



MEMORANDUM

TO: Board of County Commissioners
Gary Schmidt, County Administrator

FROM: Sarah Eckman, Interim Director

DATE: June 3, 2021

RE: Grant Agreement for Local Business Support Using CARES Act funding of \$672,000

Clackamas County has remaining CARES funds that must be spent by June 30, 2021. Under the direction of the Emergency Operations Center, Business and Community Services (BCS) has been given an opportunity to use \$672,000 of the remaining CARES funds to provide grants to local small businesses impacted by the COVID-19 pandemic. The funds will be used to provide grants and pay an administrative fee for facilitation of the grant program.

BCS intends to partner with local non-profit, Micro Enterprise Services of Oregon (MESO) to provide the above mentioned grants. The County and MESO entered into a grant agreement last year, and in order to facilitate distribution of the funds by the end of June, the agreement can be amended to allow MESO to quickly provide cash to businesses who have incurred costs during the pandemic.

BCS plans to submit a consent agenda item for the June 17 business meeting to amend the existing local grant agreement with MESO to add an additional \$672,000 to the grant program. Twelve percent of the funds (\$72,000) will fund MESO administrative costs, and the remaining \$600,000 will be disbursed as follows:

- a) Fund unfunded grant applications: Fund grant applications received under Clackamas County's prior grant application period(s), funded by Subrecipient Grant Agreement 21-011, that were not funded due to applications in excess of the available grant funding, and;
- b) Simplified flat award amount application process: Provide a simplified, \$7,500 flat award amount, grant application process whereby the following are true:
 - i. The business is headquartered in Clackamas County and has its principal operations in Clackamas County.
 - ii. If required by Oregon law to be registered with the Oregon Secretary of State to do business in Oregon, the business is so registered.
 - iii. The business is either for-profit or an entity tax-exempt under section 501(c)(3) of the Internal Revenue Code.
 - iv. During the Performance Period, the business incurred necessary expenditures due to the COVID-19 public health emergency, including those necessary expenditures incurred in response to Grantee's return to an "Extreme Risk" level effective as of April 30, 2021.

Due to the short timeline and need to fully expend these funds by June 30, 2021, BCS requests the Board's approval to place the amendment with MESO on the June 17, 2021 Consent Agenda. The agreement is currently being reviewed by County Counsel and Finance and will be submitted to the Board as soon as final approval is received.