

May 20, 2021

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of State of Oregon, Department of Administrative Services, Grant Agreement Amendment #1 with Clackamas County to provide additional funding for grants to the local small business community impacted by the COVID-19 pandemic

<b>Purpose/Outcomes</b>	Approve a State of Oregon, Department of Administrative Services, Grant Agreement Amendment #1 with Clackamas County to provide an additional \$2,700,986.76 in Corona Virus Relief Funds to benefit the local small business community who have incurred expenses as a result of changes in risk levels due to the COVID-19 pandemic, including those necessary expenditures incurred in response to Grantee's return to an "Extreme Risk" level effective as of April 30, 2021. The amendment also extends the agreement through December 31, 2021.
<b>Dollar Amount and Fiscal Impact</b>	This amendment adds \$2,700,986.76 in Corona Virus Relief Fund dollars to an existing agreement between the State of Oregon and Clackamas County to be distributed to the Clackamas County small business community. The amendment increases the agreement value from \$4,168,536.00 to \$6,869,522.76.
<b>Funding Source</b>	Corona Virus Relief Fund, via State of Oregon acting through its Department of Administrative Services.
<b>Duration</b>	Agreement is effective upon signature by both parties and will expire on December 31, 2021.
<b>Previous Board Action</b>	<ul style="list-style-type: none"> <li>• The agreement being amended was approved by the Board of County Commissioners on December 17, 2020, agenda item F.1.</li> <li>• EOC Commander Nancy Bush briefed the BCC on this amendment during the BCC Business Meeting on May 6, 2021.</li> <li>• The amendment was received by the County on May 4, 2021 and is being expedited to facilitate timely distribution of the funds to our local business community.</li> </ul>
<b>Strategic Plan Alignment</b>	<p>1) This grant agreement supports the BCS goal of giving businesses access to innovative tools and programs to help them locate or expand in Clackamas County. Providing grants to businesses impacted by COVID-19 will help them make it through the pandemic so they can reopen under the new normal, and eventually expand when economic times improve.</p> <p>2) This grant agreement supports the County strategic priority of Growing a Vibrant Economy by providing much needed assistance to Clackamas County small businesses so they can remain in business throughout the COVID-19 pandemic.</p>
<b>County Counsel Review</b>	County Counsel Review Date: Pending Counsel Initials: ARN
<b>Procurement Review</b>	Was the item processed through procurement? No The item is a grant agreement, and is not processed through Procurement.
<b>Contact Person</b>	Sarah Eckman, BCS Interim Director (503) 894-3135
<b>Contract No.</b>	Grant No. 2503 Amendment #1

**BACKGROUND:**

When Governor Kate Brown recently announced that 15 Oregon Counties would switch to the Extreme Risk category on April 30, 2021, she committed \$20 million in statewide financial assistance to support Oregon businesses impacted by COVID-19.

The \$2.7 million is Clackamas County’s portion of the statewide distribution of \$20 million that the Governor announced would be released to support businesses after the move to the Extreme Risk category. To expedite the distribution of funds, the State amended a December 2020 agreement we already have in place with them. The December agreement provided more than \$4 million in grants that we distributed to businesses earlier this year.

A full list of the allocations for the \$20 million statewide is included here; each county received a baseline amount of \$200,000, and the remainder was allocated on a per capita basis.

Total CRF allocation for local governments

County	Population estimate 7/2019	% of county total	\$200,000 Floor per county then per capita
Baker	16,820	0.584%	\$ 299,349.58
Clackamas	423,420	14.712%	\$ 2,700,986.76
Columbia	52,750	1.833%	\$ 511,574.92
Crook	23,440	0.814%	\$ 338,451.49
Deschutes	193,000	6.706%	\$ 1,339,980.26
Grant	7,360	0.256%	\$ 243,472.82
Jackson	221,290	7.689%	\$ 1,507,078.93
Josephine	86,750	3.014%	\$ 712,400.46
Klamath	68,190	2.369%	\$ 602,773.34
Lane	378,880	13.164%	\$ 2,437,905.30
Linn	126,550	4.397%	\$ 947,484.47
Marion	347,760	12.083%	\$ 2,254,090.86
Multnomah	821,730	28.551%	\$ 5,053,657.94
Polk	82,940	2.882%	\$ 689,896.18
Wasco	27,240	0.946%	\$ 360,896.70
Oregon Total	2,878,120	100%	\$ 20,000,000.00

Counties are asked to make a good faith effort to prioritize the hospitality industry, small businesses, and women, Black, Indigenous, People of Color, and Tribal-owned businesses.

The State has provided the following minimum eligibility requirements:

1. The business is headquartered in Oregon and has its principal operations in Oregon.
2. If required by Oregon law to be registered with the Oregon Secretary of State to do business in Oregon, the business is so registered.
3. The business is either for-profit or an entity tax-exempt under section 501(c)(3) of the Internal Revenue Code.
4. 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.

BCS and Disaster Management are working together to develop a framework for how these new funds will be spent to support our local businesses. To inform our framework, we are meeting with stakeholders such as the North Clackamas Chamber/Business Recovery Centers, Clackamas County Tourism, and our internal emergency operations team, including the Equity Liaison. We will use input from these entities to quickly develop a holistic recommendation for how to distribute the funds.

With time being of the essence, it is critical we immediately process this agreement amendment with the State so that we can accept the funds and have them ready for distribution.



**BUSINESS & COMMUNITY SERVICES**

150 BEAVERCREEK ROAD

OREGON CITY, OR 97045

WWW.CLACKAMAS.US/BCS

SARAH ECKMAN, INTERIM DIRECTOR

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**RECOMMENDATION:**

Staff respectfully recommends the BCC approve the State of Oregon, Department of Administrative Services, Grant Agreement Amendment #1 with Clackamas County that provides Corona Virus Relief Fund dollars to assist the local small business community impacted by the COVID-19 pandemic and requests authority to sign the agreement amendment be delegated to the BCS Interim Director, Sarah Eckman.

**ATTACHMENT:**

State of Oregon, Department of Administrative Services, Grant Agreement Amendment #1 with Clackamas County

Respectfully submitted,

A handwritten signature in blue ink that reads "Sarah Eckman".

Sarah Eckman  
Interim Director, Business & Community Services

# STATE OF OREGON

## GRANT AGREEMENT NO. 2503

### Amendment No. 1

This is Amendment Number 1 (“Amendment”) to Grant Agreement No. 2503 (the “Grant”) between the State of Oregon, acting by and through its Department of Administrative Services (“DAS”), and Clackamas County (“Grantee”), each a “Party” and, together, the “Parties.”

1. Effective Date and Reinstatement of Grant. This Amendment shall become effective on the date that it is fully executed and approved as required by applicable law and, upon such execution and approval, reinstates the Grant and amends it as provided below.

2. Amendments to Grant.

- A. Sections 2, 3, 6, 7.1 and 17.17 are amended as follows (additions in **bold underline** and deletions in *[italicized brackets]*):

### SECTION 2: PURPOSE

Section 5001 of the CARES Act provides funds to state, local and tribal governments through the Coronavirus Relief Fund to be used for expenditures incurred due to COVID-19 during the period of March 1, 2020 through *[December 30, 2020]* **December 31, 2021** (the “Performance Period”). This Grant governs the disbursement of funds from the Coronavirus Relief Fund to Grantee for the Performance Period to reimburse the costs of the activities described in Exhibit A.

### SECTION 3: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained (“Executed Date”), this Grant is effective and has a Grant funding start date as of March 1, 2020 (“Effective Date”), and, unless extended or terminated earlier in accordance with its terms, will expire on *[December 30, 2020]* **December 31, 2021**.

### SECTION 6: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Grantee up to an amount not to exceed *[\$4,168,536.00]* **\$6,869,522.76** (the “Grant Funds”) for eligible Project costs incurred during the Performance Period. Agency will pay the Grant Funds from monies available through the Coronavirus Relief Fund (“Funding Source”).

### SECTION 7: DISBURSEMENT GENERALLY

7.1 **Disbursement.** *[Agency will disburse Grant Funds to Grantee in a single disbursement within five business days of the Executed Date.]* **Agency has disbursed \$4,168,536.00 in Grant Funds to Grantee as of this Amendment’s Effective Date. Agency will disburse the remaining \$2,700,986.76 in Grant Funds to Grantee in a single disbursement within five business days of this Amendment’s Effective Date.**

## SECTION 17: MISCELLANEOUS

**17.17 Real Property.** If the Project includes the acquisition, construction, remodel or repair of real property or improvements to real property, and if such assets are disposed of prior to *[December 30, 2020]* **December 31, 2021**, the proceeds *[would]* **will** be subject to the restrictions on the eligible use of payments from the Grant Funds provided by section 601(d) of the Social Security Act.

B. Section I, "PROJECT DESCRIPTION," and Section III, "REPORTING REQUIREMENTS," of Exhibit A are amended as follows (additions in **bold underline** and deletions in *[italicized brackets]*):

### SECTION I. – PROJECT DESCRIPTION

Subject to the eligibility requirements of 42 U.S.C. § 801 and any implementation guidance from the U.S. Department of the Treasury, including, without limitation, the guidance identified in Section II below, Grantee will use the Grant Funds to disburse grants to businesses as described more particularly in this Exhibit A and Exhibit E. Grantee represents and warrants that the Grant Funds will be used only to cover those costs of business subgrantees that (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); (2) were not accounted for in Grantee's budget most recently approved as of March 27, 2020; and (3) were, or are, incurred during the Performance Period. Grantee may not use any Grant Funds to prepay or otherwise cover Grantee-mandated business fees before awarding a grant to an eligible business.

Grantee will disburse Grant Funds only to businesses that meet all of the following minimum **eligibility** requirements*[/i> only one application may be submitted per business*]*:*

1. The business is headquartered in Oregon and has its principal operations in Oregon.
2. If required by Oregon law to be registered with the Oregon Secretary of State to do business in Oregon, the business is so registered.
3. The business is either for-profit or an entity tax-exempt under section 501(c)(3) of the Internal Revenue Code.
4. 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.**

The following businesses are **ineligible** to apply for or receive funding under the Program:

1. Passive real estate holding companies and entities holding passive investments.
2. Non-profit entities that do not have federal 501(c)(3) status.
3. Businesses that experience a decline in revenues for reasons other than those caused by the COVID-19 pandemic (e.g. seasonal or cyclical businesses cycles).
4. Businesses that are delinquent on federal, state or local taxes that were due on or before the date of application.
5. Businesses that do not comply with all federal, state and local laws and regulations.
6. Businesses that have closed and do not intend to reopen.

## Award Amount

Grantee's grant awards to eligible businesses shall be in amounts determined by Grantee.

## Program Access

Agency intends that the Grant Funds are made accessible to all Oregonians. Accordingly, Agency strongly encourages Grantee to market its grant program and seek subgrantees based on the recommendations set forth in Exhibit E, Equity in Grant Access.

## SECTION III. – REPORTING REQUIREMENTS

No later than *[January 5, 2021]* **January 5, 2022**, Grantee shall provide Agency a final report on the following:

1. Total use of Grant Funds;
2. Total number of applicants and beneficiaries; and
3. For each beneficiary that Grantee awards a grant:
  - a. A short description of the beneficiary's business, including business entity type, industry, number of employees and length of operating history; and
  - b. The demographic information reported on the voluntary demographic questionnaire by owners of each beneficiary business.

Additionally, no later than *[January 5, 2021, for the period October 1, 2020, to December 30, 2020]* **July 6, 2021, for the period of April 1, 2021 to June 30, 2021, and October 5, 2021, for the period of July 1, 2021, to September 30, 2021, and January 5, 2022, for the period of October 1, 2021, to December 31, 2021**, Grantee shall report the following information, as applicable, to Agency:

- a. Amount spent on administrative expenses;
- b. Amount spent on budgeted personnel and services diverted to a substantially different use;
- c. Amount spent to COVID-19 testing and contract tracing;
- d. Amount spent on economic support (other than small business, housing, and food assistance);
- e. Amount spent on expenses associated with the issuance of tax anticipation notes;
- f. Amount spent on facilitating distance learning;
- g. Amount spent on food programs;
- h. Amount spent on housing support;
- i. Amount spent to improve telework capabilities of public employees;
- j. Amount spent on medical expenses;
- k. Amount spent on nursing home assistance;
- l. Amount spent on payroll for public health and safety employees;
- m. Amount spent on personal protective equipment;
- n. Amount spent on public health expenses;
- o. Amount spent on small business assistance;
- p. Amount spent on unemployment benefits;
- q. Amount spent on workers' compensation;
- r. Amount spent on items not listed above; and
- s. The primary place of performance of this Project.

The requirements of this Section III survive termination of this Grant

- C. The reference to “December 30, 2020” in Section 2 of Exhibit C, “FEDERAL TERMS AND CONDITIONS,” is amended and restated as “December 31, 2022.”
- D. Exhibit D, “FEDERAL AWARD IDENTIFICATION,” is replaced in its entirety by amended Exhibit D attached hereto.

3. Counterparts. This Amendment may be executed in two or more counterparts (by facsimile or otherwise) each of which is an original and all of which when taken together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.

4. Original Agreement. Except as expressly amended above, all other terms and conditions of the original Grant remain in full force and effect. By its execution of this Amendment, Grantee certifies to DAS that the representations, warranties and certifications contained in the original Grant are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

**STATE OF OREGON acting by and through its Department of Administrative Services**

By: \_\_\_\_\_

\_\_\_\_\_  
Date

**Clackamas County**

By: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

93-6002286  
Federal Tax ID Number

096992656  
DUNS Number

**Approved for Legal Sufficiency in accordance with ORS 291.047**

By: Samuel B. Zeigler via email  
Senior Assistant Attorney General  
Oregon Department of Justice

5/3/21  
Date

**EXHIBIT D**  
**FEDERAL AWARD IDENTIFICATION**  
**(Required by 2 CFR 200.331(a))**

(i) Grantee Name: <i>(must match DUNS registration)</i>	Clackamas County
(ii) Grantee's DUNS number:	096992656
(iii) Federal Award Identification Number (FAIN):	SLT0038
(iv) Federal award date: <i>(date of award to DAS by federal agency)</i>	March 27, 2020
(v) Grant period of performance start and end dates:	Start: March 1, 2020 End: December 30, 2021
(vi) Total amount of federal funds obligated by this Grant:	\$2,700,986.76
(vii) Total amount of federal funds obligated to Grantee by Agency, including this Grant:	\$ 24,579,690.24
(viii) Total Amount of Federal Award committed to Grantee by Agency: <i>(amount of federal funds from this FAIN committed to Grantee)</i>	\$24,579,690.24
(ix) Federal award project description:	Coronavirus Relief Fund
(x)	
a. Federal awarding agency:	U.S. Department of the Treasury
b. Name of pass-through entity:	Oregon Department of Administrative Services
c. Contact information for awarding official of pass-through entity:	Gerold Floyd, CoronavirusReliefFund@Oregon.gov
(xi) CFDA number, name, and amount:	Number: 21.019 Name: Coronavirus Relief Fund Amount: \$1,388,506,837.10
(xii) Is award research and development?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(xiii) Indirect cost rate:	Not allowed per U.S. Treasury guidance
(xiv) Is the 10% de minimis rate being used per §200.414?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>