

**NAPA COUNTY AGREEMENT NO. \_\_\_\_\_**

**GRANT AGREEMENT**

**THIS AGREEMENT** is made and entered into as of this \_\_\_\_ day of March 2022 by and between NAPA COUNTY, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Workforce Development Board of Solano County, a California nonprofit corporation whose business address is 500 Chadbourne Rd, Fairfield CA 94534, hereinafter referred to as "GRANTEE."

**RECITALS**

**WHEREAS**, the California Governor's Office of Business and Economic Development has allocated \$50 million through the California Office of the Small Business Advocate ("CalOSBA") for a Microbusiness COVID-19 Relief Grant Program; and

**WHEREAS**, CalOSBA has allocated \$173,400 for Microbusiness grants in Napa County; and

**WHEREAS**, COUNTY wishes to provide grants to qualifying businesses in Napa County, to fund eligible COVID-19 expenses; and

**WHEREAS**, the Workforce Development Board of Solano County dba Solano-Napa Small Business Development, will administer the grant program as a subrecipient as described in Exhibit "A" to this Agreement.

**NOW, THEREFORE**, for and in consideration of the recitals stated above and incorporated herein by this reference and the mutual obligations of the parties expressed herein, COUNTY and GRANTEE agree as follows:

**TERMS**

**1. Term of the Agreement/Termination.**

(a) Term. The term of this Agreement shall commence on the date first above written and shall expire on **December 31, 2022**, unless terminated earlier in accordance with subparagraph 1(b), except that the obligations of GRANTEE under Paragraph 3 (Use of Funds, Return of Surplus), Paragraph 4 (Return of Funds), Paragraph 5 (Reporting), and Paragraph 6 (Maintenance, Inspection, and Retention of Records) shall survive the expiration or early termination date, and Paragraphs 11 (Insurance) and 12 (Indemnification) shall continue in full force and effect after said expiration or early termination date as to any liability for acts and omissions occurring during the term of this Agreement.

(b) Early Termination. This Agreement may be terminated prior to the expiration date by either party for any reason and at any time by giving written notice of such termination to the other party and specifying the effective date thereof. The Napa County Executive Officer is delegated the authority to terminate this Agreement in accordance with this subparagraph on behalf of COUNTY.

**2. Payment of Grant Funds.** COUNTY agrees and hereby directs the Auditor-Controller to issue and deliver to GRANTEE by County warrant the amount(s) as set forth in Exhibit "B,"

attached hereto and incorporated by reference herein. Notwithstanding the amounts set forth in Exhibit B, funding of GRANTEE's Program is contingent on sufficient funds being available as scheduled in Exhibit B. COUNTY may terminate this Agreement in accordance with Paragraph 1(b) if it anticipates sufficient funding will not be available. GRANTEE is not obligated to provide any services under this Agreement that are not funded by COUNTY.

3. **Use of Funds by GRANTEE, Return of Surplus.** GRANTEE hereby agrees to use all grant funds conveyed to GRANTEE by COUNTY under this Agreement for the sole purpose of the Program set forth in Exhibit "A" attached hereto and incorporated by reference. If GRANTEE has not fully expended the grant funds by the date of expiration or other termination of the Agreement and the Agreement has not been amended by the parties to extend the term and, if necessary, modify the Program to allow for full expenditure of the funds, then GRANTEE shall return to COUNTY the remaining unspent funds within thirty (30) days after such expiration or other termination date.

4. **Return of Funds.** If GRANTEE fails to fulfill in a timely and proper manner GRANTEE's obligations under this Agreement or otherwise breaches this Agreement or fails to complete the Program in a timely fashion, GRANTEE shall, upon written demand by the County Executive Officer, return to COUNTY all unspent grant funds provided hereunder. If GRANTEE uses any portion of the grant funds provided under this Agreement for a purpose other than the Program, GRANTEE shall, upon written demand by the County Executive Officer, return to COUNTY the portion of such grant funds not used for the Program. Return of grant funds under this Paragraph shall occur within thirty (30) days of receipt by GRANTEE of written demand therefore from the County Executive Officer and shall include any interest earned thereon by GRANTEE. Return of grant funds under this paragraph shall be in addition to any other remedies available to COUNTY by law.

5. **Reporting.** GRANTEE shall submit reports to COUNTY and STATE pursuant to grant's oversight and reporting requirements as forth in Exhibit "B." Reports must summarize activities of GRANTEE and any SUBRECIPIENTS up to the end of the report period pertaining to progress of the Program and shall specifically include the number of services provided (if applicable), a statement of any expenditure of the funds provided hereunder as well as a general accounting of all revenues received, commitments or expenditures made for the Program from any public or private source, and certification that expenditures were made in accordance with 31 CFR 35.9. The final Program report shall include any performance indicators and/or outcome measures identified in the original application. Said reports shall be delivered via email to NapaCARES@countyofnapa.org.

6. **Maintenance, Inspection, and Retention of Records.** GRANTEE shall separately maintain financial and statistical records which fairly reflect the activities of GRANTEE and any SUBRECIPIENTS pertaining to the Program and the actual costs thereof. Upon reasonable request by the County Executive Officer or the Auditor-Controller, GRANTEE shall make available for inspection and audit by representatives of COUNTY all books, financial records, program information and other records pertaining to the overall operations of GRANTEE in relation to the Program and shall allow such representatives to review and inspect GRANTEE's facilities and program operations relating to the Program. Except where longer retention is required by any federal or state law, GRANTEE shall maintain all required records for no less

than seven years after COUNTY makes the final payment required hereunder, all obligations of GRANTEE under this Agreement have been fulfilled, and all pending matters are closed, whichever is later.

7. **Licensing and Credentials.** During the term of this Agreement, GRANTEE hereby agrees to file with COUNTY copies of all required governmental or professional licenses and credentials for itself, its facilities, and for its employees and all other persons engaged in work in conjunction with the Program.

8. **Conflict of Interest.**

(a) Covenant of No Undisclosed Conflict. The parties to the Agreement acknowledge that they are aware of the provisions of Government Code section 1090, et seq., and section 87100, et seq., relating to conflict of interest of public officers and employees. GRANTEE hereby covenants that it presently has no interest not disclosed to COUNTY and shall not acquire any interest, direct or indirect, which would conflict in any material manner or degree with the performance of its obligations hereunder, except as such as COUNTY may consent to in writing prior to the acquisition by GRANTEE of such conflict. For purposes of this subparagraph, the consent of COUNTY may be given by the County Executive Officer. GRANTEE further warrants that it is unaware of any financial or economic interest of any public officer or employee of COUNTY relating to this Agreement. GRANTEE agrees that if such financial interest does exist at the inception of this Agreement, COUNTY may terminate this Agreement immediately upon giving written notice without further obligation by either party to the other under this Agreement. The County Executive Officer is delegated the authority to terminate this Agreement in accordance with this subparagraph on behalf of COUNTY.

(b) Statements of Economic Interest. By authorizing its Chair to execute this Agreement on its behalf, COUNTY's Board of Supervisors hereby determines in writing on behalf of COUNTY that GRANTEE's obligations under this Agreement are sufficiently limited in scope that GRANTEE is not a "consultant" for purposes of COUNTY's Conflict of Interest Code and therefore GRANTEE is not required to comply with the disclosure obligations contained therein.

9. **Independent Contractor.** GRANTEE shall perform this Agreement as an independent contractor. GRANTEE shall, at GRANTEE's own risk and expense, determine the method and manner by which obligations imposed on GRANTEE by this Agreement shall be performed; provided, however, that COUNTY may monitor GRANTEE's performance. GRANTEE and the officers, agents and employees of GRANTEE are not, and shall not be deemed, COUNTY employees for any purpose, including workers' compensation, state and federal taxes, and employee benefits. As between the parties to this Agreement, GRANTEE shall be solely responsible for all such payments.

10. **Assignments or Subcontracts.** A consideration of this Agreement is the community reputation and special expertise, resources, and service program(s) of GRANTEE. For this reason, GRANTEE shall not assign any interest in this Agreement or subcontract any of the obligations GRANTEE is to perform hereunder without the prior written consent of COUNTY, which shall not be unreasonably withheld. For purposes of this paragraph, the consent of COUNTY may be given by its County Executive Officer.

11. **Insurance.** GRANTEE shall obtain and maintain in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, the following insurance coverage:

(a) Workers' Compensation Insurance. To the extent required by law during the term of this Agreement, GRANTEE shall provide workers' compensation insurance for the performance of any GRANTEE's duties under this Agreement, including but not limited to, coverage for workers' compensation and employer's liability and a waiver of subrogation, and shall provide COUNTY with certification of all such coverages upon request by COUNTY's Risk Manager.

(b) Liability Insurance. GRANTEE shall obtain and maintain in full force and effect during the term of this Agreement the following liability insurance coverages, issued by a company admitted to do business in California and having an A.M. Best rating of A:VII or better, or equivalent self-insurance:

(1) General Liability. Commercial general liability [CGL] insurance coverage (personal injury and property damage) of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of GRANTEE or any officer, agent, or employee of GRANTEE under this Agreement. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

(2) Reserved.

(3) Comprehensive Automobile Liability Insurance. Comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned, hired, leased and non-owned vehicles used in conjunction with GRANTEE 's business of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence. Coverage shall be business auto insurance coverage using Insurance Services Office (ISO) form number CA 0001 06 92 including symbol 1 (any Auto) or the exact equivalent. If GRANTEE owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the General Liability Insurance described in subparagraph (b)(1) above. If GRANTEE or GRANTEE's employees, officers, or agents will use personal automobiles in any way in the performance of this Agreement, GRANTEE shall provide evidence of personal auto liability coverage for each such person upon request.

(c) Certificates of Coverage. All insurance coverages shall be evidenced by one or more certificates of coverage or, with the consent of COUNTY's Risk Manager, demonstrated by other evidence of coverage acceptable to COUNTY's Risk Manager, which shall be filed by GRANTEE with the County Executive Office prior to commencement of performance of any of GRANTEE 's duties.

(1) The certificate(s) or other evidence of coverage shall reference this Agreement by its COUNTY number or title and department; shall be kept current during the term of this Agreement; shall provide that COUNTY shall be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change, except that only ten (10) days prior written notice shall be required where the cause of non-renewal or cancellation is non-payment of premium; and shall provide that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, the coverage afforded applying as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the company's liability.

(2) **Waiver of Subrogation and Additional Insured Endorsements.** For the commercial general liability insurance coverage referenced in paragraph 11(b)(1) and, for the comprehensive automobile liability insurance coverage referenced in paragraph 11(b)(3) where the vehicles are covered by a commercial policy rather than a personal policy, GRANTEE shall also file with the evidence of coverage an endorsement from the insurance provider naming COUNTY, its officers, employees, agents and volunteers as additional insureds and waiving subrogation. For the Workers Compensation insurance coverage, GRANTEE shall file with the evidence of coverage an endorsement waiving subrogation.

(3) The certificate or other evidence of coverage shall provide that if the same policy applies to activities of GRANTEE not covered by this Agreement, then the limits in the applicable certificate relating to the additional insured coverage of COUNTY shall pertain only to liability for activities of GRANTEE under this Agreement, and that the insurance provided is primary coverage to COUNTY with respect to any insurance or self-insurance programs maintained by COUNTY. The additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94.

(4) Upon request by COUNTY's Risk Manager, GRANTEE shall provide or arrange for the insurer to provide within thirty (30) days of the request, certified copies of the actual insurance policies or relevant portions thereof.

(d) **Deductibles/Retentions.** Any deductibles or self-insured retentions shall be declared to, and be subject to approval by, COUNTY's Risk Manager, which approval shall not be denied unless the COUNTY's Risk Manager determines that the deductibles or self-insured retentions are unreasonably large in relation to compensation payable under this Agreement and the risks of liability associated with the activities required of GRANTEE by this Agreement. At the option of and upon request by COUNTY's Risk Manager if the Risk Manager determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects COUNTY, its officers, employees, agents and volunteers or GRANTEE shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

(e) **Inclusion in Subcontracts.** GRANTEE agrees to require all subcontractors and any other entity or person who is involved in providing services under this Agreement to comply with the Workers Compensation and General Liability insurance requirements set forth in this Paragraph 11.

(f) Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve GRANTEE, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

**12. Indemnification.** To the full extent permitted by law, GRANTEE shall hold harmless, defend at its own expense, and indemnify COUNTY and the officers, agents, employees and volunteers of COUNTY from any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, for personal injury (including death) or damage to property, arising from all acts or omissions of GRANTEE or its officers, agents, employees, volunteers, contractors and subcontractors when engaging in activities funded by this Agreement. GRANTEE shall notify COUNTY immediately in writing of any claim or damage related to activities performed with funding provided under this Agreement. The parties shall cooperate

with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

13. **Compliance with Laws.** GRANTEE shall observe and comply with all applicable Federal, State and local laws, ordinances, and codes. Such laws shall include, but not be limited to, the following, except where prohibited by law:

(a) Non-Discrimination. When engaged in any activities funded under this Agreement, GRANTEE, its officers, employees, subcontractors and volunteers shall not deny the benefits thereof to any person on the basis of race, color, ancestry, national origin or ethnic group identification, religion or religious creed, gender or self-identified gender, sexual orientation, marital status, age, mental disability, physical disability or medical condition (including cancer, HIV and AIDS), or political affiliation or belief nor shall they discriminate unlawfully against any employee or applicant for employment because of race, color, ancestry, national origin or ethnic group identification, religion or religious creed, gender or self-identified gender, sexual orientation, marital status, age, mental disability, physical disability or medical condition (including cancer, HIV and AIDS), use of family care leave or political affiliation or belief. GRANTEE shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination or harassment. In addition to the foregoing general obligations, GRANTEE shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any state or local regulations adopted to implement any of the foregoing, as such statutes and regulations may be amended from time to time. To the extent this Agreement subcontracts to GRANTEE services or works required of COUNTY by the State of California pursuant to agreement between COUNTY and the State, the applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are expressly incorporated into this Agreement by reference and made a part hereof as if set forth in full, and GRANTEE and any of its subcontractors shall give written notice of their obligations thereunder to labor organizations with which they have collective bargaining or other agreements.

(b) Documentation of Right to Work. GRANTEE agrees to abide by the requirements of the Immigration and Control Reform Act pertaining to assuring that all newly-hired employees of GRANTEE performing any of the obligations under this Agreement have a legal right to work in the United States of America, that all required documentation of such right to work is inspected, and that INS Form 1-9 (as it may be amended from time to time) is completed and on file for each employee. GRANTEE shall make the required documentation available upon request to COUNTY for inspection.

(c) Waste Source Reduction and Recycled Product Content Procurement Policy adopted by resolution of the Board of Supervisors on March 26, 1991.

(d) County of Napa "Policy for Maintaining a Harassment and Discrimination Free Work Environment" revised effective August 23, 2005.

(e) County of Napa Drug and Alcohol Policy adopted by resolution of the Board of Supervisors on June 25, 1991.

(f) Napa County Information Technology Use and Security Policy adopted by resolution of the Board of Supervisors on April 17, 2001. To this end, all employees and subcontractors of GRANTEE whose performance of services under this Agreement requires access to any portion of the COUNTY computer network shall sign and have on file with COUNTY's ITS Department prior to receiving such access the certification attached to said Policy.

(g) Napa County Workplace Violence Policy, adopted by the BOS effective May 23, 1995 and subsequently revised effective November 2, 2004, which is located in the County of Napa Policy Manual Part I, Section 37U.

(h) Inclusion in Subcontracts. To the extent any of the obligations required of GRANTEE under this Agreement are subcontracted to a third party, GRANTEE shall include the provisions of (a) and (b), above, in all such subcontracts as obligations of the subcontractor.

#### 14. **Confidentiality.**

(a) Maintenance of Confidential Information. Confidential information is defined as all information disclosed to GRANTEE which relates to COUNTY's past, present, and future activities, as well as activities under this Agreement. GRANTEE shall hold all such information as GRANTEE may receive, if any, in trust and confidence, except with the prior written approval of COUNTY, expressed through its County Executive Officer. Upon cancellation or expiration of this Agreement, GRANTEE shall return to COUNTY all written and descriptive matter which contains any such confidential information, except that GRANTEE may retain for its files a copy of GRANTEE's work product if such product has been made available to the public by COUNTY.

(b) Reserved.

(c) Protection of County Data. If GRANTEE will be processing and storing the COUNTY's data in an offsite location, such as a cloud service site, cloud storage site, hosted application site, or hosted storage site, GRANTEE shall guarantee that such data is encrypted using an encryption algorithm that meets the current US Department of Defense minimum requirements in order to protect COUNTY data against a breach of protected data if lost or stolen. All offsite cloud applications and storage systems utilized by GRANTEE shall be located in the United States, which includes any backup and failover facilities. Application and storage solutions in any foreign location is prohibited. Additionally the following is required:

(1) All desktop and laptop computers, as well other similar type computer systems, used by GRANTEE shall be encrypted using the same encryption algorithm described above. All data in transit shall require the same encryption. Storage of COUNTY data on removable portable storage is prohibited.

(2) Upon termination of this agreement, GRANTEE shall purge all COUNTY data from all GRANTEE's systems using a forensic grade deletion that conforms to US Department of Defense DoD 5220.22-M (E) standards.

(3) GRANTEE shall reimburse the COUNTY for all associated costs of a breach, including but not limited to reporting costs and associated penalties the COUNTY must bear.

15. **Notices.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval or communication that either party desires to give the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other

party of the change of address. Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

COUNTY

Becky Craig  
Assistant County Executive Officer  
1195 Third Street  
Napa, CA 94559  
becky.craig@countyofnapa.org

GRANTEE

Heather Henry  
Executive Director  
500 Chadbourne Rd  
Fairfield, CA 94534  
hhenry@solanowdb.org

16. **Third Party Beneficiaries.** Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

17. **Attorney's Fees.** In the event that either party commences legal action of any kind or character to either enforce the provisions of this Agreement or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney's fees incurred in connection with such action.

18. **Amendment/Modification.** Except as specifically provided herein, COUNTY delegates its authority to the County Executive to approve future amendments to Exhibits A and B, attached to this Agreement, provided that any such amendment does not add new services to be provided or increase the maximum compensation available under this Agreement.

19. **Interpretation/Venue.** The headings used herein are for reference. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California. The venue for any state action hereunder shall be in the Superior Court of California, County of Napa, a unified court. The venue for any federal action shall be in the district court for the Northern District of California.

20. **No Waiver.** Waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

21. **Severability.** If any provision of this Agreement or portion thereof is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of the Agreement.

22. **Acknowledgment of Funds.** Because the monies provided by COUNTY are funded by taxpayer dollars, it is important that the public know the individuals and organizations that are receiving funds from COUNTY under this Agreement. Therefore, GRANTEE shall acknowledge funding received under this Agreement in statements or printed materials relating thereto. All printed materials prepared by GRANTEE shall contain the following information in a type size and style appropriate to the materials: "Made possible by funding provided by the County of Napa."



23. **Conflict Resolution and Mediation.** In the event COUNTY or GRANTEE encounter problems that significantly threaten to impede the fulfillment of the terms of this Agreement, an ad hoc meeting may be called by either the County Executive Officer or designee, or GRANTEE executive management, wherein problem resolution is attempted, if need be, with a third party agreeable to both. Each party agrees to attempt such conflict resolution at least one time prior to termination of contract.

24. **Entirety of Contract.** This Agreement constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.

**IN WITNESS WHEREOF**, this Agreement was executed by the parties hereto as of the date first above written.

WORKFORCE DEVELOPMENT BOARD OF  
SOLANO COUNTY

By   
Heather Henry,  
Executive Director

NAPA COUNTY, a political subdivision of  
the State of California

By \_\_\_\_\_  
RYAN GREGORY, Chair of the Board of  
Supervisors

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <u>S. Darbinian</u> Deputy County Counsel</p> <p>Date: March 2, 2022</p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____ Processed By: _____ Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
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## **EXHIBIT A**

### **SCOPE OF WORK**

Administer the CalOSBA Microbusiness COVID-19 Relief Grant Program per the eligible uses of funds:

- Grants to eligible microbusinesses in the amount of \$2,500.
- Administrative costs to implement Program; compensation to Intermediary may not exceed a maximum of 20% of the awarded grant up to \$300,000.00, except for counties with a population of over 3,000,000 people. For counties with a population of 3,000,000 people or greater, costs to administer the program will be capped at 8% of the awarded grant. California is seeking competitive proposals with program efficiencies to reduce the cost and maximize grants awarded to microbusinesses. All costs must be detailed and justified in narrative detail (see proposal – budget section below). Administrative costs may include, subject to CalOSBA approval:
  - o Personnel salaries, benefits & recruitment
  - o Call center expenses
  - o Program related technology, tools, supplies, and materials (i.e., website development and hosting, banking software, etc.).
  - o Marketing, legal, and outreach services

Grantees: Qualified microbusiness

- Solano-Napa SBDC (grantmaking entity) shall require a microbusiness owner who is a recipient of a grant pursuant to this Program to self-certify that grant funds will be used for one or more of the following eligible uses: Office of the Small Business Advocate Governor's Office of Business and Economic Development 13

- (A) The purchase of new certified equipment including, but not limited to, a cart.
- (B) Investment in working capital.
- (C) Application for, or renewal of, a local permit including, but not limited to, a permit to operate as a sidewalk vendor.
- (D) Payment of business debt accrued due to the COVID-19 pandemic.
- (E) Costs resulting from the COVID-19 pandemic and related health and safety restrictions, or business interruptions or closures incurred as a result of the COVID-19 pandemic, as defined in subdivision (l) of Section 12100.83

The grantmaking entity must have the capacity to disburse grants in an equitable and fair manner to ensure distribution across the County, and must develop and implement an outreach and marketing plan to identify and engage eligible microbusinesses that face systemic barriers to accessing capital, including, but not limited to, businesses owned by women, minorities, veterans, individuals without documentation, individuals with limited English proficiency, and business owners located in low-wealth and rural communities.

The grantmaking entity shall partner with a minimum of four community partners that will support and prioritize outreach and marketing efforts to qualified microbusinesses which meet one or more of the following criteria:

- (A) The owner of the microbusiness is a member of a group that has faced historic barriers in accessing capital and is defined as business majority owned and operated on a daily basis by women, minorities or persons of color, veterans, undocumented individuals, and individuals living in low-wealth or rural areas on low incomes.

(B) The microbusiness has suffered economic impacts or revenue losses due to the COVID-19 pandemic.

(C) The microbusiness is a sidewalk vendor.

CalOSBA will review the plan and may make recommendations for additional measures or modifications to the plan.

The grantmaking entity must be able to implement a simple application process, streamlined for ease of use for the eligible microbusinesses. Consideration in the design must be made for accessibility to ensure COVID-19 impacted businesses, disadvantaged communities, and underserved small business groups can easily apply.

The grantmaking entity shall accept applications for a period of at least four weeks. Grantmaking entities without prior experience administering grant programs to small and microbusinesses must propose and develop strong processes to prevent against fraud, waste, and abuse. Grantmaking entities without prior experience are encouraged to research best practices, including but not limited to third-party Office of the Small Business Advocate Governor's Office of Business and Economic Development 14 verification using an approved third-party verification form. The application shall request, but not mandate, that each microbusiness applying for a grant to self-identify the race, gender, and ethnicity of its owner. For purposes of implementing the Program, the grantmaking entity shall not seek information that is unnecessary to determine eligibility, including whether the individual is an undocumented immigrant. Information, including documents, collected from a microbusiness applying to or participating in the Program shall not constitute a record subject to disclosure under Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1.

The grantmaking entity shall require a microbusiness owner who is a recipient of a grant pursuant to statute to self-certify that grant funds will be used for one or more eligible uses as defined above under "Grantees: Qualified microbusinesses." Grants may be disbursed on a first come first serve basis.

**EXHIBIT B**  
**GRANT PAYMENTS & REPORTING**

Grant funds will be provided to the GRANTEE on or about May 1, 2022 and must be disbursed by November 30, 2022. Any unused monies must be returned by December 20, 2022.

CalOSBA has the right to conduct a programmatic and financial review of any grantmaking entity, fiscal agent, and any subcontractors. The Program will require the grantmaking entity and fiscal agent to design verification processes and self-certifications and attestations to help ensure eligibility and equitable distribution and limit misuse of state funds. The fiscal agent and grantmaking entity shall separately track and report funding used for the administration and marketing of the county program pursuant to subdivision (d) of Section 12100.92.

The Program will also require grantmaking entity and fiscal agent to provide CalOSBA with aggregate-level data necessary to meet the reporting requirements of the statute, as the requirements relate to the county designated in the grantmaking agreement.

The fiscal agent and grantmaking entity shall provide CalOSBA, at minimum, two narrative reports during and after the awards process so that CalOSBA may provide a periodic update on the use of the funds awarded pursuant to Section 12100.92, in accordance with the following:

(1) The first written report shall be made within 15 days of the funds being awarded and shall identify the fiscal agent and grantmaking entity who were awarded funding, how much each fiscal agent received, key outreach activities committed to in each grantmaking agreement, and the county served.

(2) The second written report shall be made within 120 days of the funds being awarded. The second and subsequent reports shall identify by county, the number of applications received, the number of grant awards made, the outreach and technical assistance provided and by which partner organization, in-language services. The second and subsequent reports shall, to the extent that the information is available, also include the Office of the Small Business Advocate Governor's Office of Business and Economic Development 15 number of applications, grant awards, and the dollar amounts awarded for each county in each of the following categories:

- (A) Race and ethnicity.
- (B) Women owned.
- (C) Veteran owned.
- (D) Located in a rural area.
- (E) County.

The fiscal agent and grantmaking entity shall provide subsequent written reports every 60 days following the second report until all funds allocated to each county have been awarded. CalOSBA will post each report on its internet website and provide an electronic copy of the information to the relevant fiscal and policy committees of the Legislature. The final report of program outcomes is due within fifteen (15) days after Program close and all final grant awards disbursement. CalOSBA will include final reporting details and format in the grantmaking agreement. The office shall post each report on its internet website and provide an electronic copy of the information to the relevant fiscal and policy committees of the Legislature.

Dates and Deadlines All dates and deadlines as set forth in this Announcement and subsequent grantmaking agreement are non-negotiable and may not be extended.