CITY OF LONG BEACH

Memorandum

Date: September 4, 2020

To: Mayor and Members of the City Council

From: Thomas B. Modica, City Manager

Subject: **Update on CARES Act Programs**

On July 14, 2020, the City Council received a report on Coronavirus Aid, Relief, and Economic Security (CARES) Act funding and approved a spending plan for the $40.28 million the City of Long Beach (City) received from the State of California (State). The plan prioritizes COVID-19 emergency response costs, community support, and business recovery and resiliency programs. The purpose of this memorandum is to provide an update on the status of the programs and next steps.

BACKGROUND

The CARES Act, enacted on March 27, 2020, included $150 billion for the Coronavirus Relief Fund (CRF) to assist States and local governments with populations above 500,000 address the public health and economic impacts of the COVID-19 pandemic. The State received an allocation of approximately $9.5 billion from the CARES Act CRF. With a population of roughly 475,000, Long Beach was the largest California city to not receive a direct allocation through the CARES Act. The Mayor, City Council, and Legislative delegation successfully advocated for the City to receive a portion of the State's CRF in the State FY 2020-21 budget, passed on June 29, 2020. Long Beach was awarded $40.28 million for COVID-19 response.

PROGRAM DEVELOPMENT

The CARES Act spending plan adopted by the City Council on July 14th seeks to minimize the City's budget shortfall exacerbated by the pandemic, utilize funds to support critical activities and programs for the community, and leverage resources in combination with other available grants to minimize the City's net costs related to pandemic response. The City Council allocated funds for the following program areas:

- City COVID-19 Response: $19,130,494
- Community Support: $14,400,000
- Business Recovery and Resiliency: $6,750,000

While the City's COVID-19 emergency response costs are ongoing, the community support and business recovery and resiliency activities require the development of new programs, or an expansion of existing efforts. The City Manager's Office has coordinated with specific departments to create these programs and support efficient service delivery according to City Council direction and in compliance with local, State, and Federal regulations and timelines for the CARES Act funds. The City Manager's Office provides oversight to ensure

consistency in program protocols, financial reporting, and adequate staffing across the 23 CARES Act programs within six City departments.

The attached CARES Act Program Checklist and CARES Act Program Protocols provide detailed information on the process for program development. Prior to implementation, departments must prepare a memorandum for each program, detailing how the program will address the needs of community members most impacted by the COVID-19 pandemic through targeted service delivery. Departments are responsible for developing and managing each program, and documentation and reporting for CARES Act expenditures will be coordinated with the Financial Management Department. In order to expedite program initiation, once reviewed by the Finance team and approved by the City Manager, departments may begin accepting applications for program funding. A second approval by the Finance team and City Manager are required prior to program implementation to ensure that all required protocols for outreach and selection criteria have been met.

An equity lens will be utilized in the development and implementation of each program, to address the needs of the most adversely impacted community members. Programs must prioritize equity and serve vulnerable populations that are hardest hit by COVID-19, including older adults, people with underlying health conditions, people experiencing homelessness or living in overcrowded housing, and Black and LatinX residents. Departments will target impacted areas in Long Beach using mapping resources such as the geographic distribution of COVID-19 cases, CDBG-eligible areas, housing burden, and EnviroScreen.

To reach vulnerable communities, departments must outline an equitable outreach strategy. Each program must have an individualized plan for how to identify community members that require services during COVID-19 and ensure effective service delivery. Additionally, the City will partner with key community-based organizations to conduct culturally and linguistically appropriate outreach, engagement, education, and connection to CARES Act resources. Furthermore, the City must ensure each program conforms to CARES Act funding eligibility, purchasing regulations, and reporting requirements. All funds must be spent by December 30, 2020, in accordance with U.S. Treasury guidelines. Given the need to report financials and status updates on each program, departments will work with Financial Management to provide a detailed budget for how the funds will be distributed, document expenditures, and track metrics for service delivery.

PROGRAM OVERVIEW

The City created a CARES Act website to provide public-facing information about the programs, their status, and how to apply. The site offers background details on the CARES Act funding and the City Council-approved spending plan, as well as program descriptions for constituents who are interested in learning more about specific services and resources for which they can apply. The site is designed to serve as the main resource hub for the three primary user groups: residents, businesses, and nonprofit organizations. A description is provided for each program and includes a link to the application form or the next steps for participation in the program. Interest forms are provided so that constituents and potential vendors can sign up to be notified as programs come online and begin accepting applications or providing services for which they may be eligible.

Application Process and Timelines

Implementing CARES Act grants and services to small businesses, non-profit organizations, and arts and cultural groups has been a priority for City departments in response to the community interest and need for assistance among these sectors. The Economic Development Department is leading the business and nonprofit relief programs and building upon existing models currently in use for other grant assistance programs. The Small Business Transition and Technology (SBBT) program provides funding to businesses and business associations ($4.1M), non-profits ($200K) for working capital and technology solutions to address COVID-impacts, and business resiliency for COVID-19 operations and impacts.

The SBBT program includes $200,000 for grants to organizations and associations that support businesses impacted by COVID-19 to cover program costs and administrative costs associated with program delivery, including community-based organizations that provide education and outreach to hard to reach business owners impacted by COVID-19. Grant funds to these groups start at $5,000 and not exceed $20,000 and eligible organizations must submit brief monthly reports that document key accomplishments, and any risks associated with accomplishing the goals identified in the scope of work submitted with their application. They must also summarize eligible expenditures and provide key performance indicators for the reporting period. City staff will develop a simple template for these monthly reports.

To facilitate an efficient process for grant distribution, the Department has partnered with a firm that will assist City staff in assessing, ranking, and tracking the status of each application submitted. This assessment determines which grant(s) the business is eligible to receive and uses a scoring rubric to determine their need based on 1) COVID-19 impacts: business closure; employee lay off/furloughs; length of business operation; and length of time with no business income; 2) number of employees, with higher scoring for smaller business; and 3) gross revenues from business tax returns, with higher for scoring for lower revenue businesses, in an efficient one-stop application process. Depending on scoring, a small business may be eligible for a grant of up to $5,000 in working capital and a grant of up to $2,000 for technology solutions that provide touchless systems to minimize COVID-19 risk to employees and customers in their operations.

There will be three phases of funding to ensure equity among a wide range of eligible businesses. The phasing is designed to ensure distribution of grants to eligible businesses as quickly as possible, while providing an opportunity to monitor and assess that funding is being distributed equitably and to businesses most in need and in the most COVID-19 impacted areas of the City. The program description for the Small Business and Technology Transfer (SBTT) grants is attached to this memo as a sample of the detail required for each program to document compliance with established protocols including: program purpose, priority audience, equity, outreach tools, metrics for success, project tracking and assessment, and financial documentation.

Upon receipt of applications submitted via the website, the review and assessment process take approximately two weeks, and funding is providing within one week of determination of

a grant award. The Economic Development team anticipates that when applications are received for programs that are initiated the week of September 8, grants will be mailed to eligible businesses within the first two weeks of October.

Grants to Business Improvement Districts and Business Improvement Associations (BID/BIA) and to Arts organizations will be distributed more quickly as their allocations are determined by specific formula. For example, $1.5M in Arts funding will be provided to the Arts Council for Long Beach who will distribute $1.3M to eligible arts organizations that currently receive Measure B Percent for the Arts funding, based on the size of their budgets. The Arts Council will also receive $75K for their operations and staffing, $50K for distribution to the African American Cultural Center, and $75K to implement a microgrant program for artists and smaller arts and cultural organizations. These grant allocations are noted in the table below.

Table 1. Arts Organization Funding Allocation Methodology

Organization Name	Annual Budget	Grant
Arts Council for Long Beach	N/A	$75,000
Microgrants Program	N/A	$75,000
African American Cultural Center	N/A	$50,000
Camerata Singers of Long Beach	Level 1	$100,000
Long Beach Playhouse	Level 1	$100,000
Musica Angelica	Level 1	$100,000
International City Theatre	Level 1	$100,000
Long Beach Opera	Level 1	$100,000
Long Beach Symphony	Level 2	$200,000
Musical Theater West	Level 2	$200,000
Museum of Latin American Art	Level 2	$200,000
Long Beach Museum of Art	Level 2	$200,000
Total Budget		**$1,500,000**

The $1M in funding to BID/BIAs will be distributed as direct grants to each organization using a formula for a base grant of $70K plus an additional allocation based on the number of businesses or property owners in the BID. These grant allocations are noted in the table below.

Table 2. BID Funding Allocation Methodology

BID Name	Base Funding	# of Units (Max 500)	Dollar Amount Per Unit	Total Grant Amount
Belmont Shore PBIA	$ 70,000.00	260	$ 89.39	$ 93,241.40
Bixby Knolls PBIA	$ 70,000.00	500	$ 89.39	$ 114,695.00
Downtown PBIA	$ 70,000.00	500	$ 89.39	$ 114,695.00
Downtown PBID	$ 70,000.00	500	$ 89.39	$ 114,695.00
Fourth Street PBIA	$ 70,000.00	96	$ 89.39	$ 78,581.44
Long Beach CVB TBIA	$ 70,000.00	364	$ 89.39	$ 102,537.96
Magnolia PBID	$ 70,000.00	219	$ 89.39	$ 89,576.41
Midtown PBID	$ 70,000.00	182	$ 89.39	$ 86,268.98
Uptown PBID	$ 70,000.00	235	$ 89.39	$ 91,006.65
Zaferia PBIA	$ 70,000.00	500	$ 89.39	$ 114,695.00
Total Budget				**$ 999,992.84**

Programs Underway

Several CARES ACT programs are currently active, providing direct community services to address COVID-19 impacts using existing City programs and contracts. These programs have been enhanced or expanded using CARES Act funding and are fully compliant with all State and federal regulations and City protocols. The City will utilize CARES Act funding to support and expand the following activities:

❖ *Homeless Sheltering (Health)—$2,000,000*

This program will help fund the congregate shelters for people experiencing homelessness and at risk of COVID-19, including the navigation center and year-round shelter. These costs are not eligible for reimbursement through the Federal Emergency Management Agency (FEMA). Funds will also be used to support the local match requirement for Project Homekey, the State's hotel/motel acquisition program.

❖ *Youth Leadership and Ambassador Program (Health/Parks, Recreation and Marine) —$1,000,000*

This program offers youth leadership development opportunities to support COVID-19 outreach and education. The City trains youth workers from low- to moderate-income communities to work at parks, open space locations, and beaches. This program is already underway and showing results at our most challenging parks and beaches.

❖ *Open Streets (Public Works)—$300,000*

To support COVID-19 recovery for residents and businesses, the Open Streets Initiative temporarily transforms public areas into safe spaces for physically-distanced activity, safer access to public transit, and stronger economic recovery. Businesses and neighborhood groups can express interest online. The program launched on May 29, 2020 and will end on October 31, 2020, unless extended through City Council action. To date, 110 parklets have been installed throughout the City, and six street closures are in effect including Pine Avenue between 1st Street and 3rd Street. More than 70 neighborhood locations are currently being evaluated for this program.

❖ *Business Call Center (Economic Development)—$150,000*

These funds will support the City's Business Hotline and Call Center, which has answered almost 2,000 calls over four months and continues to average approximately 25 calls per day. Businesses can request information about COVID-19 resources at 562-570-4BIZ (4249), weekdays from 8:00 a.m. to 5:00 p.m. The Economic Development Department website also provides information for business and worker resources.

❖ *Economic Inclusion Coordinator (Economic Development)—$150,000*

The Economic Inclusion Coordinator is responsible for managing the City's Economic and Digital Inclusion Initiatives. During the COVID-19 pandemic, this position has

conducted outreach regarding COVID-19 resources and ConnectedLB, a centralized online resource that connects residents to low-cost Internet services, computers, and digital literacy trainings.

❖ *Small Business and Nonprofit PPE Distribution (Health/Economic Development)—$750,000*

Approximately 15,000 businesses and nonprofit organizations have storefronts and employees in Long Beach that require personal protective equipment (PPE). This program will support the purchase and distribution of PPE to Long Beach business owners, nonprofits, and childcare organizations. The Program will target education and outreach to Census Tracts that have been impacted by COVID-19. To date, more than 1,050 businesses have requested PPE, providing resources to almost 5,750 workers.

New Programs to be Launched on September 8, 2020

The following programs have been developed and are approved to begin the outreach and application phase. Now that these programs have been approved, the CARES Act website will be activated with a direct link to the application; the Economic Development Department will send email notices to its extensive business contact list; and pop-up outreach in COVID-impacted communities will be undertaken to assist businesses in these communities with information and assistance with applications. City Council members will also be notified so that they can assist in outreach within their communities using their established communication networks.

Unless otherwise noted, applications for the business assistance grants will be processed through an efficient one-stop application process administered by an Economic Development Department vendor/partner that assesses the application against the program criteria. Determinations on the amount of the grant to be received are based on eligible expenditures and addressing the highest needs of businesses in the city.

❖ *Small Business Recovery and Technology Grants (Economic Development)—$4,100,000*

Many small businesses, particularly businesses owned by communities of color and immigrants, have faced hardship during the COVID-19 pandemic and have interrupted normal business activities. This program supports businesses through grants for working capital of up to $5,000 each, and grants for touchless technology costs such as contactless payment systems of up to $2,000 each. For businesses that apply for technology transition grants, the program includes the support of a Digital Navigator who provides technical assistance for those less familiar with available touchless technology. The Navigator identifies compatible solutions to address their specific needs by assessing their business, identifying relevant technology systems, and assisting the business in acquisition and implementation of appropriate technology to meet their needs. This program also includes funding for grants to business associations that provide support to local businesses.

❖ *Business Improvement Districts Grants (Economic Development)—$1,000,000*

This program will provide direct grants to the Business Improvement District (BID) associations in Long Beach, to support service delivery for businesses to cope with the impacts of COVID-19. It will enable BIDs to maintain service levels for core programming, business assistance, and marketing and promotions.

❖ *Small Business Education (Economic Development)—$100,000*

Of the 25,000 licensed businesses in Long Beach, approximately 17,000 do not receive regular information about City programs, grants, and technical assistance during COVID-19. The Small Business Education program is designed to provide educational materials to businesses in multilingual formats to communities of color, immigrant-owned businesses, high-contact businesses, commercial corridors not represented by BIDs, and areas that have low Internet connectivity.

❖ *Digital Inclusion (Technology and Innovation/Economic Development)—$1,000,000*

The City's Digital Inclusion Initiative focuses on ensuring everyone in Long Beach has equitable access to and use of digital literacy training, the Internet, technology devices, and other resources. During COVID-19, this program will contract with community-based organizations and partners to staff the Digital Inclusion Resources Hotline, provide free Chromebooks and hotspots, host pop-up outreach and technical assistance, develop multilingual digital inclusion resources, and procure portable public Wi-Fi infrastructure.

❖ *Economic Equity Study (Economic Development)—$200,000*

The economic impacts of COVID-19 are severe. This program will support a series of action-oriented reports in partnership with California State University, Long Beach, that establish the baseline economic, social, and demographic information needed to inform City policies related to economic recovery. Studies will commence in September and will include economic trend analysis, economic impact analysis, ethnographic study, small business survey, and community engagement.

❖ *Arts Organization Grants (City Manager)—$1,500,000*

The arts and cultural sectors of the Long Beach economy are some of the hardest hit by the COVID-19 pandemic. The City will provide working capital grants to the leading arts organizations in Long Beach to sustain these industry sectors and facility recovery in the creative economy. Grants will facilitate arts education and programming, strengthen the arts workforce, and support local artists. The funds will be distributed using a formula based on the organization's annual budget and will be provided to the Arts Council for Long Beach for distribution, as is done for the Percent for the Arts and Measure B programs.

❖ *Nonprofit Relief Grants (Economic Development)—$200,000*

Like small businesses, nonprofits have been impacted by the COVID-19 pandemic. These organizations play a crucial role in supporting affected communities and protecting public health and community well-being. This program will provide relief grants to nonprofits that are experiencing hardship during COVID-19. It complements another program for nonprofits that funds support services that nonprofits provide to the community to address COVID-19 impacts. Economic Development administers this relief fund and the Health Department administers funding for the nonprofit service delivery program component which is in development.

❖ *Housing Condition Improvements (Health)—$500,000*

Poor housing conditions, including low air ventilation, water intrusion, mold, and old carpeting, contribute to the spread and severity of COVID-19. This program will adapt aspects of the existing HUD-funded Healthy Homes Program to remediate housing conditions that exacerbate COVID-19. Funding will support education and outreach, the distribution of health incentives and cleaning kits, and engineered solutions (repairs/ maintenance) to home-based hazards. An RFP for contracting services is expected in the coming week.

Programs in Development

The following programs provide a variety of community needs and services to targeted COVID-impacted communities and residents. These services are generally coordinated by the Health and Human Services Department under contract with professional service providers, community-based organizations, and nonprofits with experience providing services within the impacted communities. These programs have been developed and will come online within two to three weeks, as vendors are procured for these services. The Health Department is collaborating with Financial Management staff on a process to vet multiple vendors in two or three concurrent RFP processes, rather than an RFP for each program independently. As vendors are selected and these programs are initiated, the website will be updated to indicate their status to begin accepting applications for service.

❖ *Basic Needs Warm Line (Health)—$400,000*

The City currently operates an information line to connect older adults to various resources and services: 562-570-INFO (4636). This program provides a centralized number for residents seeking basic needs resources regardless of population or age group. We are in the process of developing an RFP to select a vendor to expand this support model for responding to calls and helping access services such as food, housing, insurance, cooling supports, and medical supplies.

❖ *Food Insecurity and Meals (Health)—$3,000,000*

In partnership with the State and FEMA, the City currently operates the Great Plates Delivered program, a free meal delivery service for eligible older adults impacted by the COVID-19 pandemic. The City will leverage CARES Act funding to redesign and expand this program to provide large meal distributions and targeted meal delivery.

❖ *Black Health Equity (Health)—$1,000,000*

Black residents suffer disproportionately from COVID-19. While they comprise 13 percent of the Long Beach population, they account for 20 percent of deaths from COVID-19. These health disparities led to the creation of the Black Health Equity Community Coalition, a community-driven empowerment model to promote health education and equity. This program requires contracting with medical providers and community partners to provide gap healthcare services and conduct outreach to mitigate the risk, transmission, and spread of COVID-19 among Black residents. The RFPs will be posted in the coming weeks.

❖ *Older Adult Supports (Health)—$500,000*

COVID-19 has a uniquely devastating impact on the older adult population in Long Beach. As of July 25, 2020, adults aged 60 and over represent 18 percent of the positive cases of COVID-19 and 92 percent of the fatalities, despite making up only 11 percent of the total population. This program will ensure that older adults have the supports needed to isolate safely in their homes and access essential services. The City will administer grants to local community-based organizations to implement the strategies.

❖ *Mental Health and Domestic Violence Prevention (Health)—$500,000*

COVID-19 has exacerbated conditions for people living with mental health diagnosis and has had a disproportionate impact on families experiencing domestic violence. The stressors of COVID-19 have resulted in a 15 percent increase in calls to the Long Beach Police Department to respond to violence in the home. CARES Act funding will support a taskforce of community-based mental health agencies to improve access to mental health treatment, awareness of mental health diagnosis and treatment, and victims and survivors of domestic violence.

❖ *Public Health Case Management Support (Health)—$500,000*

Existing technology infrastructure is insufficient to manage COVID-19 data and facilitate a coordinated response. This program will streamline intake, quickly determine eligibility for social, economic, and health related services, and allow for interoperability to effectively coordinate referrals to critically needed care and supports. The City will issue an RFP to identify a technology provider.

❖ *Early Childhood Support (Health)—$1,000,000*

Long Beach is home to over 32,000 children under the age of 5, 35 percent of whom are living in poverty. CARES Act funding through this program will support the purchase and delivery of developmental and emergency supplies, expansion of early childhood education spaces to accommodate physical distancing requirements, and grants for providers and childcare subsidies.

❖ *Nonprofit Support Services (Health Department)—$800,000*

Nonprofit organizations play a crucial role in supporting affected communities and protecting public health and community well-being. This program assists nonprofits by providing grants for them to design and implement engagement strategies that provide direct access to hard-to-reach communities in Long Beach for various CARES Act programs. This program supplements a program in Economic Development that provides direct relief grants to non-profit organizations.

❖ *Youth Programming (PRM)—$500,000*

CARES Act funds will be utilized to offer innovative youth programming and resources during COVID-19. This program will create community learning hubs that K-8 students can access to participate in daily online instruction provided by Long Beach Unified School District and after-school recreational activities. Further, the program will offer mobile recreation opportunities in park-poor neighborhoods that have little to no options for exercise, enrichment activities, and peer connection.

NEXT STEPS

This overview of the CARES Act programs, application process and protocols, is our best approach to meeting the various requirements and program goals outlined by the Council and to ensure that all required protocols for financial tracking and documentation are in place. Staff has done its best to create fair distribution of the CARES Act funds based on need, data, and geography, and meeting the goals of both the CARES Act and the City Council. We will be proceeding with implementation using these guidelines, unless we receive further direction from the Council no later than the September 15, City Council meeting. We will update the City's CARES Act website with a listing of the active programs and open the City's online application system on Tuesday, September 8, but funding distribution decisions will occur after September 15, to allow for further City Council input if necessary. As new programs come online, we will continue to provide detailed information through memoranda, press releases, and updates to the City's CARES Act website. If you have any questions, please contact Assistant City Manager Linda F. Tatum at (562) 570-6916 or Linda.Tatum@longbeach.gov.

ATTACHMENTS:
1. CARES ACT PROGRAM CHECKLIST
2. CARES ACT PROGRAM PROTOCOLS
3. CARES ACT MEMO FOR SMALL BUSINESS TRANSITION AND TECHNOLOGY ASSISTANCE (SAMPLE FORMAT FOR TYPICAL PROGRAMS)

CC: CHARLES PARKIN, CITY ATTORNEY
        DOUGLAS P. HAUBERT, CITY PROSECUTOR
        LAURA L. DOUD, CITY AUDITOR
        LINDA F. TATUM, ASSISTANT CITY MANAGER
        KEVIN JACKSON, DEPUTY CITY MANAGER
        TERESA CHANDLER, DEPUTY CITY MANAGER
        REBECCA G. GARNER, ADMINISTRATIVE DEPUTY MANAGER
        MONIQUE DE LA GARZA, CITY CLERK
        DEPARTMENT HEADS

Attachment 1—CARES ACT PROGRAM CHECKLIST

Program: _____ **Funding Amount:** _____

Department: _____ **Contact:** _____

Department Director Approval: _____ **Date:** _____

Phase I	Approval to initiate outreach & application process

- ☐ Description and objective
  - ❋ States program goals to deliver services to target populations
- ☐ Target audience and equity lens
  - ❋ Serves communities impacted by COVID-19
- ☐ Application and selection process
  - ❋ Outlines timeline and process for applicant selection, including funds distribution and/or procurement process, basis of selection, and equity lens criteria
- ☐ Equitable outreach strategy
  - ❋ Plans outreach to both service providers and constituents, prioritizing communities most impacted by COVID-19

Reviewed by FM: _____ Date: _____

Approved by CM: _____ Date: _____

Phase II	Approval for program implementation and funding

- ☐ Design and implementation timeline
  - ❋ Conforms with local, State, and Federal guidelines, timelines, program requirements, and purchasing regulations
- ☐ Staffing and administration
  - ❋ Defines administrative/staff cost breakdown, staffing needs and/or resource constraints
- ☐ Service delivery model and tracking
  - ❋ Identifies metrics for service delivery and process for tracking progress toward equity goals
- ☐ Accounting and documentation
  - ❋ Establishes appropriate FM ledgers with tracking codes and process for securing backup documentation required by CARES Act

Reviewed by FM: _____ Date: _____

Approved by CM: _____ Date: _____

CARES ACT PROGRAM APPROVAL PROCESS

For each CARES Act program, Departments must provide a written Program Memorandum based on the required checklist above and the detailed protocols guidance already distributed. Approval will follow a phased approach:

- Phase I approval authorizes Departments to begin conducting outreach for the program and open the application process; and,
- Phase II approval allows for full program implementation and funding to be dispersed.

Once programs are ready for approval from Financial Management and the City Manager's office, please email the above checklist with the finalized Program Memorandum to the following group:

- Linda Tatum (Linda.Tatum@longbeach.gov)
- Tyler Bonanno-Curley (Tyler.Curley@longbeach.gov)
- Julissa Jose-Murray (Julissa.Jose-Murray@longbeach.gov)
- Sandy Tsang-Palmer (Sandy.Tsang-Palmer@longbeach.gov)

When the checklist has been approved, you will be notified via email.

Attachment 2—CARES ACT PROGRAM PROTOCOLS

Program Objective

Ensure efficient service delivery according to City Council direction and in compliance with local, State and federal regulations and timelines, and provides service delivery metrics for tracking and reporting program results.

I. City CARES Act Spending Plan

The City received $40.28 million from the State's allocation of CARES Act funding. The funds will be allocated according to a spending plan approved by City Council on July 14th:
- City COVID-19 Response Costs: $19.3 million
- Community Support Programs: $14.4 million
- Business Support Programs: $6.75 million

Documentation and reporting for City COVID-19 response costs will be handled by the EOC and Finance team. For the community and business support programs, Departments must prepare a brief Program Memorandum for review by Financial Management and the City Manager, prior to implementation.

II. Program Memorandum Document Overview

Program Memorandums must describe key aspects of each program and implementation approach according to the following protocols and guidance:

1. **Description and objective**
   - Describe the problem the program is designed to solve and specifically how the program will address the needs of community members most impacted by the COVID-19 pandemic through targeted service delivery.

2. **Target audience and equity lens**
   - Vulnerable populations served
     - Programs must provide services to populations that are hardest-hit by COVID-19, including older adults; people with underlying health conditions; people experiencing homelessness or living in overcrowded housing conditions; and Black, LatinX, Cambodian, and other communities of color. Describe how these impacted communities have been selected and what strategies will be implemented to ensure service delivery to that target audience.
   - Equity lens
     - Each program should apply an equity lens to effect implementation, including factors such as COVID-19 reported cases, age, race/ethnicity, sexual orientation and gender identity, neighborhood/zip codes, and quantitative and qualitative data about groups most impacted by COVID-19. Health inequities will be used in the development and implementation of each program to prioritize the needs of the most adversely impacted communities.
     - Mapping resources:
       - COVID-19 cases
       - CDBG-eligible areas

- EnviroScreen
- Housing burden

3. **Design and implementation timeline**
   o Design and implementation
     - Programs must demonstrate conformity to the controlling local, State, and federal guidelines for CARES Act funding eligibility, timelines, program requirements, and purchasing regulations (details below).
     - Project outlines should include a description of how the program will be implemented, specifically the strategy for how eligibility will be determined, who the target populations are, and the scope of funding use.
   o Timeline
     - Start date
     - End date for services
     - End date for submitting invoices and documentation to the City

4. **Application and selection process**
   o Explain the process for applying to the program and who will be the target population for the program—specifically residents, vendors, service providers, businesses, or other.
   o Identify the process for any funds distribution and for purchases:
     - Selection process—e.g., RFP process, exception to policy, existing vendor contract, or informal application process.
     - Basis for selection—e.g., eligibility/selection criteria, minimum qualifications, discretionary, or first-come-first served.
     - Timeline for selection
     - Standardized contract for vendor services
   o If contracting out, discuss the RFP process and evaluation criteria for applicants. Procurement should consider the overall scope of services for the project, including the qualifications of the applicant, experience working with impacted communities in Long Beach, and a detailed description of how they will provide the requested services. Document equity lens goals and how the selected applicant will be held accountable to working with COVID-19-affected communities.

5. **Staffing and administration**
   o City staff
     - Each program will require some level of City staff resources. For programs that will be implemented entirely or predominately by City staff, departments should explain any staffing needs. If the program cannot begin without these additional resources, we will need to identify assistance as quickly as possible.
   o Staffing vs. Administrative costs
     - Staffing costs required for establishing and implementing the project are considered direct program costs that will be charged to the program budget. These direct costs include compensation of employees who on that project, related fringe benefit cost, the costs of materials and marketing the program.
     - Administrative costs are defined as general administration and expenses such as accounting, personnel, and other equipment not directly associated with project delivery. These admin costs are capped at 5%, unless otherwise approved.

6. **Service delivery model and tracking**
   o Given the need to report back on the status of each program, Departments must

identify metrics for service delivery and how success will be measured, documented, and communicated. The data will vary from program to program. For example, a food delivery program would provide data on the number of enrollees in the program and number of meals delivered to-date, or the small business grants would provide data on the number of businesses who applied and received funds.
- o Midpoint check-in: Departments should work with Financial Management and the City Manager's office to schedule a check-in between October 1-15, 2020, to identify any program changes, needs, and other status updates.

7. Accounting and documentation
- o The State, as the prime recipient of the funds is required to submit a detailed quarterly report for activities supported by these funds. Departments must collect information for each project regarding funds expended or obligated, detailed list of activities, contract and grants awarded, and direct payments made over $50,000.
- o Budget
  - Departments will provide a detailed budget for each program, outlining the overall scope of how the funds will be distributed. This budget should address how the program aligns with U.S. Treasury guidelines for eligible expenditures under CRF.
- o Financial Accounting
  - Funded projects under the program will be set-up in the Munis Project Ledger for tracking and reporting purposes (described below).
- o Subrecipient Monitoring
  - If the service delivery will be contracted out, Departments must outline how they will track subrecipient performance and compliance with CARES Act requirements, what documentation they will require, and the timeline for reporting back to the City.

8. Equitable outreach strategy
- o Departments should outline an equitable outreach strategy that demonstrates how the program will meet the needs of the hardest-hit communities.
- o Applications and procurement
  - City staff should detail a plan for how to identify community members that require services and, if applicable, diverse applicants to provide these services.
- o Publicity
  - Departments should create a communications plan to share information about the program with the public and targeted audiences, including press releases.
- o City CARES Act website
  - Provide information to post on the City CARES Act website, include an application link and relevant program description.

III. Project Closeout

Once projects have ended by December 30, 2020, Departments will need to submit a Project Closeout form documenting the following:

1. **Total funds allocated**
2. **Total funds spent**
3. **Administrative vs. staffing cost breakdown**
4. **Program service delivery metrics**

Parameters on Use of Funds
The federal restrictions on the CARES Act funds stipulates that funds may only be used to cover costs which:
- Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
- Were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using an allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in the budget; and
- Are incurred between March 1, 2020 and December 30, 2020.

Eligible expenditures must be incurred "due to" the public health emergency, meaning that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the eligible entities 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.

City Objectives for CARES Act
The City has several key goals in considering the most strategic use of State CARES Act funding:
- Minimize the City's budget shortfall caused by the pandemic;
- Utilize the funds in a way to support critically needed activities and functions that are not supported by other funding sources; and,
- Use the funds in a way such that strategic combination with other available grants minimize the City's net costs related to pandemic response efforts and other associated costs.

CRF-Eligible Activities
- Current City activities:
  - Payroll for public safety, public health and similar employees whose services are substantially dedicated to mitigating or responding to COVID19
  - Expense to improve Telework capabilities for public employees to enable compliance with COVID-19 public health precautions
  - Expenses of providing paid sick and paid family leave and medical leave to city employees to enable compliances with COVID-19 precautions\Communication and enforcement of public health orders related to COVID-19.
  - Emergency medical response, including emergency transportation, related to COVID-19.
- Public Health Related:
  - Expenses for care for PEH provided to mitigate the effects of COVID-19 and enable compliance with public health precautions
  - COVID-19 testing, including serological testing
  - Contact Tracing
  - Acquisition and distribution of medical and protective supplies, including sanitizing products and PPE for medical person public safety and other public health workers in connection with COVID-19.
  - Disinfection of public areas and other facilities, including nursing homes in response to the health emergency.
  - Expenses related to establishing temporary medical facilities and other measures to increase COVID-19 treatment capacity

- Community Support Related:
  - Food Distribution and food delivery to residents, including senior citizens and other vulnerable populations
- Economic Resiliency Related:
  - Grants to small business to reimburse the costs of business interruption required by closures

Ineligible Activities
While the broader range of eligible activities is exciting for cities in these recessionary times, it is important to note that supporting shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute is not permissible. Nor is revenue replacement a permissible use of the funds.

Period of Performance
Federal law specifies that these funds may only be used for unbudgeted costs incurred between **March 1, 2020 and December 30, 2020.** All funds must be spent (not merely encumbered) by the end of the year.

Documentation
The City of Long Beach will be subject to future audits of State or Federal funds received by the City; these audits would likely be conducted by an Inspector General's Office or the Government Accountability Office. The key to successfully withstanding any future audit will be the City's ability to provide sufficient and appropriate documentation regarding the use of State and Federal funds in response to COVID-19. Adhering to the City's COVID-19 key internal controls described in the next section will help the City to demonstrate that all State and Federal funds were used appropriately and in accordance with all regulatory requirements.

Subgrants and Subrecipient Monitoring
Departments issuing grants to subrecipient organizations under funded programs are required to monitor performance of the grantees to ensure compliance with the goals of the program. Further, all requirements of the CRF guidelines should be incorporated by reference into any agreements with subgrantees.

Procurement guidelines
Departments should follow 2 C.F.R §§200.318 (General Procurement Standards) through 200.326 (Contract Provisions) for all procurements under this program. In general, this means that the City may follow its own procurement standards, including the documentation of multiple quotes for informal purchases. However, there are a few special considerations that departments must adhere to and should work directly with Financial Management to address.

Documentation for Debarment & Suspension
When you enter into a transaction, you must verify that the person/entity with whom you intend to do business is not excluded or disqualified from benefitting form a Federal award. You meet this requirement by:
- Checking SAM.gov for exclusions (recommended). Print and scan the database report results confirming that the person/entity is not debarred or suspended. Save the document to TCM in Munis in the relevant procurement file; or
- Collecting a certification from that person/entity; or
- Adding the following provision to all procurement transactions:
  - *Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive*

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Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Contract Provisions
The Contract Provisions referenced at 2 C.F.R § 200.326 and found at Appendix II to Part 200— Contract Provisions for Non-Federal Entity Contracts Under Federal Awards must be included in all Purchase Orders and Contracts, as applicable. The City Attorney's Office has drafted a document that meets this requirement and should be incorporated into procurements under this program. Please work with Financial Management Purchasing Division to ensure compliance with this requirement for every purchase under the program.

Certification for Contracts/Bids over $100,000
In compliance with the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Records Retention
Recipients of Coronavirus Relief Fund payments shall maintain and make available to the Treasury OIG upon request all documents and financial records sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)), which provides: (d) USE OF FUNDS.

Records to support compliance with subsection 601(d) may include, but are not limited to, copies of the following:
- general ledger and subsidiary ledgers used to account for (a) the receipt of Coronavirus Relief Fund payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
- budget records for 2019 and 2020;
- payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
- receipts of purchases made related to addressing the public health emergency due to COVID-19;
- contracts and subcontracts entered into using Coronavirus Relief Fund payments and all documents related to such contracts;
- grant agreements and grant subaward agreements entered into using Coronavirus Relief Fund payments and all documents related to such awards;
- all documentation of reports, audits, and other monitoring of contractors, including subcontractors, and grant recipient and subrecipients;
- all documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
- all internal and external email/electronic communications related to use of Coronavirus Relief Fund payments; and,
- all investigative files and inquiry reports involving Coronavirus Relief Fund payments.

Records shall be maintained for a period of five (5) years after final payment is made using Coronavirus Relief Fund monies. These record retention requirements are applicable to all prime recipients and their grantees and subgrant recipients, contractors, and other levels of government that received transfers of Coronavirus Relief Fund payments from prime recipients.

Munis Project Ledger Structure
Departments should set-up projects consistent with the following:
- Project Code: 10-digit, all-numeric project code according to departmental coding schema (department defined)
- Project Title: The Project Title should match, as nearly as possible, the project title approved by City Council.
- Project Available Budget: Because appropriation is in the General Fund, set the Project Available Budget value to "Yearly"
- Projected Date Range: Set the value of the Projected Date Range from (performance period)
- Project Expense Account Strings: All Project Expense Account Strings, with the exception of TRANSLABOR, must utilize the Level 3 segment code "STATECARES" in conjunction with standard Level 2 segment codes defined by the department. Create as many project expense account strings as needed to effectively manage the project. (e.g. 3100202002-OUTREACH-STATECARES)
- Tracking Labor in the Project Ledger: For projects with anticipated labor charges, a project expense account string with TRANSLABOR and FAMIS project/detail code is also required.
  - o The TRANSLABOR project expense account string will be used to facilitate the import of payroll transactions into Munis.
  - o Due to limitations of the labor interface, TRANSLABOR cannot be used in conjunction with lower level segment codes (e.g. "STATECARES").
  - o On a regular basis, department staff will need to record a JE to move labor from the TRANSLABOR string and into the relevant PL expense account strings.
  - o The FAMIS project/detail code is used by staff to code timesheets. Refer to the *"How To: Set Up New Projects in Munis (and FAMIS)"* on the intranet for specific technical guidance on this process.
- Project Funding Source Account Strings: Note, because appropriation for these projects will reside in the General Fund, Project Funding Source Account strings should not be set-up and Project Revenue Allocation will not be utilized.

CITY OF LONGBEACH

Memorandum

Date: September 4, 2020

To: Thomas B. Modica, City Manager

From: John Keisler, Director of Economic Development

Subject: CARES Act Coronavirus Relief Fund – Small Business Transition and Technology (SBTT) Program

Description and Objective
The COVID-19 pandemic has interrupted the normal course of business for thousands of Long Beach businesses. This interruption has impacted a wide range of business operations. From declining revenues to increasing costs of conducting business due to complying with protocols established by local Health Orders, sustaining a small business during the COVID-19 pandemic is no easy task. The Small Business Transition and Technology Program (SBTT Program) aims to provide much needed financial relief and supportive services to help Long Beach businesses cope with the current economic climate and adjust to new ways of doing business.

The SBTT Program will provide grants to support small businesses operating in Long Beach with an emphasis on those located in the geographically disadvantaged areas of the City most impacted by COVID-19. Approximately $4,1000,000 is available for the SBTT Program. Grants up to $5,000 for working capital grants related to COVID-19 impacts and up to $2,000 for contactless payment systems, queuing systems, and other touchless technology systems that help reduce the spread of COVID-19 are available to eligible businesses. Additionally, the SBTT Program will enable community-based organizations and business-supporting organizations to deliver vital services that help businesses apply for the SBTT Grant and cope with the negative impacts caused by the COVID-19 pandemic

Target Audience and Equity Lens
The SBTT Program will support Long Beach small businesses. While efforts will be made to ensure all types of businesses benefit from the SBTT Program, City staff will take specific steps to prioritize equity and economic inclusion. The table below summarizes the target audience, Equity Toolkit focus areas, and outputs staff will prioritize to ensure the equitable distribution of grant funding.

Priority Audience
• Businesses that have laid off or furloughed employees • Small business owners • Diverse small businesses located in low-to-moderate income areas • Business that have operated at a very limited capacity due to local Health Orders

Equity Toolkit Focus Areas
• Planning and Community Outreach and Engagement
• Language Access
• Gathering Data and Information
• Monitoring and Evaluation

Outputs
• Staff will host "pop-ups" throughout the duration of the SBTT Program in North, Central and West Long Beach to reach the hard-to-reach audiences.
• Staff will partner with CBOs to strengthen outreach.
• A scoring system will be utilized to prioritize grant applications from businesses that fall within the target audience.
• Language translation services will be available at "pop-ups" to assist SBTT Grant applicants with completing grant applications. Staff will also make the grant application available in multiple languages.
• City staff will collect data and develop a "Performance Assessment Map" that details areas where grants are reaching that will inform business and community outreach strategies throughout the duration of the SBTT Program to ensure grants reach target audiences.
• The SBTT Grants will be available through a phased approach. After each phase, evaluations will be completed to measure whether the target audience was reached and to pivot outreach strategies, as necessary.

Design and Implementation Timeline
The SBTT Program will support Long Beach small businesses that have been negatively impacted by the COVID-19 pandemic. The SBTT Program includes the following components:

1. Working capital and technology grants
2. Grants to business-supporting organizations
3. Support services delivered to businesses by Community Based Organizations (CBOs) and small business consultants

Working Capital & Technology Grants Overview

Grants up to $5,000 for working capital grants related to COVID-19 impacts and up to $2,000 for contactless payment systems, queuing systems, and other touchless technology systems that help reduce the spread of COVID-19 are available to eligible businesses.

Eligible uses of grant funding include, but are not limited to:

- Working capital
    - Rent
    - Inventory
    - Payroll
    - Personal protective equipment
    - Furniture, fixtures, and equipment that help businesses safely operate

- Technology solutions that help business safely operate and transition to digital services and build their online presence, such as contactless payment systems, queuing systems, website development, digital marketing, and more.

Applicants may be eligible to receive up to $7,000 in total grant funding, if they qualify for a working capital grant and a technology grant.

Application and Award Process
The SBTT grant will be delivered in the following three phases, to ensure funding opportunities for priority audiences. After the close of each application period, City staff will review and analyze grant payment distribution in each phase and determine if staff are reaching the target audience and pivot outreach strategies as needed to reach equity and economic inclusion goals.

To qualify for the SBTT Grant, applicants must meet the following criteria:

- Must have active City of Long Beach business license
- Only one application per business owner will be considered
- Submit a monthly 2020 Profit & Loss Statement (P&L) Statement or a P&L comparison to 2019 at the same period

The following businesses do not qualify for the SBTT Program:

- Bail bonds
- Cannabis related business
- Check cashing businesses, payday loan and other short-term loan businesses or similar types of businesses
- Insurance companies
- National franchises (except for franchises individually owned)
- Non-profit organizations (eligible for non-profit relief grants)
- Pyramid sale distribution plans
- Real Estate Companies including short-term rental operators
- Start-up Businesses/Ventures

The National Development Council (NDC), a City vendor, will assist City staff by providing technical support reviewing applications to determine eligibility. NDC will perform these duties as part of their existing agreement with the City.

The application intake and selection process will include the following steps:

1. Applicant visits SBTT webpage.
2. Applicant completes SBTT Grant application online (paper copies will be made available for applicants who cannot access online application).

3. Applicant submits application and required documentation to Zoom Grants application portal for staff review.
4. City Staff screens application for eligibility to receive SBTT Grant funding.
5. City Staff informs applicant of SBTT Grant eligibility.
6. City staff contacts approved applicant to review and sign Grant Agreement and other pertinent documents.

The applicant should be aware of the following:

- Grant fund disbursement may take up to three weeks from receipt of the completed application, including all required documentation
- Applicants may call or email the Economic Development Department Business Hotline with application questions at 562-570-4BIZ (4249) or 4Biz@longbeach.gov.

Scoring System
To prioritize applicants that fall within the target audience, the SBTT Grant will utilize a scoring system to determine eligibility, grant award amounts, and waitlist applicants.

If the applicant answers "yes" to any questions below, the applicant will receive 1 point:

1. Is the business located in low-to-moderate income area?
2. Has the business had to close due to COVID-19 Health Orders?
3. Has the business had to lay off or furlough employees?
4. Has the business been in operations longer than five years?
5. Has the business had no income since March 15, 2020?

Based on a specific answer to the questions below, applicants will score between 0 and 2 points:

6. How many employees does the business have?
   a. 0-10 FTE = 2 points;
   b. 10-20 FTE = 1 point; and
   c. Over 20 FTE = 0 points
7. Gross Revenue?
   a. Less than $500,000 = 2 points,
   b. $501,000-$1,000,000 = 1 point and
   c. Over $1,000,000 = 0 points

Service Delivery Model and Tracking
A phased approach will be utilized to disburse grants to eligible business owners, detailed below.

Phased Delivery Model	Grant Disbursement to Business Owners
Phase one	$ 1,100,000
Phase two	$ 1,100,000
Phase three	$ 1,100,000
Total	$3,300,000

Tracking
After each Phase listed above the following tracking methods will be utilized to measure SBTT Grant Program success:

Tracking Mechanism	Description
Financial	Measure how $ 1,100,000 was distributed throughout the City across multiple geographic areas (e.g., zip codes, census tracts, etc.)
City Council district	Count the number of grant recipients in each Council District
Low-to-moderate income areas	Count the number of grant recipients that are in low-to-moderate income areas
Small business owners	Count the number of grant disbursements awarded to small business owners

Accounting and Documentation
Economic Development's Financial Services team will be augmented with two temporary staff to assist in SBTT Grant award processing and reporting. Daily reports will be developed to track grant availability, grants disbursed, and remaining funds through the application deadline on November 11, 2020. After the application deadline, the Financial Services team will communicate how much funding is remaining so staff may allocate the remaining funds to applicants on the waitlist (applicants who scored 0-3 on scoring scale).

Required documentation for the SBTT Working Capital Grant and Technology Grant includes:

1. 2019 or 2018 Business Tax Return or Financial Statement
2. A monthly 2020 Profit & Loss (P&L) or a P&L comparison to 2019 at the same period
3. Business closure notices
4. Copy of Photo I.D. for U.S Citizen or Legal Residence Card for non-U.S. Citizen
5. W-9 Form Request for Taxpayer Identification Number and Certification
6. Copy of Long Beach Business License
7. Technology solution documentation (only for businesses that apply for technology grant):
    1. Quotes for technology system(s); or
    2. Invoices for technology system(s) purchased; or
    3. Receipts for technology systems purchased.

Expense Documentation
Applicants that receive grant funding will be required to submit receipts after grant disbursement to confirm grant funds were spent on eligible expenses.

Project End Date
Due to timing and funding constraints of this program, all applications and required documentation will be accepted from September 8, 2020, through Friday, November 11, 2020.

Business-Supporting Organizations Overview

Business-Supporting Organizations (Support Organizations) have been instrumental in supporting businesses impacted by the COVID-19 pandemic by connecting them to business resources and information, marketing and promoting businesses, and more. However, Support Organizations require financial assistance if they are to sustain and strengthen the support they provide to businesses.

The SBTT Program will enable Support Organizations to continue to deliver vital services that will help businesses cope with the negative impacts caused by the COVID-19 pandemic. The SBTT Program will achieve this by providing grants to Support Organizations to cover program costs that benefit businesses and administrative expenses associated with delivering programs.

City staff will issue grants to Support Organizations to deliver vital support services to businesses impacted by the COVID-19 pandemic. Only organizations created specifically to support businesses that do not manage Business Improvement Districts are eligible for this opportunity. Examples of support services include:

Category	Description	Examples of Expenditures
Business Assistance	Business assistance programs focus on providing direct support to businesses impacted by COVID-19.	- Business grants - Providing free PPE - Procuring cleaning and sanitization services - Business outreach and education on health orders, COVID-19 financial assistance, and technical assistance - Providing COVID signage, "open for business" signage, and decals that support physical distancing - Offsetting costs associated with creating and maintaining outdoor parklets and flex spaces except for paying for City and/or State permit fees

Marketing & Promotions	Marketing & promotions programs focus on special promotions and advertising to support businesses impacted by COVID-19.	• "Open for business" social media and digital marketing campaigns • Providing gift cards and coordinating flash events to promote businesses impacted by COVID-19

All services must be delivered by Support Organizations by December 14, 2020. Support Organizations shall submit all invoices and supporting documentation to the City no later than December 21, 2020.

Support Organizations are eligible grant funding that will be based on the number of businesses or members they serve. Grant awards will start at $5,000 and not exceed $20,000.

Support Organizations will be responsible for delivering the program described in the City-approved SOW, submitting invoices, and supporting documentation, and complying with all CARES Act Program Protocols. A five percent cap will be placed on administrative expenses. The remaining grant funding shall go toward providing direct services to businesses. This may include program personnel costs and eligible expenditures described in the Design and Timeline section.

Service Delivery Model and Tracking
The main purpose of the Support Organization portion of the SBTT Program is to support businesses impacted by COVID-19. As such, the City will require Support Organizations to track and report on the number of businesses that benefited from the program they implement. City staff will aggregate Key Performance Indicators (KPIs) submitted by Support Organizations to communicate their overall impact. Support Organizations will be encouraged to share pictures, videos, copies of flyers, earned media, press releases, qualitative stories, and other relevant information that speaks to the impact of the SBTT Program.

Accounting and Documentation
A total of $200,000 will be made available to Support Organizations. Support Organizations will be required to submit brief monthly reports that document key accomplishments, summarize eligible expenditures that have been encumbered or expended, KPIs for the reporting period, and information regarding any risks associated with accomplishing the goals agreed to in the SOW (if any). City staff will develop a simple template Support Organizations will use for monthly reports.

Support Services Overview

Community-Based Organizations (CBOs)
City staff will also partner with CBOs that will be tasked with reaching out to "hard-to-reach" business owners to ensure they are actively applying for the SBTT Grant. Activities CBOs will be expected to undertake include, but are not limited to:

- Extending the City's education and outreach capacities to ensure businesses located in hard-to-reach areas are aware of the SBTT Grant.
- Providing one-on-one support with completing the SBTT Grant application.
- Serving as a liaison to the City and assist with troubleshooting issues around specific applications and SBTT Grant issues.
- Producing bi-weekly reports that clearly detail progress toward stated contract goals.

Small Business Consultants
City staff will hire small business consultants who will be tasked with assisting businesses in selecting and implementing appropriate technology tools, such as contactless payment systems, queuing systems, websites, and more. Some of the challenges that small business consultants will help troubleshoot include, but are not limited to the following:

- Selecting cost efficient and user-friendly technology solutions.
- Troubleshooting potential technology challenges during the testing and implementation phase.
- Teaching business owner how to make sense of and utilize streams of data populated by new technology.

Outreach Strategy
In addition to the work that will be completed by CBOs and business-supporting nonprofit organizations, City staff will host "pop-ups" in North, Central and West Long Beach, two days each week at each location for the duration of the program. City staff and temporary interns will be available at "pop-ups" to assist applicants in filling out the SBTT Grant application.

Procurement
Community-Based Organizations
Economic Development will submit an RFP to complete the vendor selection process for CBOs that will assist with the following:

- Extend the City's education and outreach capacities to ensure businesses located in hard-to-reach areas are aware of the SBTT Grant.
- Provide one-on-one support with the completing the SBTT Grant application.
- Serve as a liaison to the City and assist with troubleshooting issues around specific applications and SBTT Grant issues.

Business-Supporting Non-Profits
Economic Development will submit an RFP to complete the vendor selection process for Support Organizations. Eligible Support Organizations will be required to submit a Scope of Work (SOW) that clearly describes their plan and timeline for expending grant funds, and submitting invoices and supporting documentation. The SOW shall include the following:

- **Organization Background**: Provides background information on the organization.
- **Service Area**: Defines the service area for the SOW.

- **Grant Program Summary**: Provides a detailed summary describing the program the organization intends to deliver and the administrative support required to execute the program. All program activities must fall within one of the eligible spending categories.
- **Grant Program Budget**: Provides a detailed budget that estimates the costs of administrative expense and program expense that match the activities proposed in the Grant Program Summary.
- **Key Performance Indicators (KPI)**: Provides a summary of key outputs and outcomes the organization intends to accomplish through the delivery of the program.
- **Equity Lens**: Provides a summary of the organization's plan to ensure resources are equitably distributed.

<u>Small Business Consultants</u>
Economic Development will submit an RFP to complete the vendor selection process for small business consultants that will assist businesses with the following:

- Select cost efficient and user-friendly technology solutions.
- Troubleshoot potential technology challenges during the testing and implementation phase.
- Teach business owner how to make sense of and utilize streams of data populated by new technology.