



# COUNTY OF HUMBOLDT

For the meeting of: 7/7/2020

---

File #: 20-632

---

**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**SUBJECT:**

Headwaters Fund Community Investment Fund Grant to Humboldt Area Foundation in the amount of \$125,000 and Supplemental Budget for Headwaters for Fiscal Year 2019-20 (4/5 Vote Required)

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Review and Approve the attached Headwaters Fund Board-recommended Community Investment Fund (CIF) grant of \$125,000 to the Humboldt Area Foundation (HAF) for rapid response grants to Humboldt non-profits through the HAF COVID-19 Regional Response Fund;
2. Authorize the County Administrative Officer to execute a grant agreement, substantially similar to Attachment I, upon review and approval by Risk Management and County Counsel; and
3. Approve the supplemental budget request of \$125,000 (Attachment 2) for Headwaters in Fund 1120, Budget Unit 286, to fund this Community Investment Fund Grant.

**SOURCE OF FUNDING:**

Headwaters Fund Fund-3846

**DISCUSSION:**

On April 28, 2020, the Headwaters Fund Board (HWFB) approved the recommendation to your Board to fund the request from Humboldt Area Foundation for funding to provide rapid response grants to Humboldt non-profits facing immediate need created by the COVID-19 pandemic through the HAF COVID-19 Regional Response Fund. The grant agreement is included (Attachment 1) and is pending review by county counsel and risk management. Upon review and approval, staff recommend that your Board authorize the County Administrative Officer to execute the grant agreement.

In response to the severity of the impact that the COVID-19 pandemic has had on non-profit organizations and the vulnerable communities which they serve, the HAF has partnered with the Wild Rivers Community Fund (WRCF) to raise funding for rapid response grants to local organizations. The full Headwaters Fund CIF application is included (Attachment 3).

The Headwaters Fund Board voted unanimously to grant \$125,000 to the HAF COVID-19 Regional Response Fund in order to facilitate grants to local non-profit agencies under the following criteria.

1. Funds must be matched 100% by either HAF, WRCF, or other donors.
2. Awards may only be granted to County of Humboldt based non-profits facing adversity directly related to the COVID-19 pandemic.
3. Funds must be used for direct program costs, not for general overhead.
4. Awards may only be made to organizations whose receipt of funding will result in direct/indirect job creation or retention.
5. No other funding source may be available (no PPP, other funders, or funds have been exhausted).

The CIF was designed to be flexible in special circumstances. Section 3, Item 37, Extraordinary Project, makes allowance for projects that would normally be considered ineligible. This project proposal meets and far exceeds that test.

Section 3, Item 37, Extraordinary Project states:

- a) Although ineligible according to Headwaters CIF, Grant Fund, and Revolving Loan Fund criteria, an extraordinary project providing extraordinary economic benefit to Humboldt County may still be eligible for Headwaters Funding. This Extraordinary Project must pass the following levels of approval:

- i) Staff and HFB recommendation; and

- ii) Board of Supervisors super-majority vote approval (i.e. approval by at least four out of the five Board of Supervisors).

- b) Selection criteria:

- i) The project must demonstrate a total economic benefit that significantly exceeds the economic benefit from using twice the amount of funds for the Revolving Loan Fund, CIF, or Grant Fund; whichever of the three Funds that would be appropriate and/or most impacted would be the standard against which to judge the Extraordinary Project. In other words, if the Extraordinary Project requests \$1 million, its total economic benefit must exceed using \$2 million for Revolving Loan Fund, CIF, or Grant Fund investments;

- ii) The calculation of total economic benefit should include measures such as county-wide direct and indirect job creation/retention, wealth generation, workforce development, and business development; and

- iii) No alternative sources of funding should be readily available.

Headwaters Fund participation in this program will guarantee a minimum of \$250,000 in grants to County of Humboldt non-profits serving vulnerable communities who have little to no access to outside funding.

This grant is eligible under the extraordinary project criteria in that it provides at least twice economic benefit of HWF funding, provides organizations the ability to retain/create staffing positions, and provides funding to organizations who have no other means of securing funding.

Typical grants made through the HAF fund thus far include but are not limited to:

- Affordable Homeless Housing Alternatives - \$6,000, for additional general operating support for homeless services resulting from the coronavirus and to act as fiscal sponsor for Humboldt Mutual Aid for food & hygiene supplies delivery.
- California Center for Rural Policy - \$22,275, to fund a coordinated North Coast emergency food system response.
- Cooperation Humboldt - \$40,000, for support of increased needs due to the coronavirus, including the Humboldt COVID-19 Response Coalition, the Humboldt Parent Hive Childcare Cooperative, and art therapy for people in recovery with substance use disorders.
- Eureka Rescue Mission - \$10,000, to help meet an increased demand for services resulting from the coronavirus.
- Food for People - \$21,000, to respond to increased COVID-19 related demands on the organization and for human-centered design work with Equinoss Consulting.
- Humboldt Bay Firefighters Local 652 - \$15,300, to purchase reusable medical Personal Protection Equipment jackets for first responders needed to protect them and the public during the coronavirus.
- The Karuk Tribe - \$50,000, for launching a new farm to increase resilience in response to heightened food insecurities brought on by the coronavirus pandemic, and to provide food and sanitation boxes to 40 households (approximately 200 people) who are non-Native, but who are living upriver on tribal lands.
- McKinleyville Family Resource Center - \$10,000, for increased operations costs in supporting families and children with mitigating the effects of COVID-19.
- Redwood Community Action Agency - \$5,265, to purchase Chromebooks for remote education for kids in Parents and Children in Transition (PACT) program.
- United Indian Health Services - \$18,200, to get food and meals to 1,300 elders in local Native communities during the coronavirus and during a gap in federal funding.

Staff recommend your Board approve the supplemental budget request of \$125,000 (Attachment 2) for Headwaters in Fund 1120, Budget Unit 286, to fund this Community Investment Fund Grant.

**FINANCIAL IMPACT:**

There will be no General Fund impact. Financial costs are borne by the Headwaters Fund and included in the current budget of the Headwaters Fund. There is currently \$2,230,544.75 available in Headwaters Fund-3846. Your Board recently committed up to \$2,000,000 of these funds for transfer to the HWF Revolving Loan Fund. There will be \$105,544.75 remaining after this expenditure.

**STRATEGIC FRAMEWORK:**

This action supports your Board's Strategic Framework by providing community-appropriate levels of service protecting vulnerable populations

OTHER AGENCY INVOLVEMENT:

Humboldt Area Foundation  
Wild Rivers Community Fund

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose not to approve staff and HWFB recommendation. This is not recommended as failure to provide additional funding will limit the amount of granting that the HAF COVID-19 Regional Response Fund would be able to facilitate and there is already more demand than their capacity can handle.

ATTACHMENTS:

Attachment 1 - HAF CIF Grant Agreement  
Attachment 2 - Supplemental Budget Request Form  
Attachment 3 - HAF COVID-19 Application

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A  
Meeting of: N/A  
File No.: N/A