

RESOLUTION NO. 2020-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING AND AUTHORIZING THE CREATION OF A SMALL BUSINESS RELIEF GRANT PROGRAM IN PARTNERSHIP WITH THE ORANGE COUNTY SMALL BUSINESS DEVELOPMENT CENTER

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY DECLARE AND FIND AS FOLLOWS:

WHEREAS, on March 12, 2020, the City declared a local state of emergency over the spread of the COVID-19 virus, and on March 19, 2020, the State of California issued orders requiring households to shelter-in-place and the closure of nonessential businesses, thus impacting the revenues of many Costa Mesa businesses and the economic stability of such businesses; and

WHEREAS, the forced closure has extended four times longer than the average cashflow reserves that a typical small business can support; and

WHEREAS, existing federal loan programs are not able to assist all businesses and much of the funding for these programs has already been exhausted; and

WHEREAS, the County of Orange made the City a subrecipient of \$2,746,469.39 of CARES Act funds allocated to the County; and

WHEREAS, the City desires to create a grant program to ameliorate the effects of the COVID-19 Emergency on the City's small businesses; and

WHEREAS, the City does not have the staff resources to promote, manage, issue, or audit grants that a grant program would require, such that a partnership with the Orange County Small Business Development Center (SBDC) would be necessary to implement such a program; and

WHEREAS, the SBDC has demonstrated its experience in working with municipalities and small businesses within the region in the successful creation and implementation of such programs; and

WHEREAS, the City desires to create the Small Business Relief Grant Program in partnership with SBDC; and

WHEREAS, the County CARES Act funding is focused on assisting small businesses; and

WHEREAS, the City Council recognizes its partnership with South Coast Metro Alliance, Travel Costa Mesa, and Costa Mesa Chamber of Commerce in the Costa Mesa Business Assistance Collaborative (Costa Mesa BAC); and

WHEREAS, Costa Mesa BAC's mission is to mobilize businesses and patrons with one unifying message to restore the Costa Mesa business community in the wake of the COVID-19 Emergency; and

WHEREAS, the programs that staff, partners, and volunteers are working on as part of Costa Mesa BAC are valuable to restarting the local economy; and

WHEREAS, the programs currently underway by Costa Mesa BAC include Shop Costa Mesa; and

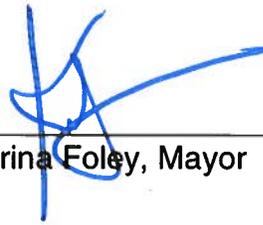
WHEREAS, Shop Costa Mesa can amplify and increase the visibility of its message with limited funding for promotional activities.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Costa Mesa as follows:

1. Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
2. Authorize the City Manager to take any and all actions necessary to develop and administer a Small Business Relief Grant Program, funded with \$1.794 million in Coronavirus Relief Funds to for-profit businesses, \$160,000 for non-profit businesses or for-profit businesses which cannot reopen until Stage 4 of the State's reopening plan, and \$16,000 for the City's administration costs of the program in accordance with the Grant Agreement between the City of Costa Mesa and County of Orange. The Non-profit allocation is pending authorization from the Treasury Guidance to the County of Orange and if not authorized, will be redirected toward Stage 4 businesses.
3. Allocate \$26,469.39 of the Coronavirus Relief Funds to promote the Shop Costa Mesa initiative through Costa Mesa BAC, in accordance with the Grant Agreement between the City of Costa Mesa and County of Orange.

4. Allocate an additional \$250,000 (for a total of \$750,000) of the Coronavirus Relief Funds to support right-of-way modifications in response to the Pandemic, in accordance with the Grant Agreement between the City of Costa Mesa and County of Orange.

PASSED AND ADOPTED this 16th day of JUNE, 2020.



Katrina Foley, Mayor

ATTEST:

APPROVED AS TO FORM:



Brenda Green, City Clerk



Kimberly Hall Barlow, City Attorney

