



**EL DORADO COUNTY
PLANNING & BUILDING DEPARTMENT
ECONOMIC DEVELOPMENT DIVISION**

2850 Fairlane Court, Placerville, CA 95667
Phone (530) 621-5595

July 30, 2021

Honorable Board of Supervisors,

The COVID-19 pandemic continues to be prolonged and uneven, inflicting a disproportionate toll on microbusinesses and non-profits in underserved areas that are the lifeblood of their local economies and communities. Rural small businesses and non-profits entered the COVID-19 crisis with compounding, preexisting vulnerabilities. These rural small businesses and non-profits, such as those throughout El Dorado County, lack adequate access to capital and broadband connectivity, and are largely concentrated in the sectors most immediately vulnerable to the pandemic's effects, including hospitality, food and beverage, retail, small suppliers and non-profit service providers. As rural communities grapple with challenges, these businesses and organizations clearly require coordinated relief to sustain them through this crisis.

Prior to the pandemic, many rural communities were witnessing real successes in fostering small business growth and development through locally led downtown commercial corridor revitalization strategies. Often in partnership with Main Street programs and other community-based organizations, these efforts are street-level solutions to community revitalization, designed to support small business development and an accessible entrepreneurial ecosystem rooted in local knowledge. Some of these programs have also been impacted by COVID-19. Non-profit fundraisers and services have been similarly impacted.

To provide a breakwater to the continuing effects of COVID-19 on the small businesses and non-profits within El Dorado County the Business Protection Workgroup, comprised of chambers of commerce, city and county representatives and regional economic development organizations, facilitated a small business relief program in August of 2020 utilizing funds provided to the County by the CARES Act. A total of \$5 million was allocated to this program by the County Board of Supervisors.

The Business Protection Workgroup coordinated, directed, and executed a robust outreach process of notification. The process included multiple hours driving a sustained effort to reach as many businesses as possible through email, group notification, publication, and direct contact. Many more hours were executed answering application questions, providing a vast range of technical support to business owners who in addition sought application guidance. Because of the sustained and heavy lift of the workgroup, the impact was immediate and successful.

The Business Protection Workgroup received over 300 applications from every business sector of the county.

The Business Protection Workgroup approved, after careful review of grant applications, a total of 284 grants to 284 small businesses in El Dorado County. Grants of \$8,000 or less accounted for 74 grants averaging \$3,998.00. The remainder 210 grants over \$8,000 averaged \$20,672.00.

Geographically the grants followed the small business concentration corridor from El Dorado Hills through South Lake Tahoe:

El Dorado Hills – 64
Placerville- 83
South Lake Tahoe- 52
Cameron Park/Shingle Springs- 35
South County- 7
Divide- 10
Pollock Pines- 3
Camino- 12
Lotus- 8
Diamond Springs/El Dorado- 10

Based on our collective knowledge of the current state of small businesses and locally based non-profit organizations, the Business Protection Workgroup is respectfully recommending a “Capacity Building” grant program. This program represents one component of an overall business protection strategy. This county funded grant program frees smaller jurisdictions, and allows them to invest their limited funding in additional and complimentary business protection activities. Leveraging the funding in this way enhances the overall reach of the ARPA funds invested in the county for the greater good of the business, and not for profit communities.

We respectfully request the Board of Supervisors to support a \$5 million allocation of first-round ARPA Act funding for this Capacity Building Grant Program. Grants awarded to individual small businesses and non-profit organizations would not exceed \$30,000.

What is Capacity Building? How are Outcomes Measured?

The Capacity Building grant program we propose for the El Dorado County small business and non-profit sectors will provide the criteria and resources designed to help sustain our small businesses and non-profits in the areas listed below. These are eligible expenses under provisions of the American Rescue Plan Act. Outcomes can be measured through tax revenue generated back to the County and by the El Dorado Community Foundation’s on-going assessment of the health of non-profits in the County including reaching federal and state compliance guidelines that fund many social services.

How does the Program Work?

Small businesses and non-profits will be notified through the extensive outreach efforts of the combined members of the Workgroup. Those interested go online to complete a grant application that specifies how they intend to build their capacity in one or more of the following areas:

- *Mitigation for financial hardships, including operational expenses (e.g., rent; cost of utilities), and staffing recruitment and/or retention.*
- *Physical upgrades to improve operational efficiency and (e.g., upgrades to support and protect employee and customer/client health and safety)*
- *Plans for the expansion or replacement of products and services*
- *Marketing Strategy Development*

Grant Application Assistance

With the collaborative outreach support of all members of the Business Protection Workgroup, this program will include training workshops, led and supported by the El Dorado Community Foundation, a key partner in the success of our earlier CARES funded program.

Workshops for the Small Business and Non-Profits of El Dorado County would include:

- *Applying for a Capacity Building Grant*

**Note that the Foundation conducts application assistance workshops for all their competitive grant processes. This approach results in a greater number of qualified and complete applications.*

- *Business Tax Law (presented by professors from UC Davis and Sac State)*
- *Business Marketing in a Digital Age (presented by Facebook, and media consultants)*
- *Product development (presented by Stub Hub developer Eric Baker and Chris McNamara of Outdoor Gear Lab)*

As you recall, the Business Protection Workgroup was established by the County to help identify and address the challenges brought on by the COVID-19 pandemic.

The Business Protection Workgroup is comprised of multiple individuals representing:

- El Dorado Hills Chamber of Commerce*
- El Dorado County Chamber of Commerce*
- South Lake Tahoe Chamber of Commerce*
- City of Placerville*
- City of South Lake Tahoe*
- El Dorado County*
- Lake Tahoe Prosperity Center*
- Golden Sierra Job Training Agency*

On behalf of those who need assistance, consistent with the purposes and provisions of the American Rescue Plan Act (ARPA), we thank the County Chief Administrative Office (CAO) and the Board of Supervisors for your consideration and support for our \$5 million grant program request.



M. Cleve Morris
M. Cleve Morris
City Manager
City of Placerville



William Roby
Executive Director
El Dorado Community
Foundation



Kyle Zimbelman
Kyle Zimbelman
Economic and Business
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El Dorado County



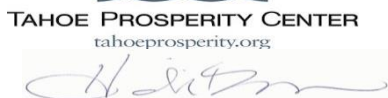
Laurel Brent Bumb
Laurel Brent-Bumb
Chief Executive Officer
El Dorado County Chamber
of Commerce



Debbie Manning
President/Chief Executive
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El Dorado Hills Chamber of
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Golden Sierra
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