



# County of Monterey

**Item No.11**

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: 23-911**

**December 05, 2023**

**Introduced:** 11/29/2023

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** General Agenda Item

- a. Consider approving a matching funds request from the Monterey County Business Council (MCBC) to support their efforts in submitting a proposal to an RFP issued by the University of California, Merced for Small Business Technical Assistance Services for Monterey and San Benito Counties; and
- b. Authorize the Auditor-Controller to amend the Fiscal Year 2023-24 Adopted Budget for the County Administrative Office Contributions-Other Agencies (001-1050-CAO007-8029) to increase appropriations in the amount of \$32,000 financed by a decrease in appropriations in General Fund Contingencies (001-1050-CAO020-8034) (4/5th vote required).

### RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Approve matching funds request from the Monterey County Business Council (MCBC) to support their efforts in submitting a proposal to an RFP issued by the University of California, Merced for Small Business Technical Assistance Services for Monterey and San Benito Counties; and
- b. Authorize the Auditor-Controller to amend the Fiscal Year 2023-24 Adopted Budget for the County Administrative Office Contributions-Other Agencies (001-1050-CAO007-8029) to increase appropriations in the amount of \$32,000 financed by a decrease in appropriations in General Fund Contingencies (001-1050-CAO020-8034) (4/5th vote required).

### SUMMARY:

Small Business Development Centers (SBDC) provide direct and measurable economic benefits to the communities they serve. Established during the Carter administration, the SBDC program is the largest federally designated technical assistance program focused on supporting startup and growing small businesses in all fifty states and U.S. territories. SBDC host organizations join a “family” of experts who are willing to share advice, resources and help local business assistance providers focus on what they do best, growing great local companies.

The local Monterey and San Benito Counties SBDC hosted by University of California, Merced (UC Merced) has recently issued a request for proposals (RFP) for a new local host as California Coastal Rural Development Corporation is no longer contracting with UC Merced for these services going into calendar year 2024.

The County has received a request for local match funding, which is a requirement for any organization(s) interested in submitting a proposal to the RFP.

DISCUSSION:

The Central California Small Business Development Center (Central CA SBDC) network has been an accredited program since 2005 and has received multiple accolades for its support of small businesses across the 14 counties of Central California. University of California, Merced (UC Merced) has hosted the Central CA SBDC network since 2003 and continues to be committed to supporting the success of the program and all its host organizations as they deliver SBDC services across their respective service areas.

The Monterey and San Benito County Small Business Development Center (SBDC) has been operated by California Coastal Rural Development Corporation (Cal Coastal) for six (6) years and prior to that by California State University of Monterey Bay for ten (10) years. With the announcement of the retirement of Cindy Merzon, Director of the SBDC, Cal Coastal notified its host UC Merced that it would no longer continue with the contract for SBDC services for Monterey and San Benito Counties. Due to this announcement UC Merced moved forward with issuing a request for proposals (RFP) for Small Business Technical Assistance Services. This RFP is issued for small business assistance delivered in Monterey and San Benito Counties for services to be available to startup and existing small business in the two counties. The RFP was issued on October 27, 2023, with a deadline to submit a proposal by December 15, 2023.

Funding for SBDC services in Monterey and San Benito Counties are available through a cooperative agreement between the United States Small Business Administration (SBA) and the Regents of The University of California ("The University"). Expected SBA funding for this award will be \$175,000 for the twelve-month period (CY2024), provided funds are made available to The University by the SBA. Annual funding thereafter will be determined based on the annual award to UC Merced from the SBA. Once a contract is awarded to the Host organization, future funding is a continuation of the original award dependent on successful program outcomes and fiscal management. The awarded contract requires a one hundred percent (100%) match. In addition to any State funding made available to the successful proposer by UC Merced, proposers are expected to provide fifty percent (50%) of the required match contribution as "LOCAL" cash match.

On November 20, 2023, the Monterey County Business Council (MCBC) reached out to the County Administrative Office to inform the County of Monterey (County) that their organization would be submitting a proposal to the RFP and requested that the County commit to providing matching funds along with other city partners. The city partners that have committed to providing matching fund are as follows: City of Monterey-\$10,000, City of Carmel-by-the-Sea - \$5,000, City of Soledad-\$10,000, City of Gonzales-\$5,000, and City of King-\$5,000 for a total of \$35,000 committed by city partners. County staff has conducted outreach to the City of Salinas regarding potential matching funds as they are the leading user of SBDC services. The funds needed to meet the required total match for the RFP is nearly \$100,000. The current SBDC has nearly \$120,000 in local match funding solely from the state's GoBIZ TAP (Technical Assistance Program) grants, which MCBC plans to apply for in perpetuity, but given the short deadline they are unable to secure state funding in the two (2) weeks given to complete the RFP process, due by December 15. Staff has reviewed the request, RFP details and the data for County clientele serviced; a calculation attached as Exhibit A details a fair assessment for one-time matching funds is \$32,000. These funds are requested to be provided through Contingencies at the discretion of the Board of Supervisors.

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MCBC is currently securing multiple satellite offices (City of Soledad and City of Monterey partnerships) as well as a main office in Salinas. MCBC continues to work on funding sources from all 12 cities (there are tentative commitments from 6 cities) and will have confirmation on others shortly.

Approval of this recommendation will provide one-time financial assistance to MCBC to help meet their goal of an overall local match of \$100,000 to submit a complete proposal.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has approved as to form. The Budget Committee Chair approved the item going to the Board of Supervisors without going to the Budget Committee.

FINANCING:

The recommendation would increase appropriations in the FY 2023-24 Adopted Budget for CAO Contributions-Other Agencies in the amount of \$32,000 funded with General Fund Contingencies. Utilizing General Fund Contingencies would reduce the contingencies balance to \$1,050,758.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Mark a check to the related Board of Supervisors Strategic Initiatives

☒ Economic Development

☐ Administration

☐ Health & Human Services

☐ Infrastructure

☐ Public Safety

Prepared by: Richard Vaughn, Economic Development Manager, ext.5602

Approved by: Deborah Paolinelli, Assistant County Administrative Officer, ext.5309

DocuSigned by:

*Deborah Paolinelli*

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Attachments:

Resolution

Exhibit A

Exhibit B

RFP 003287

PowerPoint