

## RESOLUTION 2020-56

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY, SAN BENITO COUNTY AND THE CITY OF HOLLISTER TO RECEIVE AND DISBURSE AN ALLOCATION OF CARES ACT FUNDING TO SUPPORT SMALL AND LOCAL BUSINESSES**

**WHEREAS**, on March 4, 2020, Governor Newsom declared a State of Emergency for the State of California as a result of the COVID-19 pandemic; and

**WHEREAS**, the County of San Benito declared a State of Emergency on March 6, 2020, regarding the COVID-19 Virus. Included in the County's declaration is an aggressive order by the County Public Health Official to all residents ordering them to "shelter in place" to reduce the spread of the COVID-19 Virus; and

**WHEREAS**, the City Council at its meeting March 17, declared a State of Emergency in San Juan Bautista; and

**WHEREAS**, on March 27, 2020, the federal government approved the Coronavirus Aide, Relief and Economic Security Act, (CARES Act"), a \$2 trillion act to help stave off total economic collapse during and following the State of Emergency; and

**WHEREAS**, the shelter in place order has been an effective tool to fight the spread of the virus, but has greatly reduced the business traffic downtown, and the City Council recognizes that helping local businesses survive this disaster is the best approach help strengthen the City's economy during this disaster, and that many of the different State and federal tools for relief are very complicated and subject to frequent changes and interpretations; and

**WHEREAS**, on April 14, 2020, the City approved Resolution 2020-12, and a job description for the "Disaster Services Worker, Community Liaison," and between April and July, the Community Liaison was hired to, among other things, implement the transformation of Third Street and assist business owners with applying for various federal loans and grants from the CARES Act, helping them to stay in business during and after the Pandemic; and

**WHEREAS**, the CARES Act does not provide direct funding for local governments with a population of less than 500,000 and in response to the lack of federal action in this regard, the State released a portion of its CARES Act allocation to cities and counties and the City received its \$50,000 allocation to pay for a portion of its expenses (\$183,000 to date since March 1, 2020), and the County received approximately \$6 million dollars to reimburse the County for its direct expenses and to help the local economy; and

**WHEREAS**, the County agreed to provide a small business grant program where local small businesses could apply for assistance related to losses incurred as a direct result of COVID 19, with applications opening July 6 and closing in August, with funding to be disbursed soon

thereafter or as soon as the State released its funds for this program (initially it was August 31st, but now it is expected to be the end of October); and

**WHEREAS**, out of more than 230 applications received from businesses within the County, 18 of these were from the City; the Community Liaison reviewed the applications, and helped rank and select recipients, and all but one application from the City was funded; and

**WHEREAS**, the County is offering an additional \$193,333 to fund more grants of this type to local business owners, and the City's share is estimated to be \$43,333, but this time the County is asking each jurisdiction to manage the distribution of the funds to their local businesses through a local grant program; and

**WHEREAS**, the City is prepared to administer this small business grant program using a fair, equitable selection criteria (similar to the County's), focusing on small business owners and helping them to adjust to the winter season, to assure the safety of indoor foot traffic with COVID and PPE needs, and to weatherize the outdoor accommodations already built or under construction; and

**WHEREAS**, all that is needed to initiate the program is to adopt a Resolution and execute a Memorandum of Understanding between the cities and the County (attached by reference and made a part hereto).

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AS FOLLOWS:**

1. The City Council agrees with and approves of the intentions and facts described in the above recitals.
2. The City Council approves this Resolution and authorizes the City Manager to execute the "Memorandum of Understanding" between the City of Hollister and the County to administer a local business grant program using federal CARES Act funding from the County, as presented in the attachment to the Resolution.

**PASSED AND ADOPTED** by the City Council of the City of San Juan Bautista on this 20<sup>th</sup> day of October 2020 by the following vote:


**AYES:** Edge, Freeman, Flores, DeVries, Jordan

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

**ATTEST:**

  
Mary V. Edge, Mayor

  
Laura Cent, City Clerk