

## **VENTURA COUNTY RAPID RESPONSE FUND**

### **DISTRIBUTION PROTOCOL**

March 26, 2020

Modified TBD

This is the Distribution Protocol which will govern the following grants and loans from the Ventura County Rapid Response Fund at the Ventura County Community Foundation. This protocol will be administered by the Special Oversight Committee. Distributions from the fund, while reviewed by the Special Oversight Committee, are subject to approval by the Ventura County Community Foundation Board of Directors.

#### **GRANT AND LOAN PROGRAMS**

##### **A. Individual and Family Assistance Grants**

Individual and family assistance grants will be awarded by the Southeast Ventura County YMCA, with funds provided to the Southeast Ventura County YMCA by the Ventura County Rapid Response Fund. Financial assistance will only be available to individuals and/or families residing in Ventura County who have an adjusted gross income of \$50,000 or less (individually, "Eligible Individuals" and "Eligible Families"; collectively, "Eligible Individuals and Families").

The Special Oversight Committee will adopt criteria and oversee adherence to the approved final criteria for individual and family assistance grants. As the Southeast Ventura County YMCA will be distributing the funding directly to those Eligible Individuals and Families receiving grants, all assistance grants will be subject to final approval by the Southeast Ventura County YMCA Executive Committee.

##### **B. Unrestricted Operating Support for Nonprofits**

Unrestricted operating support will be awarded by the Ventura County Community Foundation to those nonprofit organizations exempt from tax under Internal Revenue Code Section 501(c)(3) per IRS determination letter that maintain a business address in Ventura County and whose work addresses the needs of individuals and families with food and housing support, childcare, wage replacement, mental health care, and more as a result of the COVID-19 health crisis ("Eligible COVID-19 Responding Nonprofits").

### C. Small Business Loans

Small business loans will be available by the Economic Development Collaborative and the Women's Economic Ventures, with financial support provided to each nonprofit agency by the Ventura County Rapid Response Fund. All recommendations for funding and modifications of small business loans will be subject to the criteria developed by the respective nonprofit agency funding the loan and the final approval of that nonprofit agency.

### D. Business Assistance Grants

Business Assistance Grants totaling \$10 million will be funded by the County of Ventura through federal funding associated with the provision of economic support in connection with the COVID-19 public health emergency.

The funding will be awarded in two phases. For the first phase, Business Assistance Grants will be \$5,000 awards to 1,000 recipients and will be available to those small businesses and nonprofit organizations that meet the following criteria (individually, "Eligible Small Businesses" and "Eligible Nonprofits"; collectively, "Eligible Small Businesses and Nonprofits"):

1. The business or nonprofit organization maintains a business license in Ventura County.
2. The business or nonprofit organization was in business on, or before, March 17, 2020.
3. In 2019 the business or nonprofit organization had total annual gross revenue between \$25,000 and \$2 million. For new businesses and nonprofit organizations established on or after January 1, 2020 but before March 18, 2020, total revenue between January 1, 2020 and July 8, 2020 must be between \$25,000 and \$2 million.
4. The business or nonprofit organization has registered with [www.vcreopens.com](http://www.vcreopens.com), if permitted and required to register.
5. The nonprofit organization is exempt from tax under Internal Revenue Code Section 501(c)(3) per an IRS determination letter. For new nonprofit organizations created established on or after January 1, 2020 but before March 18, 2020, the nonprofit organization has applied for or is in the process of applying to

be exempt from tax under Internal Revenue Code Section 501(c)(3).

6. The nonprofit organization has registered and is current with the California Attorney General's Registry of Charitable Trusts. For new nonprofit organizations created established on or after January 1, 2020 but before March 18, 2020, the nonprofit organization has submitted or is in the process of submitting its initial registration with the California Attorney General's Registry of Charitable Trusts.

The County of Ventura Board of Supervisors will adopt priorities and guidelines, which the Special Oversight Committee will implement. The Ventura County Board of Supervisors will be the final authority for all eligibility requirements. All applications will be reviewed by the Economic Development Collaborative and Women's Economic Ventures. As unprecedented demand is anticipated for these grants, awards in the first phase of funding will be based on the groups of funding ("Selection Groups" described further below). An algorithm for each Selection Group will be developed and used by the Economic Development Collaborative and Women's Economic Ventures when conducting their review. Following their review, applications will be recommended to the Special Oversight Committee for approval and confirmed by the Ventura County Community Foundation Board of Directors. Funds in the first phase will be distributed by the Ventura County Community Foundation.

The second phase of funding criteria will be developed after the first phase is complete. Only those who apply in the first phase but do not receive a grant will be considered for funding in the second phase.

#### E. Mental Health and Emotional Wellness

Mental health and emotional wellness support will be available through Give An Hour. Give An Hour Board of Directors has final approval of all programs and services offered by the agency.

### **FUNDING**

The Ventura County Community Foundation, in coordination with the County of Ventura, Amgen Foundation, Southeast Ventura County YMCA, Give An Hour, and the Economic Development Collaborative launched the **Ventura County Rapid Response Fund** on March 13, 2020. Funding from the Ventura County Rapid Response Fund will include:

1. Individuals and family assistance grants for Eligible Individuals and Families through the Southeast Ventura County YMCA. Eligible Individuals and Families seeking assistance are invited to apply

directly at <https://rapidresponsevc.org/>. Undocumented individuals and families should apply to the 805 UndocuFund COVID-19 Fund for financial support. Undocumented individuals and families should apply directly at [www.805undocufund.org](http://www.805undocufund.org).

2. Unrestricted operating support for Eligible COVID-19 Responding Nonprofits. Eligible COVID-19 Responding Nonprofits are invited to apply for funding at [www.vccf.org](http://www.vccf.org) to support their unrestricted operating expenses ensuring that these nonprofits may continue to fulfill their missions and serve Ventura County.
3. Small business loans through the Economic Development Collaborative and the Women’s Economic Ventures. Small businesses seeking small business loans are encouraged to seek assistance from the Economic Development Collaborative by making an appointment with an EDC SBDC Client Service Specialist at <https://edcollaborative.com/covid19/>, and/or from Women’s Economic Ventures at <https://wevonline.org>.
4. Business Assistance Grants for Eligible Small Businesses and Nonprofits. Eligible Small Businesses and Nonprofits seeking Business Assistance Grants are invited to apply at <https://rapidresponsevc.org>.
5. Give An Hour, a national nonprofit whose mission it is to develop national networks of professional volunteers capable of responding to both acute and chronic conditions that arise within our society, will offer ongoing, no-cost emotional wellness and mental health support groups using an online platform. Groups are available in both English and Spanish. These facilitated peer support services aim to address the mental health and emotional well-being needs of our community as we all deal with the stress and related fallout from the COVID-19 pandemic. Individuals seeking mental health and emotional support are encouraged to contact Give An Hour at <https://giveanhour.org/initiatives-and-programs/covid19-ca/>.

***The Ventura County Community Foundation will not take any administrative fees from this Fund; 100% of donations will be awarded based on the criteria of the Ventura County Rapid Response Fund.***

#### **DISTRIBUTIONS**

Distributions from the Ventura County Rapid Response Fund for each of the following claim categories will be apportioned in accordance with the severity of need reflected in the applications generated by each of the three groups being assisted -- **individuals/families, qualifying nonprofits, and qualifying small businesses.**

**Note: Determination of the amounts for each of the following claim categories depends upon the following:**

- 1. The balance of total contributions to the Ventura County Rapid Response Fund at specific points in time as determined by the Special Oversight Committee**
- 2. The receipt of updated data regarding the nature and extent of need among the three groups being assisted through the fund – individuals/families, qualifying nonprofits, and qualifying small businesses**
- 3. Completion of the review of all submitted applications**
- 4. Review by the Special Oversight Committee, and final approval by appropriate governing authority related to specific funding disbursements.**

#### **PROPOSED PRIORITIZATION OF ELIGIBLE CLAIMS**

##### **A. Eligible Individuals and Families**

Eligible Individuals and Families are invited to apply for funding at [www.rapidresponsevc.org](http://www.rapidresponsevc.org). Grants will be distributed based on financial need and hardship occurred due to COVID-19. Distributions will be based on number of applicants and funds available at the time of distribution. All applications will be eligible for support if they meet the criteria outlined in this Protocol. Eligible Families will be given priority over Eligible Individuals. However, Eligible Individuals and Families with children or dependent adults will be given specific priority.

Applicants will be required to submit the following items:

1. A recent W2 or paystub to verify income
2. A copy of a Real ID, Driver's License or government-issued Identification Card, or a valid government-issued Passport to verify identity of each adult in household
3. A signed attestation that no other family member in their household has applied for funding
4. A personal reference

##### **B. Eligible COVID-19 Responding Nonprofits**

Eligible COVID-19 Responding Nonprofits are invited to apply for funding to support their unrestricted operating expenses ensuring that these nonprofits may continue to fulfill their missions and serve Ventura County. Eligible COVID-19 Responding Nonprofits are invited to register and apply here:

<https://vccf.spectrumportal.net/Accounts/LogOn>.

### **C. Small Business Owners Seeking Loans**

Small business owners seeking assistance should schedule an appointment directly with an EDC SBDC Client Service Specialist. Applicants should visit Economic Development Collaborative's COVID-19 Business Resource Page at their website (<https://edcollaborative.com/covid19/>) and click on the "Make An Appointment" box. An EDC SBDC Client Service Specialist will schedule a personal appointment to help walk you through the process.

The Women's Economic Ventures will also be available to provide assistance to women-owned businesses in Ventura County.

### **D. Eligible Small Businesses and Nonprofits Seeking \$5,000 Rapid Response Grants for 1<sup>st</sup> Phase of County of Ventura Funding**

Eligible Small Businesses and Nonprofits may apply for the Business Assistance Grant Program at [rapidresponsevc.org](http://rapidresponsevc.org). Applications must be submitted electronically; special computer stations will be available to those in need.

The \$5,000 grant awards will be available for Eligible Small Businesses and Nonprofits to help offset costs and working capital needs related to COVID-19. Eligible small Businesses and Nonprofits selected for these grants can only receive a grant one time. Applicants are not eligible if they have received other funding from the Ventura County Rapid Response Fund. Applicants shall additionally acknowledge and attest that their owner(s) are allowed to benefit from only one grant award from the Business Assistance Grant Program, regardless of how many Eligible Small Businesses or Nonprofits their owners own and operate.

Businesses and nonprofits that have not received Payroll Protection Plan Loans (PPP) and Economic Injury Disaster Loan (EIDL) will be given a higher probability of receiving an award in each of the Selection Groups outlined below.

Due to the high volume of applications anticipated, awardees will be randomly selected using a specially designed algorithm by the Economic Development Collaborative based on the priorities and guidelines adopted by the County Board of Supervisors on June 16, 2020. At least three virtual public convenings will be held to help answer questions in both English and Spanish regarding the application and process.

Applications will be screened for location, ownership, and gross revenue. Each applicant will be asked to sign an attestation representing that their statements reflected in their application are true, accurate, and complete. Each applicant will be required to attest and submit evidence that they have a current business license or an IRS determination letter, and submit a W-9, a list of owners or members, a statement confirming that they have not received other funding from the Ventura County Rapid Response Fund, a statement regarding whether they have received PPP or EIDL funding, and a financial document (most recent tax filing, a bank statement from March 31, 2020, or an Income Statement for Calendar Year, or Fiscal Year ending in, 2019, and will be required to attest that they have registered with [www.vcreopens.com](http://www.vcreopens.com) if eligible. Only electronic applications will be accepted. Applicants may only apply one time despite how many businesses a person might own, or co-own.

An email notification will be sent to all those who are receiving awards. An email notification will be sent to each applicant that is not selected during the first round of funding with information on the second round of funding by the County of Ventura.

**Special considerations:**

Franchises are eligible, except in situations where a franchisor retains power to control operations to such an extent as to be tantamount to an employment contract. The franchisee must have the right to profit from efforts commensurate with ownership.

Recreational facilities and clubs are eligible provided: (a) the facilities are open to the general public, or (b) in membership-only situations, membership is not selectively denied to any particular group of individuals, and the number of memberships is not restricted either as a whole or by establishing maximum limits for particular groups.

Farms and agricultural businesses are eligible; however, these applicants should first explore the Farm Service Agency (FSA) programs, particularly if the applicant has a prior or existing relationship with FSA.

Fishing vessels are eligible. However, those seeking funds for the construction or reconditioning of vessels with a cargo capacity of five tons or more must first request financing from the National Marine Fisheries Service (NMFS), a part of the U.S. Commerce Department.

Medical facilities such as hospitals, clinics, emergency outpatient facilities, and medical and dental laboratories are eligible. Convalescent and nursing homes are eligible, provided they are licensed by the appropriate government agency and services rendered go beyond those of room and board.

An Eligible Passive Company (EPC) is a small entity that does not engage in regular and continuous business activity and is not eligible for grant funding from this program.

Probation or parole. Applications will not be accepted from firms where a principal is currently incarcerated, on parole, or on probation; is a defendant in a criminal proceeding; or whose probation or parole is lifted.

If selected, a Small Business or a Nonprofit Organization, must use these funds by December 31, 2020 and they may not be used for a different business or nonprofit organization. Funding is not transferrable. Nonprofit Organizations may not use the funds for endowment, reserves, or for providing directly to clients any grants, checks, gift cards, or cash support. Any grant funding not used by the small business or nonprofit organization by December 31, 2020 must be returned to the Ventura County Community Foundation immediately.

***Ineligible businesses and nonprofits types***

Ineligible businesses include those engaged in illegal activities, loan packaging, speculation, multi-sales distribution, gambling, investment or lending, or where the owner is on parole. Ineligible businesses further include strip clubs, liquor stores, and those that are cannabis-related. Ineligible nonprofits include places of worship.

Specific types of businesses and nonprofits not eligible include:

Real estate investment firms, when the real property will be held for investment purposes as opposed to loans to otherwise eligible small business concerns for the purpose of occupying the real estate being acquired.

Firms involved in speculative activities that develop profits from fluctuations in price rather than through the normal course of trade, such as wildcatting for oil and dealing in commodities futures, when not part of the regular activities of the business.

Dealers of rare coins and stamps are not eligible.

Firms involved in lending activities, such as banks, finance companies, factors, leasing companies, insurance companies (not agents), and any other firm whose stock in trade is money.

Pyramid sales plans, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants. Such products as cosmetics, household goods, and other soft goods lend themselves to this type of business.

Firms involved in illegal activities that are against the law in the jurisdiction where the business is located. Included in these activities are the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that permits illegal prostitution.

Gambling activities, including any business whose principal activity is gambling. While this precludes loans to racetracks, casinos, and similar enterprises, the rule does not restrict loans to otherwise eligible businesses, which obtain less than one-third of their annual gross income from either the sale of official state lottery tickets under a state license, or legal gambling activities licensed and supervised by a state authority.

Religious, government-owned corporations, consumer and marketing cooperatives, and churches and organizations promoting religious objectives are not eligible.

#### 1<sup>st</sup> Selection Group (25% of Total Awards)

A total of \$1,250,000 will be awarded in \$5,000 increments to 250 Eligible Small Businesses where at least 51% of the business is owned by (1) one or more women (“Woman-Owned Eligible Small Business”) and/or (2) one or more minority (“Minority-Owned Eligible Small Business”) and/ or at least 51% of the business is owned by a combination of (1) one or more women and (1) one or more minority . To qualify as a Small Business that is considered a Woman-Owned Eligible Small Business, least 51% of the business is directly owned by (1) one or more women. To qualify as a Minority-Owned Eligible Small Business, at least 51% of the business must be directly owned by (1) one or more minority. Minority is defined as an owner whose racial or ethnic background is Asian Indian, Asian Pacific, Black, Native American, or Hispanic, as defined by the U.S. Small Business Administration 8A program for Disadvantaged Businesses (see 13 CFR §124.103). To read more, please visit [https://www.ecfr.gov/cgi-bin/text-idx?SID=206c17928aa11264630e3c4f61b7c625&mc=true&node=se13.1.124\\_1103&rgn=div8](https://www.ecfr.gov/cgi-bin/text-idx?SID=206c17928aa11264630e3c4f61b7c625&mc=true&node=se13.1.124_1103&rgn=div8). A higher



probability for receiving funding will be given to those who have not received PPP or EIDL funding in the random selection process. Eligible Nonprofits will not be included in this Selection Group.

#### 2<sup>nd</sup> Selection Group (25% of Total Awards)

A total of \$1,250,000 will be awarded in \$5,000 increments to 250 Eligible Small Businesses and Nonprofits, including Woman-Owned Eligible Small Businesses and Minority-Owned Eligible Small Businesses, that (1) maintain one or more business address in a Federally Recognized Disadvantaged Community in Ventura County and (2) did not receive an award in the 1<sup>st</sup> Selection Group. This funding will be awarded via a distinct and separate lottery. A higher probability for receiving funding will be given to those who have not received PPP or EIDL funding in the random selection process.

#### 3<sup>rd</sup> Selection Group (50% of Total Awards)

A total of \$2,500,000 will be awarded in \$5,000 increments to 500 randomly selected Eligible Small Businesses and Nonprofits, including those that met the criteria of the 1<sup>st</sup> Selection Group and the 2<sup>nd</sup> Selection Group, that did not receive an award in the 1<sup>st</sup> Selection Group or the 2<sup>nd</sup> Selection Group.. The random selection will be allocated proportionally to Eligible Small Businesses and Nonprofits with business addresses in cities and unincorporated areas in Ventura County based on the most recent Census population data. This funding will be awarded via a distinct and separate lottery. A higher probability for receiving funding will be given to those who have not received PPP or EIDL funding in the random selection process.

#### PROCESS AND PROCEDURES

Individuals/families, nonprofit organizations, and small businesses should complete an online application in order to be eligible to participate in the Program. Instructions for the three groups are available at the Ventura County Community Foundation's website ([www.vccf.org](http://www.vccf.org)).

The process and procedures for consideration of eligible claims will be as follows:

1. The Fund will be administered by a Special Oversight Committee established by the Ventura County Community Foundation, consisting of the following community leaders:

Geoff Dean, Sheriff, Retired; Board of Directors, Ventura County Community Foundation (Co-Chair)  
John Bradley, Rocketdyne, VP of Finance/CFO, Retired (Co-Chair)  
Ellen Brokaw, Owner, Brokaw Nursery  
Tim Hagel, Sheriff, Retired  
Kathy Long, County Supervisor, Retired  
Carmen Ramirez, Attorney, Mayor Pro Tem – City of Oxnard  
Scott Hansen, Senior Vice President, Regional Managing Director, Wells Fargo; Chair, Board of Directors, Ventura County Community Foundation  
Tim Gallagher, Co-Owner, The 2020 Network; Secretary, Board of Directors, Ventura County Community Foundation  
Kathi Van Etten, President & CEO, Simi Valley Chamber of Commerce  
Dr. Gabino Aguirre, 2020 Census Region 5 Coordinator

Andrew Powers, City Manager, Thousand Oaks  
Troy Brown, City Manager, Moorpark  
Sim Tang-Paradis, Vice President, City National Bank  
Barry Fisher, Deputy City Manager for Ventura  
Paul Stamper, Deputy Executive Officer, County of Ventura  
Scott Powers, Deputy Executive Officer, County of Ventura

Dr. Richard R. Rush, Immediate Past President, CSUCI (“Fund Administrator”)  
Jack Edelstein, Nonprofit Consultant; Board of Directors, Ventura County Community Foundation  
 (“Fund Administrator”)

Non-voting members that provide support and guidance to the Special Oversight Committee include:

Vanessa Bechtel, President & CEO, Ventura County Community Foundation  
Bruce Stenslie, President & CEO, Economic Development Collaborative  
Marni Brooks, Director of Lending, Women’s Economic Ventures  
Megan Glynn, Chief Development Officer, Southeast Ventura YMCA  
Mollie Zehling, Director, California Strong  
Calleen O’Neill, Administrative Assistant, Ventura County Community Foundation  
Tracy Tagawa, Consultant, Ventura County Community Foundation  
Stephanie Bertsch-Merbach, Director of Operations, Ventura County Community Foundation  
Jim Rivera, Chief Compliance Officer, Ventura County Community Foundation  
Phylene Wiggins, VP of Community Investment, Ventura County Community Foundation  
Bonnie Gilles, CFO, Ventura County Community Foundation

2. The Special Oversight Committee has been given the authority to develop a protocol for the distribution of funding, with specific emphasis on developing guidelines for individual and family financial assistance to those most seriously affected by the COVID-19 pandemic. The Fund Administrators are responsible for ensuring a fair process and adherence to the protocol, as well as overseeing an appeal process should that arise. The Ventura County Board of Supervisors is the final authority for eligibility requirements for the Business Assistance Grants Program.
3. The Ventura County Rapid Response Fund cannot provide tax advice to those receiving payments from the Fund. The Fund Administrators recommend that claimants consult with personal tax advisors for any questions regarding tax liability for these payments. No person has a legal claim or entitlement to receive payments from the Fund.

## TIMELINE

- March 13, 2020: Ventura County Rapid Response Fund is created and publicized in press releases and outreach to Ventura County agencies, including 2-1-1.
- March 13, 2020: \$25,000 grants were approved to the Economic Development Collaborative, Southeast Ventura County YMCA, and Give An Hour to support infrastructure related to COVID-19 effort.
- March 13, 2020: Small businesses are able to coordinate appointments for assistance with the Economic Development Collaborative SBDC Client Service Specialist.
- March 19, 2020 – March 23, 2020: Three public virtual convenings are held to address questions and provide clarity on the Ventura County Rapid Response Fund and how to seek assistance. A recording is available on our website as a public reference.
- March 19, 2020: Individuals and families can begin to submit applications for funding on HIPPA compliant website <http://rapidresponsevc.org>.
- March 19, 2020: Nonprofit organizations providing basic and emergency needs to residents in Ventura County can begin to submit applications for unrestricted operating support needed due to response efforts necessitated by COVID-19.
- March 19 and Ongoing: As applications are completed, each individual, family, nonprofit organization, and small business owner receive personal communication and referrals to other support options available.
- March 19 and Ongoing: Individual and family applications are also sent to 2-1-1 to upload into a shared case management system.
- March 27, 2020 – March 30, 2020: Approval of amount to be sent to Southeast Ventura County YMCA for first round of funding.
- March 27, 2020: 2<sup>nd</sup> round of funding awarded to nonprofit organizations providing basic needs support related to COVID-19.
- March 31, 2020: Individuals and families are notified of additional paperwork needed for due diligence process. Paperwork is sent to the Southeast Ventura County YMCA.
- April 1, 2020: 1<sup>st</sup> round of funding distributed to individuals and families.
- April 6, 2020: 3<sup>rd</sup> round of funding awarded to nonprofit organizations providing basic needs support related to COVID-19.
- April 22, 2020: 2<sup>nd</sup> round of funding distributed to individuals and families.
- April 22, 2020: 4<sup>th</sup> round of funding awarded to nonprofit organizations providing basic needs support related to COVID-19.
- April 30, 2020: 3<sup>rd</sup> round of funding distributed to individuals and families.
- May 4, 2020: 4<sup>th</sup> round of funding awarded to nonprofit organizations providing basic needs support related to COVID-19.

- May 21, 2020: 5<sup>th</sup> round of funding awarded to nonprofit organizations providing basic needs support related to COVID-19.
- June 24, 2020: Application for small businesses and nonprofits for the Business Assistance Grant Program is open at 9:00 a.m.
- June 24 – July 7, 2020: At least three virtual public outreach convenings will be held in both English and Spanish to answer questions and discuss process and criteria.
- July 8, 2020: Application for small businesses and nonprofits for the Business Assistance Grant Program is closed at 11:59 p.m. Applications that are incomplete or need revisions/corrections must be amended and/or re-submitted prior to the deadline for consideration this round of funding.
- July 22, 2020: Three Selection Rounds outlined above will take place; applicants reviewed by the Economic Development Collaborative and Women’s Economic Ventures, and recommended for approval to the Special Oversight Committee.
- July 23, 2020: Special Oversight Committee meets to affirm recommended recipients for the three Selection Rounds; approval confirmed by the Ventura County Community Foundation Board of Directors.
- August 12, 2020: Checks mailed to businesses and nonprofits for the Business Assistance Grant Program.
- August 17 – 21, 2020: Email notification sent to applicants about the status of their award.