



Legislation Details (With Text)

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**File created:** 8/14/2020 **In control:** City Council

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**Title:** Approve CARES Act expenditure and contracts for small business relief:  
 1. \*\*\*RESOLUTION - Adopting the 13th Amendment to the Annual Appropriation Resolution No. 2020-159 to appropriate \$2,000,000 in CARES Act Funds for small business relief (Requires 5 affirmative votes)(Subject to Mayor's Veto)  
 2. Approve agreement with Fresno Area Hispanic Foundation

**Sponsors:** Miguel Angel Arias, Esmeralda Z. Soria

**Indexes:**

**Code sections:**

**Attachments:** 1. AAR 21 13th SB Relief v2.HJF.pdf, 2. Grant Agreement - FAHF Save our Small Business.pdf, 3. SCOPE FAHF small business.pdf, 4. 8-17-20 CARES Funds Requests.pdf

Date	Ver.	Action By	Action	Result
8/17/2020	1	City Council	adopted	Pass

**REPORT TO THE CITY COUNCIL**

**August 17, 2020**

**FROM:** Council President Arias  
Councilmember Soria  
Councilmember Chavez

**SUBJECT:**  
 Approve CARES Act expenditure and contracts for small business relief:  
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**RECOMMENDATION**

It is recommended Council appropriate CARES Act funding and approve the agreement the Fresno Area Hispanic Foundation to provide relief to small businesses affected by COVID-19.

**EXECUTIVE SUMMARY**

The COVID-19 pandemic has caused widespread business closures and disruptions. Small

businesses have been particularly hard hit. One specifically authorized use of CARES Act funds is to provide relief to small businesses affected by COVID. The funds appropriated by this action will be distributed by the City's Economic Development Department through the Save our Small Business program, and the Fresno Area Hispanic Foundation (FAHF). FAHF has a strong track record of administering similar programs, and will target the business community in disadvantaged/underserved areas of the City, as well small businesses in minority communities that have not been able to access other relief funds.

## **BACKGROUND**

The CARES Act (42 U.S.C. Section 801(d)) requires eligible reimbursement expenditures (1) are necessary due to the COVID-19 public health crisis; (2) are not accounted for in the City's budget as of March 27, 2020; and (3) be expended between March 1 and December 30, 2020. The Department of the Treasury understands the term 'necessary' broadly to mean the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments. (US Dept. of Treasury, Coronavirus Relief Fund Guidance (April 30, 2020) p.1.) Expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19 related business closures. (US Dept. of Treasury, Coronavirus Relief Fund Guidance (April 30, 2020) p. 1.)

The Fresno Area Hispanic Foundation (FAHF) has a proven track record of providing technical assistance to small business and administering microloan programs. This small business grant program will administer loans of \$5,000-10,000 based on the number of employees of an applicant business. FAHF will focus on serving the diverse small business community in disadvantaged/underserved areas of Fresno. Grant funds will be disbursed by December 1 to small businesses that have not received relief funds such as Paycheck Protection Program (PPP), or a COVID relief grant from the City or County of Fresno. In addition, FAHF will conduct a digital marketing campaign to promote the program within the City. The primary target audience will be diverse small business, including but not limited to businesses in the Hispanic, Punjabi, African American, Hmong, and other minority communities that have not been able to access any relief funds.

## **ENVIRONMENTAL FINDINGS**

This is not a project for the purpose of CEQA.

## **LOCAL PREFERENCE**

Not applicable.

## **FISCAL IMPACT**

This item will not impact the General Fund. All programs will be funded with CARES Act funds.

Attachments:

AAR (1)

Contracts (1)