



# COUNTY OF HUMBOLDT

For the meeting of: 6/18/2019

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File #: 19-747

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**SUBJECT:**

Headwaters Fund Board's Recommended 2018-19 Grant Fund Awards for the March 29, 2019 Grant Round

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve the slate of Grant Fund Competitive Awards recommended for approval by the Headwaters Fund Board (HFB) (Attachment 1; Attachment 2; Attachment 3; Attachment 4; Attachment 5);
2. Authorize the Chair of the Board to sign the grant contracts when completed, after review and approval by County Counsel and Risk Management; and
3. Authorize the County Purchasing Agent to sign Competitive Grant Agreements as attached hereto in substantial form.

**SOURCE OF FUNDING:**

Headwaters Grant Fund 3848

**DISCUSSION:**

**Background**

On July 15, 2003, your Board approved the Headwaters Grant Fund Manual (revised August 21, 2012) that details the process for awarding Competitive Awards as follows:

- The HFB will recommend a slate of grants to be funded for Board of Supervisor approval. HFB decisions on grants cannot be appealed by applicants [Grant Fund Manual section 11.b.iii].
- Your Board will use a majority vote to approve the entire slate presented by the HFB. Your Board may not add projects to the slate being approved but may recommend additional review of individual projects. Upon majority vote, your Board may pull one or more projects from the slate and approve the remaining slate of projects. Supervisors would refer pulled projects back to the HFB and Staff with questions and comments. Staff and HFB would respond to your Board's comments on any pulled projects. After your Board receives this response, your Board

would approve or deny individually pulled projects according to a majority vote. Your Board decisions on grants cannot be appealed by applicants.

The HFB and staff conducted a financial analysis of the Grant Fund to determine an allocation for the 2018-19 fiscal year. The HFB determined that \$130,000 would be an appropriate amount for the 2018-19 Grant Fund allocation. The HFB set a grant round deadline for the 2018-19 fiscal year for March 29, 2019. On May 14, 2019 the HFB voted to recommend to your Board a slate of awards in excess of the original amount of \$130,000 and to utilize funds identified in the HFB spending plan for fiscal year 2018-19 as contingency funds in the amount of \$66,234. There are currently sufficient funds available in the Headwaters Fund for the remainder of fiscal year 2018-19.

### Recommended Slate

There were eleven (11) applications received in the March 29, 2019 round and staff recommends your Board approve the HFB’s recommended slate of five projects (Attachments 1-5). The slate totals \$196,234 and is shown on the table below.

HEADWATERS FUND FY 2018-19 COMPETITIVE GRANT ROUND AWARDS			
NON-PROFIT / GOVERNMENT	PRIVATE PARTNER	\$ REQUESTED	\$ AWARDED
Redwoods Rural Health Center	N/A	65,000	65,000
Humboldt Senior Resource Cent	N/A	30,000	30,000
Americans for Safe Access Found	International Cannabis Farmers	30,080	27,250
Humboldt County Fair Associati	N/A	54,123	44,944
North Coast Small Business Resc	Humboldt County Growers Allia	60,255	29,040

The “Amount Awarded” represents the funding level recommended by the HFB. The “Amount Requested” represents the amount requested by the applicant. Total project costs are shown in the attached applications as presented to the HFB.

### Review Process

The HFB’s application review process consisted of individual review and over 10 hours of group deliberation. The minutes from the April 23, 2019, May 14, 2019, and May 28, 2019 (draft) HFB meetings are attached (Attachment 6). The HFB member proposal ranking score sheets for the initial and final selection of recommended awards are attached as Attachment 7.

Applications were reviewed as follows:

At the April 23, 2019 Special Meeting, the HFB conducted an initial review of the eleven applications. The HFB moved and approved one proposal to be offered a mini-grant instead of a competitive grant (Eureka Street Art Festival), and they have accepted.

The HFB wanted additional information and had several questions for five of the grant proposals.

The HFB requested additional information and revision to an error on the budget of the proposal from the International Cannabis Farmers Association (ICFA). The ICFA was allowed until May 28, 2019 to secure a partnership with a public partner. The Americans for Safe Access Foundation (ASAF) agreed to become the partner with ICFA and provided the necessary documents on May 28, 2019, which is reflected in the draft May 28, 2019 minutes.

Additionally, at the April 23, 2019 meeting, the HFB directed staff to invite four applicants back to make presentations and answer project questions.

The four applicants were:

- Redwoods Rural Health Center
- Humboldt Senior Resources Center
- North Coast Small Business Resource Center
- Greater Eureka Chamber

At the May 14, 2019 meeting, following question and answering sessions with the five proposals cited above, the HFB further evaluated projects according to the approved Project Rating Criteria. The HFB voted to recommend partial or full funding for five projects as shown in the “Recommended Slate” section above.

At the May 28, 2019 meeting, the HFB voted to approve the ICFA request with the ASAF as their public partner. The board also approved slight revisions to the amounts for the NCSBRC and HCFA, increasing the first from \$29,000 to \$29,040 and the fair from \$44,750 to \$44,944.

**FINANCIAL IMPACT:**

There is no financial impact to the General Fund. Financial costs are borne by the Headwaters Fund and included in the current budget of the Headwaters Fund. A supplemental funding request for FY 2019-2020 for Fund 3848 (Headwaters Grant Fund) will be brought forward to your Board in July 2019 for anticipated grant fund draws in FY 2019-20.

**STRATEGIC FRAMEWORK:**

This action supports your Board’s Strategic Framework by encouraging new local enterprise and supporting business, workforce development and creation of private-sector jobs.

**OTHER AGENCY INVOLVEMENT:**

None

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

Your Board could decide not to approve the slate of recommended awards. Your Board may pull one or

more projects from the slate and approve the remaining slate of projects or request for further review of one or more projects. This alternative is not recommended as the HFB diligently reviewed and evaluated each proposal in accordance with the slated Headwaters funding priorities. The slate of recommended awards will support base industries in Humboldt County, providing economic and environmental advantages at no cost to the County. These monies are unavailable for other use and would be otherwise unspent.

**ATTACHMENTS:**

Attachment 1: Redwood Rural Health Center Grant Fund Application

Attachment 2: Humboldt Senior Resource Center Grant Fund Application

Attachment 3: Americans for Safe Access Foundation/International Cannabis Farmers Association Grant Fund Application

Attachment 4: Humboldt County Fair Association Grant Fund Application

Attachment 5: North Coast Small Business Resource Center/Humboldt County Growers Alliance Grant Fund Application

Attachment 6: Headwaters Fund Board Minutes from April 23, 2019, May 14, 2019, and May 28, 2019

Attachment 7: Headwaters Grant Fund Project Ranking Criteria Summary and Rating Sheets

**PREVIOUS ACTION/REFERRAL:**

Board Order No.: N/A

Meeting of: N/A

File No.: N/A