



CITY OF SOLANA BEACH
SOLANA BEACH CITY COUNCIL
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCING
AUTHORITY, HOUSING AUTHORITY

AGENDA

Joint SPECIAL Meeting

Wednesday, July 1, 2020 *4:00 p.m.

Teleconference Location Only-City Hall/Council Chambers, 635 S. Highway 101, Solana Beach, California

This meeting will be conducted in accordance with Governor Newsom's Executive Order N-29-20 related to the COVID-19 virus.

PUBLIC MEETING VIEWING

❖ **Live Broadcast on Local Government Channel, Live web-streaming, and Archived videos online.**

The Regular Meetings of the City Council are scheduled for the 2nd and 4th Wednesdays and are broadcast live on Cox Communications-Channel 19, Spectrum(Time Warner)-Channel 24, and AT&T U-verse Channel 99. The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's [Public Meetings](#) webpage.

❖ **Zoom Virtual Webinar (registration required).** Register early and Join the meeting at least 15 minutes prior to the start time. *To register to view/listen to the meeting, go to this public participant link https://us02web.zoom.us/webinar/register/WN_NKxhejZ6T9GZVUESYT3lcA for this meeting, follow the prompts to enter your name and email address. *To receive a confirmation email allowing you to enter the meeting and the link to join, you will need to enter a valid email address. Choose Gallery View to see the presentations, when applicable.

MEETING LOCATION WILL NOT BE OPEN TO THE PUBLIC.

Due to the Executive Order to stay home, in person participation at City Council meetings will not be allowed at this time. In accordance with the Executive Order to stay home, there will be no members of the public in attendance at Council Meetings. Alternatives to in-person attendance for viewing and participating in City Council meetings are being provided under Public Participation.

AGENDA MATERIALS

A full City Council agenda packet including relative supporting documentation is posted online www.cityofsolanabeach.org Closed Session Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings.

PUBLIC PARTICIPATION

❖ Written correspondence regarding an agenda item at an open session meeting should be submitted to the City Clerk's Office at EMAILGRP-CityClerksOfc@cosb.org with the Subject line including the meeting date May 27, 2020. Please include the Agenda Item# and topic in your email. * Correspondence received after the official posting of the agenda, but before 12:00 p.m. on meeting day, will be distributed to Council and made available to the public online along with the agenda posting. Written submittals will be added to the record and not read out loud. * All submittals received before the start of the meeting will be made part of the record. The designated location for viewing public documents is the City's website www.cityofsolanabeach.org

❖ Zoom Webinar Public Comment Participation: If you desire to provide a live verbal comment during the meeting, register for the Zoom webinar as noted above, under Public Meeting/Zoom Webinar, and join the meeting using the "Join Webinar" link provided in your confirmation email. * Participants can use a computer microphone and speakers to listen and communicate or dial into the meeting with a telephone (if you log in and call in, mute one of the devices to eliminate feedback). * When public comments for an item are called for, press the "raise your hand" button to be called on. You will then be called on by name and unmuted by the organizer and may provide comments for the allotted time. Allotted speaker times are listed under each Agenda section. * Do not self-mute since you will muted when you enter the meeting and organizers will unmute you to provide comments. All comments received prior to the close of the meeting will be made part of the meeting record.

SPECIAL ASSISTANCE NEEDED - AMERICAN DISABILITIES ACT TITLE 2

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's office (858) 720-2400 EMAILGRP-CityClerksOfc@cosb.org at least 72 hours prior to the meeting.

CITY COUNCILMEMBERS

Jewel Edson, **Mayor**

Judy Hegenauer, **Deputy Mayor**

Kristi Becker, **Councilmember**

Kelly Harless, **Councilmember**

David A. Zito, **Councilmember**

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

SPEAKERS:

See Public Participation on the first page of the Agenda for publication participation options.

READING OF ORDINANCES AND RESOLUTIONS:

Pursuant to [Solana Beach Municipal Code](#) Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

CALL TO ORDER AND ROLL CALL:

CLOSED SESSION REPORT: (when applicable)

FLAG SALUTE:

APPROVAL OF AGENDA:

ORAL COMMUNICATIONS:

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by having submitted written comments for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda.

Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

C. STAFF REPORTS: (C.1. – C.2.)

Note to Public: Refer to [Public Participation](#) for information on how to submit public comment.

Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

C.1. FY 2020/21 Community Grant Program Requests. (File 0330-25)

The Staff recommends that the City Council

1. Receive the Staff Report, Community Grant applications and consider the presentations from the grant applicants. This item will come back to the City Council at the July 8, 2020 City Council Meeting for Council's grant allocations.

[Item C.1. Report \(click here\)](#)

[Item C.1. Attachment 2](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.2. Small Business Grant Program Guidelines. (File 0300-00)

The Staff recommends that the City Council

1. Provide direction to Staff on Small Business Financial Assistance Grant Program guidelines and selection criteria.

[Item C.2. Report](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

WORK PLAN COMMENTS:

Adopted June 12, 2019

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

~~COUNCIL COMMITTEE REPORTS~~ (since a year) Primary Edson, Alternate-Zito

~~REGIONAL COMMITTEES: (Outside agencies, appointed by this Council)~~

- c. Escondido Creek Watershed Authority: Becker /Staff (no alternate).
- d. League of Ca. Cities' San Diego County Executive Committee: Primary-Becker, Alternate-Harless and any subcommittees.
- e. League of Ca. Cities' Local Legislative Committee: Primary-Harless, Alternate-Becker
- f. League of Ca. Cities' Coastal Cities Issues Group (CCIG): Primary-Becker, Alternate-Harless
- g. North County Dispatch JPA: Primary-Harless, Alternate-Becker
- h. North County Transit District: Primary-Edson, Alternate-Becker
- i. Regional Solid Waste Association (RSWA): Primary-Hegenauer, Alternate-Becker
- j. SANDAG: Primary-Zito, 1st Alternate-Edson, 2nd Alternate-Becker, and any subcommittees.
- k. SANDAG Shoreline Preservation Committee: Primary-Hegenauer, Alternate-Zito
- l. San Dieguito River Valley JPA: Primary-Hegenauer, Alternate-Zito
- m. San Elijo JPA: Primary-Zito, Primary-Becker, Alternate-City Manager
- n. 22nd Agricultural District Association Community Relations Committee: Primary-Edson, Primary-Harless

STANDING COMMITTEES: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Fire Dept. Management Governance & Organizational Evaluation – Harless, Hegenauer
- c. Highway 101 / Cedros Ave. Development Committee – Edson, Becker
- d. Parks and Recreation Committee – Zito, Harless
- e. Public Arts Committee – Edson, Hegenauer
- f. School Relations Committee – Hegenauer, Harless
- g. Solana Beach-Del Mar Relations Committee – Zito, Edson

ADJOURN:

Next Regularly Scheduled Meeting is July 8, 2020

Always refer the City’s website Event Calendar for Special Meetings or an updated schedule.

Or Contact City Hall 858-720-2400

www.cityofsolanabeach.org

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA }
 COUNTY OF SAN DIEGO } §
 CITY OF SOLANA BEACH }

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the July 1, 2020 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on June 25, 2020 at 3:30 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 4:00 p.m., July 1, 2020, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk * City of Solana Beach, CA

CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:

Regularly Scheduled, or Special Meetings that have been announced, are posted on each Citizen Commission’s Agenda webpage. See the [Citizen Commission’s Agenda webpages](#) or the City’s Events Calendar for updates.

- **Budget & Finance Commission**
- **Climate Action Commission**
- **Parks & Recreation Commission**
- **Public Arts Commission**
- **View Assessment Commission**



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: July 1, 2020
ORIGINATING DEPT: City Manager's Office
SUBJECT: **FY 2020/21 Community Grant Program Requests**

BACKGROUND:

On May 4, 2004, the City Council adopted Resolution No. 2004-68 approving Council Policy No. 14 establishing the Community Grant Program (“Grant Program”) and Application Guidelines for the Grant Program.

At the May 13, 2020 City Council Meeting, the City Council authorized the Fiscal Year (FY) 2020/21 Community Grant Program. The FY 2020/21 Proposed Budget contains an appropriation of \$25,000 to fund the Community Grants Program. The City receives a \$15,000 contribution from EDCO as part of the community enhancement efforts through the solid waste Franchise Agreement with the City, which is used to fund a portion of this program.

Following the approval of the FY 2020/21 Community Grant Program, Staff distributed a request for financial assistance for community grants. Staff utilized the City’s “e-blast” notification system, social media accounts (Facebook and Twitter), and the City’s website to notify the community that the request for proposals application period had started. The deadline for submission was June 11, 2020.

This item is before the City Council to review the grant applications received and to allow the applicants to make a brief presentation regarding their proposed programs.

DISCUSSION:

The community grant criteria approved by the City Council on May 13, 2020 was incorporated into the application guidelines of the “Request for Financial Assistance” document for FY 2020/21 (Attachment 1). The highlights of the application are as follows:

Application Criteria

1. Preferences will be given towards non-profits that provide services/goods to Solana Beach groups or individuals with special economic needs that are not being met in the

<p>CITY COUNCIL ACTION: _____</p> <p>_____</p>
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economic environment. These can be non-profits whose funding has been reduced or eliminated and are unable to serve the populations in need.

2. Fair and justifiable program costs (budget required).
3. Program Originality (new and unique).
4. Collaboration/Partnerships.
5. Leverage of matching funds/resources.
6. Applicants must submit a financial conditions (Balance Sheet) statement as well as the applicant(s) revenue/expenditure statements and tax return statements for the prior operating year.
7. Completion of project between date of grant approval through May 31, 2021.
8. Grant funds are only intended for non-governmental agencies.

Qualifying Criteria for Financial Assistance

The main qualifying criteria for financial assistance under Council Policy No. 14 are summarized below:

Non-Profit Organizations

Nonprofit organizations which have officially filed as a nonprofit with the State of California and have a 501(c)3 certification must attach a copy of their current year non-profit certification form along with a Request for Financial Assistance Application. For organizations that are “recognized” nonprofits within the community but have never formally filed with the State, the City Council, at its discretion, may consider their application. It has been the practice in the past to allow applicants to submit a letter from either the Internal Revenue Service (IRS) or the California State Board of Equalization declaring the entity’s tax-exempt status for the 501(c)3 certification.

Threshold Qualifying Criteria

Request for Financial Assistance Applications are limited to non-governmental, nonprofit organizations serving the Solana Beach community. Excluded entities include the following: County of San Diego, municipal organizations, special or water districts, school districts, schools (but not their supporting organizations) and private individuals. Applicants should have a State of California non-profit status certification or be a recognized Solana Beach “nonprofit” service, civic or youth organization.

Grant Requests FY 2020/21

The following fourteen (14) applications were received by the City during the solicitation period (in alphabetical order).

Applicant	Amount Requested
Assistance League Rancho San Dieguito	\$3,000
BikeWalkSolana	\$1,500
Boys and Girls Club of San Dieguito	\$5,000
Casa De Amistad	\$5,000
Community Resource Center	\$5,000
Disconnect Collective, Inc.	\$5,000
Jaliscience Folkloric Academy	\$2,000
La Colonia Community Foundation	\$5,000
Lux Art	\$2,000
Nature Collective	\$5,000
North Coast Repertory Theatre	\$5,000
North County Immigration & Citizenship Center	\$4,968
San Diego Botanic Garden	\$5,000
St. James & St. Leo Medical Program	\$5,000
Total	\$58,468

The complete applications are included in a separate attachment that was distributed to Council along with the agenda packet prior to the City Council meeting.

Santa Fe Christian (SFC) Schools Cooperation

Eight years ago, the City and SFC created a unique partnership to more efficiently and effectively assist the non-profit organizations that specifically serve the Eden Gardens community. This partnership, which has included a contribution ranging from \$10,000 - \$15,000 from SFC in past years, has allowed for both the City and SFC to maximize its limited resources to provide the most benefit for this underserved population. Staff will reach out to SFC to inquire if they will be partnering with the City again this year. Once the City receives confirmation of whether or not SFC will participate again this year, Staff will relay the information to the Council.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The FY 2020/21 Proposed Budget contains an appropriation in the amount of \$25,000 to be used to fund community grants, subject to the City Council’s discretion. All fiscal appropriations are budgeted under the City Council budget unit 001-5000-5100-6532 – Contribution to Other Agencies.

In past years, the Council has authorized an additional \$5,000 from the Reserve Public Arts Account to be used to fund the North Coast Repertory Theatre grant application.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation
- Approve Staff recommendation with modifications
- Deny Staff recommendation and provide direction

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council receive the Staff Report, Community Grant applications and consider the presentations from the grant applicants. This item will come back to the City Council at the July 8, 2020 City Council Meeting for Council's grant allocations.

CITY MANAGER RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. City of Solana Beach Community Grant Program "Request for Financial Assistance"
FY 2020/21
2. Grant Applications



**City of Solana Beach
Community Grant Program
Request for Financial Assistance
FY 2020-21**

APPLICATION GUIDELINES

The City of Solana Beach is soliciting grant applications until **5:00 p.m., Thursday, June 11, 2020**. The City Council has a total of \$25,000 available for community organizations. A maximum of two grant applications may be submitted per community organization. Grants will be awarded with a maximum award of \$5,000.

Request for Grants are limited to non-governmental, nonprofit organizations serving the Solana Beach community. Excluded entities include the following: County of San Diego, Municipal Organizations, Special or Water Districts, school districts or schools (but not their supporting organizations), and private individuals.

Grant Application & Documents Required

Applicants must complete the attached application form and provide the following documents:

- Summary of organization's (overall) budget
- Proposed program budget detailing costs which are fair and reasonable.
- Financial Statements including the Balance Sheet and Revenue/Expenditure Statement, and the Tax Statements filed for the prior year.
- W-9 Form
- California Franchise Tax Board Entity Status Letter showing nonprofit status

- **Non-Profit Organizations**

Organizations which have filed as a nonprofit with the State of California must attach a copy of its current year 501 (c) 3 nonprofit certification form. Organizations that are "recognized" nonprofits within the community but have not formally filed with the State, will be considered at the City Council's discretion. Note, any decision made by City Council is final in regards to the community grants process.

Program Requirements:

- Must serve the residents of Solana Beach.
- Preferred to be a new program or one that provides a new or unique aspect to an existing program. Funds are available as one-time seed-money to augment a community program.

Application Submittal and Deadline: NO LATER THAN 5:00 p.m. Thursday, June 11, 2020

It is the City's preference that completed forms be received via email to dking@cosb.org and copied to pjetts@cosb.org. If email submission is not possible for an applicant, hard copies may be dropped off at City Hall 635 South Highway 101, Solana Beach, CA. 92075, Attn: Community Grants Program.

Please contact Dan King, Assistant City Manager, at (858) 720-2477 if you need additional information.



Applications will be judged and selected on the following criteria:

1. Preferences will be given towards non-profits that provide services/goods to Solana Beach groups or individuals with special economic needs that are not being met in the economic environment. These can be non-profits whose funding has been reduced or eliminated and are unable to serve these populations in need.
2. Program costs that are fair and justifiable.
3. Program originality (new and unique).
4. Consideration may be given to applications that collaborate or partner with other organizations.
5. Consideration may be given to applications which receive matching funds from other organizations.
6. Consideration may be given to applications as decided by the City Council.
7. Information provided on application will be used to review prior grant management and performance history. Significant non-compliance issues will be taken into consideration and may affect future funding decisions by the City Council.

Grant Award and Expenditures:

The City Council, at its discretion, may modify the grant award to qualified recipients based on qualifying criteria, number of qualified applicants received, and purpose of request to meet areas as enumerated by the City Council that benefit the Solana Beach community. The total of all grant awards may not exceed \$30,000.

Grants will be funded after the approval of the awards by the City Council. Expenses must be directly related to services or materials of proposed activity during the grant award period (Date of Grant Approval through May 31, 2021). Grantees will be required to maintain records to support claimed expenditures and project accomplishments. Funds for the proposed project must not be used to replace or offset funding sources normally available for any portion of the project, nor be used by the applicant to fund/supplement its own monetary giving.

Final Report and Receipts:

The City Manager's Office will review submitted copies of paid receipts/invoices and a written report to ensure that funds were spent in compliance with the approved application. Applicant(s) will be required to reimburse the City of Solana Beach all inappropriately spent funds.



PROGRAM FY 2020-21 KEY DATES:

- May 14, 2020** Distribute Grant Program Application, have it available and solicit for applications.
- June 11, 2020** **DEADLINE for Request for Financial Assistance Applications (5:00pm).** The City Manager's Office will review each application and make recommendations based upon:
- 1) Completed application;
 - 2) Clear indication of the grant amount requested;
 - 3) Receipt of grant application before the deadline WITH attachments;
 - 4) Benefit to Solana Beach community and conformity with threshold criteria.
- June 24, 2020** **First Council Review:** All eligible grant applications for Fiscal Year 2019-20 will be considered by City Council. Review and public comment/presentations will be accepted.
- July 8, 2020** **Final Council Review:** Council makes decision and approves grant recipients. The City Manager will be directed to issue awards to recipients. Announcement of grant award recipients is made to community via public notification.
- May 1, 2021** Letter will be sent to FY 2020-21 grant recipients reminding them to submit their reports and copies of receipts by May 31, 2021. (Exception to the May 31, 2021 completion date can be made with proof of good cause.)
- May 31, 2021** All FY 2020-21 grant recipients must submit copies of paid receipts/invoices and written report, that includes the number of citizens served and outcome of grant funded activity. If no paid receipts/invoices are received, recipient will be required to immediately reimburse City of Solana Beach grant funds.

All grant recipients' final reports will be submitted before the City Council for approval of expenditures. If determination is made that funds were expended inappropriately, Council will direct Grant recipients to reimburse the City of Solana Beach for the designated amount of award.

Item C.1.
Attachment 2

Community Grant Applications

[Link](#)



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: July 1, 2020
ORIGINATING DEPT: City Manager
SUBJECT: **Small Business Financial Assistance Grant Program**

BACKGROUND:

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into place. Included in the CARES Act is the Coronavirus Relief Fund (CRF) that provided \$150 billion to states and local municipalities with populations over 500,000 based on a specified formula. On May 19, 2020, the County Board of Supervisors voted to allocate a total of \$25 million of its direct CARES Act CRF to the 17 cities in the County that did not receive a direct allocation from the federal government. This funding allocation is made available provided that local cities who elect to receive this funding use it for expenditures that comply with the CARES Act CRF criteria. Among other requirements, this necessitates the expenditures be necessary due to the public health emergency presented by COVID-19. The County directed \$238,506 to the City of Solana Beach (City) for this purpose.

On June 10, 2020, the City Council directed City Staff to allocate \$200,000 of the County's allocation toward a Small Business Financial Assistance Grant program to aid Solana Beach small businesses affected by the COVID-19 pandemic. Staff has developed draft guidelines and a draft application for such a program for Council consideration and direction.

This item is before the City Council to provide direction on the program guidelines and selection criteria.

DISCUSSION:

At the June 10, 2020 Council meeting, Council directed Staff to distribute \$200,000 of CARES Act CRF funds to small businesses in Solana Beach affected by the COVID-19 pandemic. Grants of up to \$4,000 per business would be awarded which could mean that up to 50 Solana Beach businesses could receive a grant.

CITY COUNCIL ACTION:

The San Diego North Economic Development Council identifies small businesses as those with 20 or fewer employees. The City does not track the size of businesses through the business licensing process. However, the City does know there are 821 businesses located in the City that are not home occupation businesses. Staff cannot estimate how many of these 821 businesses have 20 employees or fewer, however, Staff has developed some additional guidelines that could be considered by the City when determining what businesses are eligible for the program.

Currently, the guidelines drafted by the City and included in the Draft Application (Attachment 1) specify that businesses must meet the following parameters to be eligible to apply:

- Have a brick and mortar storefront in Solana Beach;
- Cannot be an office-based business for whom teleworking is a practical alternative;
- Must have been ordered to close or substantially reduce services per the Governor's Public Health Order
- Could not have been designated as an "essential business."

Staff would like some additional guidance to know whether additional criteria should be applied. One criteria might be to limit sole proprietors from applying if they have filed an unemployment claim with the State. An example of a sole proprietor might be a hairstylist who rents chair space in a salon, but does not own the salon and has no employees. Or, if deemed eligible to apply, should there be an alternate maximum allowed in these situations that is less than the full \$4,000 approved by the Council? Since there is a good possibility that there will be more than 50 businesses applying for this grant program, Staff has looked into additional criteria that may be useful to assist with the selection of grant recipients. A program in San Marcos categorized businesses into three (3) tiers as follows and funded Tier 1 businesses first:

- Tier 1 – Independently owned businesses located in San Marcos that have been mandated by government action or decree to close or significantly alter their business activity due to COVID – 19.
- Tier 2 – Independently owned businesses located in San Marcos that can demonstrate that their businesses have been significantly affected by government action or decree but have not been ordered to alter business practices other than requirements related to size of groups in a single area and observing recommended social distancing.
- Tier 3 – Businesses that are located in San Marcos, are part of a national and/or regional franchise and have been mandated by government action or decree to close or significantly alter their business activity due to COVID-19. May also include businesses that were deemed essential but could demonstrate their businesses were impacted.

The City might have more than 50 qualified businesses apply whatever eligibility criteria is applied. Therefore, Staff would also like direction from Council regarding

how to select which 50 business should receive a grant if more than 50 eligible businesses apply. The draft application in Attachment 1 states that preference would be granted if:

- The business did not receive any other federal or public assistance
- The business is not part of a larger chain or franchise

Staff would like would like some additional guidance to know whether additional preference criteria should be identified in order to prioritize certain businesses that meet this criterion over others. Some examples of additional criteria could include:

- Businesses could be ranked based on financial need, but this could be a subjective process without complete information even if the business submits financial documentation
- Preference to minority-owned businesses

The preference criteria would be used to rank business such that they would move up in line accordingly if they met any of those criteria. If it is still not possible to limit awards to only 50 businesses, Staff has included further selection processes for Council consideration. These include:

- Selection by lottery
- Utilize a first-come-first-served approach
- Reduce the amount of the grant award to distribute to a greater number of businesses
- Conversely, if there are less than 50 applicants, the City could increase the grant award

Application Process

The process to apply will be via an online application. Staff will send an eBlast and place on social media accounts to advertise the program, post on the website, and coordinate with the Chamber and other business districts to communicate with its members. For those businesses unable to apply online, a form will be made available to download and print out then submitted via email. At the time of this Staff Report, the online application is not finalized and can be modified based on Council direction. Once the online version is finalized, the formatting for the version of the application to print out will be refined.

Council Sub-Committee Consideration

Finally, one thing to consider is for the City Council to form a Council sub-committee to assist Staff in assessing and allocating the grant funding. Staff has put together a draft timeline below for Council consideration, but one thing to note is that after the July 8, 2020 Council meeting, Council goes on summer break until August 22, 2020. The grant funding is much needed in the business community, so Staff recommends not waiting until August

22, 2020 to award the funding. By forming a Council sub-committee, allocations could be done much sooner and the funding could go out to the businesses much quicker.

The proposed timeline for the program is as follows:

- July 6, 2020 - Open the Grant Program Application process
- July 17, 2020 - Deadline for Request for Financial Assistance Applications (4:30pm).
- July 27-Sept 30 - Grant disbursements processed by the City.
- August 26, 2020 - All grant recipients for FY 2020-21 will be reported to City Council.
- December 31, 2020 - All FY 2020-21 grant recipients must submit a report in the format provided by the City.

CEQA COMPLIANCE STATEMENT:

The discussion and/or expenditure of CARES Act CRF Funds is not a project as defined by the California Environmental Quality Act (CEQA).

FISCAL IMPACT:

There is no impact to the General Fund due to the use of CARES Act CRF Funds other than the dedication of Staff time. Staff anticipates that the City will disburse \$200,000 of CARES Act CRF funds as directed by Council at the June 10, 2020 meeting.

WORK PLAN:

N/A

OPTIONS:

- Approve Department recommendation.
- Do not approve Department recommendation.
- Provide alternative direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council provide direction to Staff on Small Business Financial Assistance Grant Program guidelines and selection criteria.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Small Business Grant Program Application

Small Business Grant Program Application

City of Solana Beach

Small Business Grant Program Request for Financial Assistance FY 2020-21

The focus of this funding is on brick and mortar businesses with customer-serving premises located in the City of Solana Beach. Businesses must have a valid 2019 City business license number and must have been ordered to close or substantially reduce services per the Governor’s Public Health Order. Eligible businesses include restaurants, retail, salons, etc. Requests for grants are limited to businesses with 20 employees or fewer. Businesses that provide services like insurance, real estate, or businesses that were designated as “essential” and thus were not directly affected by the COVID-19 pandemic are ineligible. Office-based businesses for whom teleworking is a practical alternative are also not eligible.

* Required

1. Email address *

Application Submittal Deadline: NO LATER THAN 4:30 p.m. Friday, July 17, 2020.

APPLICATION GUIDELINES

The City of Solana Beach is accepting applications for Small Business Assistance Grants until 4:30 p.m., Friday, July 17, 2020. The City has a total of \$200,000 available for small businesses located in Solana Beach. Grants will be awarded in an amount of up to \$4,000. The program is funded by an allocation of Federal CARES funding, through the County of San Diego, to provide some recovery of costs and loss of income due to the COVID-19 pandemic.

Please contact Rimga Viskanta, Senior Management Analyst, via email rviskanta@cosb.org if you need additional information.

Contact Information

2. Contact Name

3. Contact Title

4. Phone Number

Business Information

5. Business Name

6. Business Phone

7. Business Address

Include the city, state, and zip code.

8. Business Website Address

9. How many years has your company been in business?

10. Type of Business

Such as retail, salon, service, etc.

11. City of Solana Beach 2019 Business License Number

COVID-19 and Your Business

Grant Award and Expenditures

The City, at its discretion, may modify the grant award to qualified recipients based on qualifying criteria, the number of qualified applicants received, and the purpose of the request to meet areas as enumerated by the City Council that benefit the Solana Beach community. The total of all grant awards will not exceed \$200,000.

Funds may be used to support general operations or on expenditures intended to help the business comply with public health orders.

Applications will be judged and selected on the following criteria:

- Preferences will be given to businesses that did not receive federal or other financial assistance.
- Preferences will be given to companies that are not part of a larger chain or franchise.
- Consideration may be provided to applications as decided by the City Manager.

12. How has COVID-19 affected your business?

13. Have you received any Federal financial assistance due to COVID-19?

Mark only one oval.

Yes

No

14. Have you received any financial assistance due to COVID-19 from any other public resource?

Mark only one oval.

Yes

No

15. If awarded, how do you plan to use the grant funds?

The grantee must submit a report in a format provided by the City to indicate how the funds were spent. If it is determined that funds were expended inappropriately, Council will direct grant recipients to reimburse the City of Solana Beach for the designated amount of award.

Documents

Grant Application & Documents Required:

- Proof of Tenancy
- **W-9** form <https://www.irs.gov/pub/irs-pdf/fw9.pdf>
- **New Vendor Request** Form <https://bit.ly/SBNewVendorApplication>
- **Electronic Funds Transfer** Form <https://bit.ly/SBNewVendorApplication>

16. Attach a signed and scanned W-9 form.

Files submitted:

17. Attach Proof of Residency.

Documentation such as a recent rent receipt, utility bill, or property manager memo confirming tenancy at the location.

Files submitted:

18. Attach the New Vendor Request form (required in order to process disbursement.)

Files submitted:

19. Attach the Electronic Funds Transfer form.

This form is optional, but will speed the receipt of grant funding if awarded.

Files submitted:

Summary

The City Manager’s Office will review each application and make grant awards based upon:

1. Completed application;
2. Receipt of the grant application before the deadline WITH attachments;
3. Ranking based on stated preference criteria and demonstrated need.

Final Report and Receipts

The grantee must submit a report in a format provided by the City to indicate how the funds were spent. If it is determined that funds were expended inappropriately, Council will direct Grant recipients to reimburse the City of Solana Beach for the designated amount of award.

Application Submittal Deadline: NO LATER THAN 4:30 p.m. Friday, July 17, 2020.

Program FY 2020-21 Key Dates

July 6, 2020 - Grant Program Application process opens.

July 17, 2020 - DEADLINE for Request for Financial Assistance Applications (4:30 pm).

July 27-Sept 30 - Grant disbursements processed by the City.

August 26, 2020 - Council Review of Grant Awards: All eligible grant recipients for FY 2020-21 will be reported to City Council.

December 31, 2020 - All FY 2020-21 grant recipients must submit a report in the format provided by the City.

20. Additional Comments

If you have trouble applying online, application information may also be submitted to rviskanta@cosb.org Attn: Small Business Grant Program, No later than 4:30 p.m., Friday, July 17, 2020.



