$25,000 in grant funding. Businesses that employed over 50 full-time equivalent employees for that same time period were eligible for a maximum award of \$50,000. Applicants were required to meet the following grant criteria:

- Must be a for-profit, independently owned business located in Stanislaus County;
- Proof of at least 12 months of consecutive operation (businesses that don't meet this requirement can request an exception);
- Possess a current city, county, or state license or permit to operate;
- Provide proof of financial hardship due to COVID-19
- No involvement in illegal activity per local, state, or federal guidelines.

On August 25, 2020, the Board approved the grant scoring criteria. The scoring criteria is broken down into three sections: Prior Business (30 possible points), COVID-19 Impact (30 possible points), and Business Planning/Economic Impact (40 possible points).

As of the close of the grant application period, Stanislaus County had received 1,324 applications. Stanislaus County Workforce Development worked with local organizations to serve as navigators to assist businesses with completing the grant application, particularly in disadvantaged areas. The program navigators consisted of the West Modesto Community Collaborative, Central Valley Hispanic Chamber of Commerce, Opportunity Stanislaus, City Ministry Network, South Modesto Partnership, and South Modesto Business United.

The completed grant applications are in the process of being evaluated by Stanislaus Workforce Development during the month of September based on the approved scoring criteria. Once this work is completed, applicants will be notified accordingly, and the Board will receive a report of businesses awarded funding.

## **Non-Profit Support Program**

The July 14, 2020 agenda item described a strategy to support non-profits in the County. In total, \$4 million was allocated to this strategy and earmarked for two specific initiatives. The first initiative is to partner with local Community Based Organizations to provide direct services to assist with the COVID-19 emergency response. The second initiative is to create a grant program for local non-profits that provide services to youth or in the area of community-centered arts and culture.

### Direct Services/COVID-19 Emergency Response

On August 25, 2020, \$2 million was approved by the Board of Supervisors for non-profit organizations that are established direct service providers to assist with COVID-19 emergency response (public information campaigns, care and shelter support, networking and outreach to hard-to-reach populations). Five community-based organizations, with fourteen different sites throughout the County, were identified and confirmed to provide these services. The sites are physically located in Hughson, Turlock, Patterson, Newman, Oakdale, Ceres, Modesto, and Waterford but also extend services into the surrounding unincorporated areas of the County.

Agreements were executed with Aspiranet, Center for Human Services, Parent Resource Center, Sierra Vista Child & Family Services, and West Modesto Community Collaborative for the direct services as described. Contract amounts for these organizations were generally established at \$100,000 per site.

<b>Organization</b>	<b>Contract Amount</b>
Aspiranet	\$100,000
Center for Human Services	\$400,000
Parent Resource Center	\$150,000
Sierra Vista Child & Family Services	\$400,000
West Modesto Community Collaborative	\$135,000

The contracted amount with Community Based Organizations for this purpose totaled \$1,185,000. The remaining \$815,000 is being used to purchase Personal Protective Equipment (PPE) to be distributed to the community, and/or to contract with additional organizations for services.

### Stanislaus County Non Profit Support Program/Youth and Arts/Culture

On August 25, 2020, \$2 million was approved by the Board of Supervisors for non-profit organizations that provide services to youth or in the area of community-centered arts and culture. This program will award grants to non-profit organizations based on the level of impact of the COVID-19 pandemic to the respective non-profit organization. All eligible organizations are encouraged to apply for funding, emphasis will be placed on applications that address the needs specific to vulnerable populations that are disproportionately impacted by the pandemic.

Non-profit organizations must meet the following requirements in order to be eligible for this grant program:

- 501 c3 non-profit organization (classified as a public charity and not a private foundation) in good standing with the Internal Revenue Service (IRS);
- Geographically located and providing services within the borders of Stanislaus County;
- Be in good standing with local, state, and federal agencies.
- Demonstrate financial impact due to COVID-19.

The \$2 million in funding will be divided equally among organizations which provide youth services and organizations that provide services in the area community-centered arts and culture. Final award amounts will be based on an organization's fiscal year 2019 operating budget and demonstrated need due to the COVID-19 crisis. To reach as many nonprofit organizations as possible, priority consideration will be given to requests under \$50,000; requests between \$50,000 and \$100,000 will be highly competitive; and awards over \$100,000 will be rare. Organizations eligible for both youth and community-centered arts and culture services may complete one application to be considered for a grant from both funding categories. Organizations may not request more than \$300,000 from each fund.

Funds may be used for direct services, operations, effective solutions in response to COVID-19, and technical assistance in financial planning and forecasting. This grant program is modeled after the Resilient Stanislaus Fund recently administered by the Stanislaus Community Foundation. An agreement was executed with Stanislaus Community Foundation, at a cost of \$10,000 to provide administrative support for this program through an agreement. Services provided by SCF include application design, utilization of a secure online portal and website, promotion and outreach, development of a rubric and evaluation guidelines, training for the evaluation committee, grant navigation services, etc.

The Stanislaus County Non Profit Support Program: Youth or Community Centered Arts and Culture grant application period opened on September 9, 2020 and will close at 5:00 P.M. on September 25, 2020. Eligible non-profit organizations can apply through the Stanislaus Community Foundation website and interactive grant application portal at [www.stanislauscf.org](http://www.stanislauscf.org). It is anticipated that award winners will be announced in mid-October. Working with the Stanislaus Community Foundation team, County staff developed the following recommended evaluation criteria/rubric (50 possible points) for the Non Profit Support Program grant:

#### **Organizational Focus and Relevancy (15 possible points)**

- How strongly does the organization's core work focus on arts, culture and/or youth?
- Is this organization or program providing an in-demand service to the community based on the number of people served and the frequency of programs offered?
- Who are the key populations served by the organization?

## **COVID19 and Financial Impact (20 possible points)**

- How clearly has the organization demonstrated need?
- Will this investment help the organization stabilize and/or adapt in response to the COVID-19 crisis?
- How much has the COVID-19 crisis impacted the organization's operations?
- How has COVID-19 impacted the organization's revenues and expenditures?

## **Budget Considerations (15 possible points)**

- Does the organization demonstrate a reduction in revenues between 2019 and current 2020 financials?
- Does the organization demonstrate an increase in expenditures between 2019 and current 2020 financials?
- Does the organization have access to other resources to address the need?

Stanislaus Community Foundation staff will ensure that each application is complete. A host of resources are available on the interactive grant application portal to assist eligible non profit organizations including program guidelines, frequently asked questions and an interactive application form. A volunteer Evaluation Committee composed a cross-section of community representatives will score applications and select award recipients based on the criteria established.

## **Community Match Fund/StanRAD Card Program**

The touchless gift card program that was previously shared in concept with the Board is being presented for consideration. Under this program, electronic gift cards would be available for purchase that can be used at participating local restaurants, retailers, and personal care service providers. County staff has worked with the Downtown Modesto Partnership (DoMo) on this program. DoMo has developed this concept for businesses in downtown Modesto and have successfully launched on a smaller scale on August 7, 2020. Through a private contribution of \$140,000, DoMo was able to double the purchasing power for consumers participating in this RAD Card program through a dollar for dollar match until the donated funds were exhausted (which occurred in about 2 ½ weeks once the program was launched).

Developed in partnership with DoMo, StanRAD Card will expand the program to other areas of the County utilizing DoMo's current infrastructure. This program is intended to infuse the local economy by enhancing consumer spending through community match funding of \$1 million. During its implementation, the DoMo team will work with County staff to coordinate efforts not only in the unincorporated areas of the County but also in all nine (9) incorporated cities. The program is intended to be launched in the upcoming month once all the programming has been completed.

## **StanRAD Card Program**

- Downtown Modesto Partnership will provide administrative support to implement the touchless gift card program countywide.

- Administrative fee of 5% to cover DoMo staffing, marketing, analytics, software, training, website, accounting, etc.
- StanRAD Card will be launch using existing/tested DoMo application. 3% credit card processing fee will be covered through Stanislaus County Community Match Fund.
- StanRAD Card will be launched prior to the holiday season (October – December 2020).
- Eligible businesses will include retailers, restaurants, personal care services, etc.
- For ease of implementation, will focus in downtown cores and business districts with flexibility to include other areas.
- County residents will be able to purchase e-gift cards in different denominations (\$25, \$50 and \$100).
- Stanislaus Community Match Fund will double consumer spending (max of \$100 per resident).
- Emphasis will be small businesses most impacted by COVID19 pandemic.
- Stanislaus County Community Match Fund of \$1 million will be initially allocated by jurisdiction to ensure countywide implementation as follows with some flexibility to make minor adjustments in the allocations based on actual program activity:

Ceres	\$	100,000
Hughson	\$	50,000
Modesto	\$	250,000
Newman	\$	50,000
Oakdale	\$	75,000
Patterson	\$	75,000
Riverbank	\$	75,000
Turlock	\$	125,000
Waterford	\$	50,000
Balance of County	\$	150,000

Board approval of the StanRAD Card Program as presented is recommended in order to implement in the upcoming weeks. It is likely that the countywide program will be launched in phases by jurisdiction to ensure effective marketing/outreach, complete necessary training of business owners and staff and to get other logistical elements in order.

**POLICY ISSUE:**

Board of Supervisors’ approval is required to set the local policy for the use of CARES Act, CRF funds. The US Treasury language provides that expenditures of the CRF funds must be used for actions taken to respond to the public health emergency, including economic support to those suffering from employment or business interruptions due to the COVID-19 emergency response business closures.

**FISCAL IMPACT:**

Stanislaus County received \$96,085,924 in CARES Act CRF funds. The funds were placed in a deferred revenue account pending the identification of eligible expenditures

to claim against CRF funds. The Board of Supervisors approved allocating \$15 million of CRF funds for business revitalization and economic development support. In addition, anticipated costs for marketing, website costs, and navigation services will total nearly \$100,000. On August 25, 2020, the Board approved a budget journal that increased estimated revenue and appropriations by \$15.1 million to implement programs utilizing the business revitalization and economic development support funding.

**BOARD OF SUPERVISORS' PRIORITY:**

The recommended actions are consistent with the Board's priorities of *Supporting Community Health* and *Developing a Healthy Economy* by providing grant funds to local businesses and to respond to the COVID-19 Pandemic.

**STAFFING IMPACT:**

Existing Auditor-Controller, Chief Executive Office, and Workforce Development staff will work together to implement the programs included in this report.

**CONTACT PERSON:**

Raul L. Mendez, Assistant Executive Officer	209-525-6333
Doris Foster, Director of Workforce Development	209-558-2100
Patrick Cavanah, Senior Management Consultant	209-525-6333

# Business Revitalization & Economic Development

September 15, 2020

Update

*“an investment strategy in local businesses and non-profit organizations intended to stabilize our small business economy and secure the ongoing operation of non-profit services critical to community support and economic recovery in Stanislaus County.”*

# Business Grant Update

- ▶ \$10 Million Available
- ▶ Business Grant application period closed August 28<sup>th</sup>
  - ▶ Received 1,324 applications.
- ▶ Grant Navigation Services
  - ▶ 6 organizations assisted 142 businesses assisted throughout the County.
- ▶ Grant Scoring
  - ▶ Currently in progress and will be completed later this month.



# Direct Services/COVID19 Emergency Response

- ▶ \$2 Million Allocated
- ▶ Agreements Executed with CBO Partners
  - ▶ Aspiranet
  - ▶ Center for Human Services
  - ▶ Parent Resource Center
  - ▶ Sierra Vista Child & Family Services
  - ▶ West Modesto Community Collaborative
- ▶ Providing Direct Services
  - ▶ Public Information Campaigns
  - ▶ Care and Shelter Support
  - ▶ Outreach to Hard-to-Reach Populations

# Non-Profit Support Grant Program

- ▶ \$2 million Available
  - ▶ \$1 million for Youth Services
  - ▶ \$1 million for Community-Center Arts and Culture
- ▶ Stanislaus Community Foundation providing administrative support.
- ▶ Grant application period opened on September 9, closes on September 25.
- ▶ Eligible organizations are able to apply via the Stanislaus Community Foundation [online portal](#).
- ▶ Evaluation Criteria/Rubric focuses on three key areas. Total 50 points possible.

Youth,  
Arts &  
Culture  
Grants



STANISLAUS  
NONPROFITS



**APPLICATION NOW OPEN!**

For more information and to apply visit:

[WWW.STANISLAUSCF.ORG](http://WWW.STANISLAUSCF.ORG)

# Evaluation Criteria/Rubric

## 1. Organizational Focus & Relevancy (15 possible points)

- ▶ How strongly does the organization's core work focus on arts, culture and/or youth?
- ▶ Is this organization or program providing an in-demand service to the community based on the number of people served and the frequency of programs offered?
- ▶ Who are the key populations served by the organization?

Youth,  
Arts &  
Culture  
Grants



STANISLAUS  
NONPROFITS



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# Evaluation Criteria/Rubric

2. COVID19 & Financial Impact (20 possible points)
- ▶ How clearly has the organization demonstrated need?
  - ▶ Will this investment help the organization stabilize and/or adapt in response to the COVID-19 crisis?
  - ▶ How much has the COVID-19 crisis impacted the organization's operations?
  - ▶ How has COVID-19 impacted the organization's revenues and expenditures?

Youth,  
Sports &  
Culture  
Grants



STANISLAUS  
NONPROFITS



**APPLICATION NOW OPEN!**

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# Evaluation Criteria/Rubric

## 3. Budget Considerations (15 possible points)

- ▶ Does the organization demonstrate a reduction in revenues between 2019 and current 2020 financials?
- ▶ Does the organization demonstrate an increase in expenditures between 2019 and current 2020 financials?
- ▶ Does the organization have access to other resources to address the need?

Youth,  
Sports &  
Culture  
Grants



STANISLAUS  
NONPROFITS



**APPLICATION NOW OPEN!**

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## StanRAD Card Program

# RAD Card™

- ▶ Recommend funding of \$1 million.
- ▶ Touchless gift card program that infuses local economy by doubling consumer spending.
- ▶ Can be used at participating local restaurants, retailers, and personal care service providers.
- ▶ Expands Downtown Modesto Partnership (DoMo) RAD Card Program.
- ▶ Will be available countywide in nine incorporated cities and unincorporated areas.



Stanislaus

## StanRAD Card Program

# RADCard™

- ▶ DoMo to provide administrative support through agreement.
- ▶ 5% admin fee for staffing, marketing, analytics, software, training, website, accounting, existing/tested app.
- ▶ 3% credit card processing fee to be covered by match funds.
- ▶ To be launched prior to holiday season (Oct - Dec).
- ▶ Focus on downtown cores and business districts—with flexibility to go into other areas as determined.



Stanislaus

# StanRAD Card Program

# RADCard™

► Recommend funding allocated by jurisdiction as follows:

Ceres	\$	100,000
Hughson	\$	50,000
Modesto	\$	250,000
Newman	\$	50,000
Oakdale	\$	75,000
Patterson	\$	75,000
Riverbank	\$	75,000
Turlock	\$	125,000
Waterford	\$	50,000
Uninc. County	\$	150,000



# Recommendations

1. Approve the Non Profit Support Grant Program Evaluation Criteria/Scoring Rubrix developed in collaboration with the Stanislaus Community Foundation (SCF) as detailed in the staff report.
2. Approve the use of up to \$1 Million of Coronavirus Aid, Relief, and Economic Security Act (CARES) Coronavirus Relief Funds (CRF) to partner with the Downtown Modesto Partnership (DoMo) to launch a countywide touchless gift card program, StanRAD Card.
3. Authorize the Chief Executive Officer, or designee, to negotiate and execute agreements with Stanislaus Community Foundation and Downtown Modesto Partnership to provide administrative support as detailed in the staff report.

Questions?