
**CITY OF SAN DIEGO
CARES ACT CORONAVIRUS RELIEF FUND
DIRECT GRANTS FOR SMALL AND DISADVANTAGED BUSINESSES
AGREEMENT**

AGREEMENT

This Direct Grants for Small and Disadvantaged Businesses Agreement ("Agreement") is entered into between the City of San Diego, a municipal corporation ("City"), the Central San Diego Black Chamber of Commerce Education Foundation, a California nonprofit corporation ("Program Administrator"), and the San Diego Grantmakers, a California nonprofit corporation ("Fiscal Agent") (individually referred to as "Contractor" and collectively "Contractors"), effective as of September 21, 2020.

RECITALS

WHEREAS, health and governmental authorities around the globe are responding to a large-scale pandemic due to the outbreak of a respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19; and

WHEREAS, states and local governments across the United States, including the State of California, have issued stay-at-home orders to prevent the spread of the highly contagious and deadly COVID-19, resulting in massive and largely unprecedented disruptions in the economy, including record levels of unemployment and loss of compensable work hours or wages by numerous San Diego residents, and sharply limiting the ability of businesses to provide, and customers to purchase, goods and services; and

WHEREAS, it is in the public interest to provide economic support that addresses the continued and serious negative impacts of the COVID-19 emergency on the local economy, including promotion of a stable business market to which business owners and employees can return once the COVID-19 emergency is abated; and

WHEREAS, the City recognizes that San Diego County Data on positive COVID-19 cases, unemployment statistics, and other economic-based metrics demonstrates that there are historically economically disadvantaged communities and businesses that have been disproportionately impacted by the pandemic, with higher than average unemployment and positive cases of COVID-19; and

WHEREAS, it is in the public interest to identify small local businesses that are most vulnerable to impacts of COVID-19, including businesses located in the Promise Zone, Opportunity Zone, Low & Moderate Income Census tracts, areas of higher than average unemployment, and other economic corridors most impacted by COVID-19, and including businesses that have lower credit scores, operate on low profit margins, or rely on an owner's personal funds or external financing (collectively, "at-risk businesses"), to provide at-risk businesses with economic support to address the continued and serious negative impacts of the COVID-19 emergency on the local economy, and to promote a stable business market to which business owners and employees can return once the COVID-19 emergency is abated; and

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WHEREAS, the U.S. Congress provided for various forms of relief for the COVID-19 pandemic through enacting the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, including the Coronavirus Relief Fund ("CRF") established under Title V, Section 5001 thereof; and

WHEREAS, the City has received an allocation from the CRF under the CARES Act; and

WHEREAS, CRF funding may only be used to cover costs that:

- (a) are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
- (b) were not accounted for in the City budget most recently approved as of March 27, 2020; and
- (c) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020; and

WHEREAS, the City finds that expenditures in support of providing financial assistance to at-risk businesses are necessary due to the public health emergency with respect to COVID-19 and that such expenditures are eligible expenses under the CARES Act; and

WHEREAS, Program Manager is a Section 501(c)(3) tax-exempt public charity that is organized and operated under the mission of creating generational wealth through business enterprise, education, employment, and investment by using innovative programs, networking opportunities, and business partnerships to advance and strengthen inclusive economic development throughout the City and County of San Diego; and

WHEREAS, Fiscal Agent is a Section 501(c)(3) tax-exempt association of more than 150 grantmaking organizations that helps facilitate local grantmaking through pooled grantmaking funds; and

WHEREAS, effective August 4, 2020, the San Diego City Council adopted Resolution No. R-2432269, allocating funding for the purposes set forth in this Agreement; and

WHEREAS, the Program Administrator and Fiscal Agent desire to enter into this Agreement in furtherance of their respective nonprofit purposes and missions and in support of the efforts of the City of San Diego to address the needs of at-risk businesses, vulnerable communities, and the general public of the City of San Diego; and

WHEREAS, the City wishes to utilize the services of Central San Diego Black Chamber of Commerce Education Foundation, as program administrator and San Diego Grantmakers as the

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fiscal agent to manage the disbursement of the CRF funds consistent with the purposes and requirements thereof;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Program Administrator agree as follows:

TERMS AND CONDITIONS

1. Amount of Funds. The City shall pay an amount of \$500,000 to the Program Administrator. Program Administrator may allow Fiscal Agent to hold and manage funds for the purpose of implementing this Agreement, however, Program Administrator shall be wholly responsible for ensuring the funds are used only for allowable expenditures under this Agreement and in accordance with the CARES Act as such requirements are set forth on **Exhibit A**, Statement of Work.
2. Purpose of Funds. Program Administrator shall, and shall cause its Fiscal Agent to, use the funds solely for the purposes set forth in, and in accordance with, **Exhibit A**, Statement of Work, attached hereto and made a part hereof.
3. Deadline for Use of Funds. Program Administrator shall have until November 13, 2020 to expend funds under this Agreement. All funds not expended in accordance with Exhibit A by November 13, 2020 shall be returned to City no later than November 18, 2020.
4. Documentation of Expenditures; Disallowance. Program Administrator shall, or shall cause its Fiscal Agent to, maintain all documentation, and shall cause its Fiscal Agent to timely prepare and deliver reports to the City in accordance with **Exhibit A**, Statement of Work and **Exhibit B**, Federal Requirements. If City determines that any amount of Contractors' expenditures under this Agreement lacks the required documentation in any material respect within five (5) business days of making a request for such required documentation, or did not comply with the requirements of funding as set forth in Exhibit A, City shall provide notice of such determination to Contractors. Contractors shall have five (5) business days from the date of such notice to appeal the determination to the City, whose decision on the appeal shall be final. Contractors shall refund such amount to the City within fifteen (15) days of the initial notice if no appeal is filed, or, if an appeal is filed within fifteen (15) days of a final determination by the City on appeal that such expenditures lack the required documentation in any material respect or are otherwise ineligible for CRF funding.
5. Compliance with Laws. Contractors shall comply with all applicable federal, State, and local laws, ordinances, and regulations, including, without limitation, requirements regarding the use of grant funds under the CARES Act that are in effect as of the effective date of this Agreement and that may later be enacted or promulgated. Without limiting the

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foregoing, Program Administrator shall, and shall cause its Fiscal Agent to, comply with all applicable federal requirements set forth in **Exhibit B**, Federal Requirements, and all City requirements set forth in **Exhibit C**, City Requirements, attached hereto.

6. Agreement Administration. The individuals listed below are authorized contact persons with respect to the specified matters on behalf of the City, Contractors, and Fiscal Agent, respectively. All communications between Contractors, Fiscal Agent, and/or the City shall be sent to the individuals via the communications means listed as follows:

City of San Diego	Central San Diego Black Chamber of Commerce
Christina Bibler Director, Economic Development Department 1200 Third Avenue, Suite 1400 San Diego, CA 92101 Phone: (619) 236-6421 Email: cbibler@sandiego.gov	Bruce Mayberry Chairman 404 Euclid Avenue San Diego, CA 92114 Phone: 619-269-9400 Email: bmayberry@sdblackchamber.org
<i>Secondary Contact:</i> Matthew Helm Chief Compliance Officer 1200 Third Avenue San Diego, CA 92101 Phone: 619-236-7158 Email: helmm@sandiego.gov	<i>Secondary Contact:</i> Donna Deberry President and CEO 404 Euclid Avenue San Diego, CA 92114 Phone: 214- 335-1508 Email: ddeberry@sdblackchamber.org
	San Diego Grantmakers Debbie McKeon President and CEO 5060 Shoreham Place, Suite 350 San Diego, CA 92122 Phone: 858-875-3333 Email: debbie@sdgrantmakers.org

7. Notices. Unless otherwise specified, in all cases where notice is required in this Agreement, Notice shall be in writing and transmitted to the authorized contact persons of City or Program Administrator, as applicable, as designated in Section 6 of this Agreement, by one or more of the following methods: (a) electronic mail; (b) messenger for immediate personal delivery; (c) a nationally recognized one Business Day delivery service (i.e., Federal Express, United Parcel Service, etc.); or (d) registered or certified mail, postage prepaid, return receipt requested, through the United States Postal Service. Notice may be sent in the same manner to such other addresses as either Party may from time to time designate by notice, in accordance with this section 7. Notice shall be deemed received by

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the addressee on the date sent by electronic mail, if sent before 3:00 p.m. Pacific Time, the date the notice is delivered by personal delivery, on the date the notice is delivered (or the date of the second attempted delivery, as set forth in a written statement of the delivery service) by a nationally recognized overnight delivery service, or three (3) calendar days after the notice is deposited with the United States Postal Service as provided in this section 7. Rejection, other refusal to accept or the inability to deliver a notice because of a changed address of which no notice was given, shall be deemed receipt of the notice. Any party to this Agreement may change its notice address by notice delivered in accordance with this section 7.

8. Audit and Inspection of Records. At any time during normal business hours and upon reasonable notice, Contractors shall make available to the City for examination all of their respective records with respect to all matters covered by this Agreement and will permit the City to audit, examine and make or receive copies of such records, and make or receive copies of all invoices, materials, payrolls, records of personnel and other data relating to all matters covered by this Agreement. Unless otherwise specified by the City, said records shall be made available for examination within San Diego County. Contractors shall maintain such records in an accessible location and condition for a period of not less than five (5) years following Contractors' submission of the final report required to be submitted under this Agreement unless City agrees in writing to an earlier disposition. The State of California and any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon City by this Agreement, and Contractor shall have all the same rights conferred upon City by this Agreement.

9. Termination of Agreement.

- (a) Termination without Cause.

The City may, by written notice to the Contractors stating the extent and effective date, terminate this Agreement without cause, at any time, with respect to any one or more of the other parties to this Agreement; provided, however, that City shall endeavor to negotiate with Program Administrator and/or Fiscal Agent in good faith to amend this Agreement as reasonably needed to address the City's underlying concerns, rather than proceeding with termination. Within ten (10) business days of receipt of notice of such termination, the party or parties to whom the termination applies shall return to City any unexpended funds paid to them under this Agreement and shall make any final reporting within fifteen (15) business days after receipt of notice of such termination.

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(b) Termination for Default.

If either Program Administrator or Fiscal Agent fails to perform its obligations under this Agreement, the City may send the defaulting Contractor a written notice of default that specifies the nature of the default. The defaulting Contractor shall cure the default within thirty (30) business days following receipt of the notice of default, and earlier if reasonably possible under the circumstances, or within such additional time period to which City may agree, which agreement shall not unreasonably be withheld. If the defaulting Contractor fails to cure the default within that time, the City may terminate this Agreement with respect to the defaulting Contractor by giving the defaulting Contractor written notice of termination, effective immediately upon receipt. Following receipt of such notice of termination, the defaulting Contractor shall promptly provide City's administrator with documentation of fund expenditures setting forth the defaulting Contractor's total actual expenditures for the intended purposes as of the effective date of termination. The defaulting Contractor shall promptly refund to City, as determined by City, all funds paid to the defaulting Contractor under this Agreement that exceed the defaulting Contractor's total actual expenditures made in conformance with this Agreement, as determined by City's administrator, as of the effective date of termination. The City may also seek any and all legal and equitable remedies against the defaulting Contractor for breaching this Agreement. Actual liability of a Contractor arising out of or related to this Agreement shall be several and not joint. Nothing contained in this Section 9 shall limit a Contractor's duty of defense or indemnity in accordance with Section 12; provided, however, that the limitations of liability noted therein shall apply.

10. Independent Capacity. In the performance of this Agreement, Program Administrator, Fiscal Agent, and their respective officers, agents, employees and volunteers, shall each act in an independent capacity and not as officers, employees, agents or volunteers of the City or each other. This Agreement does not create an employment relationship between the Program Administrator and the City, or any of their respective officers, agents, employees and volunteers.
11. Insurance. Contractors shall deliver to City, and shall ensure that each Subcontractor delivers to City, a current certificate of insurance with attached policy endorsements for:
 - (a) Commercial General Liability Insurance, providing coverage for bodily injury, including death, personal injury, and property damage with limits of at least One Million Dollars (\$1,000,000) per occurrence, subject to an annual aggregate of at least Two Million Dollars (\$2,000,000);

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- (b) Automobile Liability Insurance, providing coverage for all bodily injury and property damage, with a limit of at least One Million Dollars (\$1,000,000) per occurrence. Such insurance shall cover liability arising out of any vehicle (including owned, hired, and non-owned vehicles) operated in performing any and all work pursuant to this Agreement. Coverage shall be written on *ISO form CA 00 01 12 90*, or a substitute form providing equivalent liability coverage; and
- (c) Workers' Compensation Insurance, as required by the laws of the State of California for all of Contractor's employees who are subject to this Agreement, with Employers' Liability coverage with a limit of at least One Million Dollars (\$1,000,000).
- (d) Additional Insureds. Pursuant to a separate endorsement, "The City of San Diego, its elected officials, officers, employees, representatives, and agents" shall be named as additional insureds in all Commercial General Liability Insurance and Automobile Liability Insurance policies.
- (e) Waiver of Subrogation. Pursuant to a separate endorsement, a waiver of subrogation shall be provided in favor of "The City of San Diego, its elected officials, officers, employees, representatives, and agents" for all Workers' Compensation Insurance.
- (f) Primary & Non-Contributory. Insurance policies shall be endorsed such that the coverage is primary and non-contributory to any coverage carried or self-insurance maintained by City.
- (g) Qualified Insurer(s). All insurance required by the terms of this Agreement must be provided by insurers licensed to do business in the State of California which are rated at least "A-, VI" by the current AM Best Ratings Guide and which are acceptable to City. Non-admitted surplus lines insurers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet City requirements.
- (h) Deductibles/Retentions. All deductibles and self-insured retentions on any insurance policy are the sole responsibility of Contractor, and must be disclosed and acceptable to City at the time evidence of insurance is provided.
- (i) Continuity of Coverage. All policies shall be effective as of the Effective Date. The policies shall be kept in force for the duration of the Term. At least thirty (30) days prior to the expiration of each insurance policy, Contractor shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the requirements of this Agreement. Contractor shall provide proof of continuing insurance at least annually during the term of this Agreement. If insurance lapses

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or is discontinued for any reason, Contractor shall immediately notify City and obtain replacement insurance as soon as possible.

- (j) Modification. To assure protection from and against the kind and extent of risk existing with the Project, City, at its discretion, may require the revision of amounts and coverage at any time during the Term by giving Contractor thirty (30) days prior written notice. Contractor shall also obtain any additional insurance required by City for changed circumstances or City's reasonable re-evaluation of risk levels related to the Project.
 - (k) Accident Reports. Contractor shall immediately report to City any accident causing property damage or injury to persons and related to the Project. Such report shall contain the names and addresses of the involved parties, a statement of the circumstances, the date and hour of the accident, the names and addresses of any witnesses, and other pertinent information.
 - (l) Causes of Loss - Special Form Property Insurance. Contractor shall obtain and maintain, at its sole cost, Causes of Loss - Special Form Property Insurance on all of Contractor's insurable property related to the Project in an amount to cover 100 percent (100%) of the replacement cost. Contractor shall deliver to City a certificate of such insurance.
 - (m) Subcontractors' Insurance. Contractor shall ensure that each Subcontractor complies with the insurance provisions of this Agreement as if the Subcontractor were Contractor. Contractor and each Subcontractor shall be individually responsible for obtaining and maintaining their own insurance.
12. Defense and Indemnity. To the fullest extent permitted by law, Program Administrator shall, protect, defend (with one legal counsel reasonably acceptable to City, and provided no potential conflict exists), indemnify, and hold harmless City and its elected officials, officers, representatives, agents and employees ("Indemnified Parties") from and against any and all claims, losses, costs, damages, injuries (including, without limitation, injury to or death of an employee of Contractor or its subcontractors), expense, and liability of every kind, nature and description (including, without limitation, court costs, and litigation expenses and fees of expert consultants or expert witnesses reasonably incurred in connection therewith and costs of investigation) that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, any performance of services under this Agreement by a Contractor, including: (i) the grants made under this Agreement that do not comply with the eligibility requirements of Exhibit A; (ii) improper or inaccurate records kept regarding such grants; (iii) a Contractor breached the law or the Compliance Certificate; or (iv) relating to a Contractor's act or omission. For purposes of this Section 12, a "Contractor" shall mean a Contractor, any subcontractor of a Contractor, anyone directly

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or indirectly employed by either of them, or anyone that either of them controls. A Contractor's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the negligence or willful misconduct of the Indemnified Parties.

For avoidance of doubt, and without limitation, the defense and indemnity obligations set forth in this Section 12 shall specifically apply to any actions against the City by a federal agency to disallow funds or otherwise enforce compliance under the CARES Act or other federal requirements; however, neither Contractor shall be liable for grants made in compliance with the guidelines set forth in this Agreement and any Exhibit hereto.

13. Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of California.
14. Venue. The venue for any suit concerning solicitations or the Agreement, the interpretation of application of any of its terms and conditions, or any related disputes shall be in the County of San Diego, State of California.
15. Assignment. Neither Program Administrator or Fiscal Agent may assign or transfer any interest in this Agreement (whether by assignment or novation), without the prior written consent of the City.
16. Entire Agreement. This Agreement constitutes the entire agreement between Program Administrator, Fiscal Agent, and City regarding the subject matter contained herein. All other representations, oral or written, are superseded by this Agreement. Neither party is relying on any representation outside of this Agreement.
17. Amendments. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by a written agreement executed by duly authorized representatives of all parties.
18. Waiver. The failure of one party to enforce any term, covenant or condition of this Agreement shall not be construed as a waiver of that party's right to subsequently enforce this, or any other term, covenant or condition of this Agreement. No waiver shall be deemed effective unless the waiver is expressly stated in writing and signed by the party waiving the right or benefit.
19. Survival. Unless otherwise specified herein, all terms and conditions of this Agreement shall survive the expiration of this Agreement.
20. Remedies. The rights and remedies in this Agreement are in addition to, and not a limitation on, all other rights and remedies available at law or in equity, and exercise of one right or remedy shall not be deemed a waiver of any other right or remedy.

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21. Recognition. If either Program Administrator or Fiscal Agent chooses to publicize the arrangements reflected in this Agreement and to give written recognition to the City relating to this Agreement, they shall recognize the City of San Diego and not one or more individual City employees.
22. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties are not signatory to an original or same counterpart. The parties agree that signatures transmitted electronically via pdf attachment shall be binding as if they were original signatures.
23. Force Majeure. Either Contractor may be excused from performance under this Agreement in the event that it is prevented from performance by means beyond its reasonable control, including but not limited to act of war, terrorism, unforeseen communicable disease, power outage, wildfire, or systemic communications outages that would affect a broad sector of the population.

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IN WITNESS WHEREOF, the parties execute this Agreement effective on the date first written above.

CITY OF SAN DIEGO

By: 
Christiana Gauger
Interim Director
Purchasing and Contracting


Date: 9/18/2020

SAN DIEGO GRANTMAKERS

By: 
Debbie McKeon
President & CEO

Date: 09/16/2020


CENTRAL SAN DIEGO BLACK CHAMBER OF
COMMERCE EDUCATION FOUNDATION

By: 
Bruce Mayberry (Sep 16, 2020 21:08 PDT)
Bruce Mayberry
Chairman

Date: 09/16/2020

APPROVED AS TO FORM:

Mara W. Elliott
City Attorney

By: 
Daphne Skogen
Deputy City Attorney

Date: 9/21/2020

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EXHIBIT A – STATEMENT OF WORK

1. SCOPE OF WORK

Program Administrator and Fiscal Agent shall administer direct grants for small and disadvantaged businesses (as described herein) in the City of San Diego, in response to a disproportionate impact by the COVID-19 crisis on these businesses.

2. BACKGROUND

On August 4, 2020, the San Diego City Council approved the allocation of CARES Act funds previously allocated to the Small Business Relief Fund to further support the provision of resources in the form of specialized outreach, and direct grants to small, economically disadvantaged, and at-risk businesses, authorizing the Mayor or his designee to negotiate and enter into an agreement with a non-profit agency to administer these services. This agency has been chosen for the administration of grants based on its existing framework with a fiscal agent with the relevant experience and demonstrated ability to expeditiously provide the City with the proposed services; its demonstrated history of working with at-risk and distressed businesses; and its relationship to and connection with economically disadvantaged communities in the City of San Diego.

3. GOALS AND OUTCOME OBJECTIVES

The overall goal is to provide financial assistance for small, economically disadvantaged, and at-risk businesses during the COVID-19 pandemic through direct grants. Program Administrator shall provide assistance that targets businesses in communities most impacted by the pandemic and to businesses eligible under all requirements set forth in this Agreement.

4. SERVICE DELIVERY

- 4.1 Program Administrator will administer direct grants to small, economically disadvantaged, and at-risk businesses in the City of San Diego.
- 4.2 Fiscal Agent shall process accurate and complete applications for grants, document applicant's compliance with eligibility requirements, and provide all grant recommendations, together with supporting documentation, to Program Administrator to review and approve the application, based on the eligibility requirements outlined in Section 6 and the Agreement to which this exhibit is attached. Notwithstanding anything to the contrary in the grant agreement with the City of San Diego to which this Exhibit is attached, or this or any Exhibit attached thereto, the City of San Diego, Program Administrator and Fiscal Agent all agree and acknowledge that the Program Administrator has the sole authority to determine the recipients of grant funds and that Fiscal Agent is simply acting at the discretion of, and as agent of, Program Administrator.

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- 4.3 Fiscal Agent shall issue payments to awardees for approved applications and maintain record of payments.
- 4.4 Fiscal Agent shall provide information and report to the City, as described in Section 7.

5. GRANT ELIGIBILITY CRITERIA

- 5.1 Target Population. Program Administrator shall approve direct grants to eligible businesses under any one of the following categories 5.1.1 through 5.1.7, inclusive. Within the eligible target population set forth below, Program Administrator shall establish its own internal prioritization for scoring applications.
 - 5.1.1 Distressed and At-Risk Businesses, defined as businesses that meet least two (2) of the following criteria: (1) have low credit scores, (2) operate on low profit margins, (3) and rely on an owner's personal funds or external financing.
 - 5.1.2 Located within the Promise Zone geographic boundary, including parts of the communities of Downtown, Barrio Logan, Logan Heights, Southeastern, and Encanto, and areas within the 92101, 92102, 92113, and 92114 zip codes.
 - 5.1.3 Located within an Opportunity Zone geographic boundary of designated qualified Opportunity Zone census tracts within the City of San Diego, which may include: 010013, 013205, 013206, 013104, 000900, 001600, 002201, 002202, 002301, 002302, 002707, 002708, 002401, 002601, 002709, 002710, 003401, 004100, 003404, 003001, 003004, 005100, 004700, 004800, 004000, 003501, 003304, 003111, 005000, 004900, 003901, 003902, 003502, 003305, 003101, 003303, 003602, 003601.
 - 5.1.4. Located within one of the following Low- and Moderate-Income CBDG-eligible census tracts, including: 001100, 001800, 002702, 002801, 002803 Block Group 2 and 4, 002804 Block Group 1, 002902, 002904, 002905, 007600, 008901 Block Group 4, 008902 Block Group 1, 009000, 009106 Block Group 2, 009107, 014806, 001100 Block Group 3, 001800, 002801, 002803 Block Group 4 and 2, 002804 excepting Block Group 2, 014806 Group 2, 007600, 009000, 009107, 009106 Block Group 2, and 001800.
 - 5.1.5. Zip Codes with Higher than Average Unemployment Rates as determined by data from the San Diego Association of Governments (SANDAG)'s employment analysis titled "COVID-19 Impact on the San Diego Region: Black and Hispanic Communities Hardest Hit" and dated June 16, 2020.

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- 5.1.7 Other areas identified by the Program Administrator and approved by the City using similar metrics that meet the intent of this priority.
- 5.2 Geographical/Regional Service Area(s). Grants shall be available within the boundaries of the City of San Diego.

6. SPECIFIC REQUIREMENTS FOR SERVICE DELIVERY

- 6.1 Program Administrators will administer a direct grants program for COVID-19 at-risk eligible businesses in the City of San Diego as set forth in this Exhibit A.
- 6.2 Program Administrator shall open the application process for at least seven (7) days after the execution of this agreement and have and assist applicants complete an application.
- 6.3 Program Administrator shall approve eligible applicants by certifying and documenting compliance with the following eligibility criteria:
 - 6.3.1 Self-employed workers, independent contractors, sole proprietors, and corporations with annual net income not to exceed \$100,000.
 - 6.3.2 Businesses with no more than 10 employees in addition to the owner(s).
 - 6.3.3 Businesses with a current City of San Diego Business Tax Certificate or another proof of legitimacy with the approval of the City located in or operating in the City of San Diego.
 - 6.3.4 Been in business since January 1, 2020 or earlier.
 - 6.3.5 Decline in revenue or service demand due to COVID-19 as evidenced by affidavit declaring a business decline that was caused by COVID-19
- 6.4 Fiscal Agent shall maintain records consisting of submitted applications and eligibility documentation attached thereto, for each applicant, and any other documentation or materials determined by Program Administrator.
- 6.5 Program Administrator shall ensure compliance with, and Fiscal Agent shall maintain documentation confirming, eligibility requirements.
- 6.7 Program Administrator and/or Fiscal Agent shall issue payments up to \$5,000 directly to the applicant based on the certified need and the amount appropriate to the tiered system established.

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6.7.1 The amount of funding received will vary in tiers based on business size. Grants will range from \$1,500 to \$5,000 each, as outlined in the chart below. Applicants who have received previous financial support from the Program Administrator shall be eligible for up to the maximum grant award, in aggregate.

Tier	Physical Location	2019 Net Income	Employees
\$1,500 (minimum)	Yes/No	Up to \$100,000	0-4
\$1,500	Yes/No	\$0-49,999	5-10
\$2,500	No	\$50,000-100,000	5-10
	Yes	\$50,000-74,999	5-10
\$5,000 (maximum)	Yes	\$75,000-100,000	5-10

6.8 Fiscal Agent shall maintain payment information for each applicant, as provided, and all other information required by law.

7. DATA COLLECTION AND REPORTING REQUIREMENTS

7.1 Fiscal Agent shall establish and maintain the following to be made available to City within thirty (30) calendar days of contract execution:

7.1.1 Individual electronic case folders may contain, but may not be limited to, the following information: Completed grant applications; documentation of priority requirements and documentation confirming eligibility requirements were met/not met; the date of approval or disapproval for each application and the date of notification; and award issued – including the date of issuance and award amount. If disclosure of business name/address is prohibited by law, Program Administrator may instead provide an alternate identification.

7.1.2 **Monthly Report** - Fiscal Agent shall submit a monthly report to the City by the 15th day of the following month with at least the following information:

7.1.2.1 Number of applications received and detailed information about the applicant pool, based on information collected through the application

7.1.2.2 Status of applications: Approved/Denied/Pending/Unfunded

7.1.2.3 Awards issued: including name of recipient and/or alternative identification, total number of awards issued, and amount of award issued per applicant.

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AGREEMENT**

EXHIBIT A – STATEMENT OF WORK

7.1.3 **Final Performance Report** – Fiscal Agent shall provide a final performance report on program outcomes by December 7, 2020.

7.1.4 **Reporting Deadlines** - Monthly and Final Performance Reports shall be due fifteen (15) days after the end of the reporting month.

Reporting Period	Due Date
September 1 – September 30, 2020	Thursday, October 15, 2020
October 1 – October 31, 2020	Monday, November 16, 2020
November 1 – November 13, 2020	Monday, December 7, 2020

8. AUTOMATION REQUIREMENTS

Email and Internet. Program Administrator shall maintain electronic mail capabilities through the Internet. However, Program Administrator is prohibited from transmitting confidential participant information via email or the Internet without requisite encryption protection or other methods that ensure the secure transmission of personal information.

9. ADMINISTRATIVE COSTS

Program Administrator, as a charitable organization, may use a portion of the funds distributed under this Agreement for the payment of its costs of administering the services set forth in this Exhibit A, in an amount equal to \$25,000; provided that the use of funding under this Agreement for any such administrative costs is in compliance with the terms and requirements of the fiscal agent and that it does not exceed 5% of total funding.

**CITY OF SAN DIEGO
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EXHIBIT B – FEDERAL REQUIREMENTS

Program Administrator and Fiscal Agent shall comply with all requirements of the City set forth in the Agreement and the exhibits thereto, including the business eligibility requirements of Exhibit A in addition to the following CARES Act Coronavirus Relief Fund requirements, including as follows:

1. DEBARMENT AND SUSPENSION.
 - (a) This Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, Program Administrator and Fiscal Agent are required to verify that none of their principals (defined at 2 C.F.R. § 180.995) or affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
 - (b) Program Administrator must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction they enter into.
 - (c) This certification is a material representation of fact relied upon by City. If it is later determined that Program Administrator did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to City, the federal government may pursue available remedies, including but not limited to suspension and/or debarment.
2. SINGLE AUDIT. The City, Program Administrator, and Fiscal Agent shall comply with the Single Audit requirements of 2 CFR Part 200.501, et seq.
3. RECORD RETENTION REQUIREMENTS. Program Administrator and Fiscal Agent shall maintain and make available upon request all documents and financial records in their respective possession sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended (42 U.S.C. 801(d), which may include, but are not limited to, copies of the following:
 - (a) 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;
 - (b) budget records for 2019 and 2020;
 - (c) payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
 - (d) receipts of purchases made related to addressing the public health emergency due to COVID-19;
 - (e) contracts and subcontracts entered into using Coronavirus Relief Fund payments and all documents related to such contracts;

