

**RESOLUTION NO. 2021-262**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
ESTABLISHING THE AMERICAN RESCUE PLAN ACT (ARPA) NONPROFIT GRANT  
PROGRAM AND ADOPTING THE ARPA NONPROFIT GRANT PROGRAM  
GUIDELINES**

**WHEREAS**, the COVID-19 pandemic has had a significant negative financial effect on many of Elk Grove's nonprofit organizations, which have seen increased demand for services and/or a loss in revenue associated with shutdown and "stay at home" orders; and

**WHEREAS**, on July 28, 2021, the City Council established a budget for funding allocated to the City from the American Rescue Plan Act of 2021 (ARPA) Fiscal Recovery Funds package to include \$2,500,000 for nonprofit grants to assist those that have faced economic hardship resulting from or exacerbated by the COVID-19 public health emergency, or those that have created new programming to address needs of households disparately impacted by the pandemic and its economic effects; and

**WHEREAS**, staff proposes to implement an ARPA Nonprofit Grant Program in accordance with the guidelines presented to and adopted by the City Council on September 8, 2021.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Elk Grove hereby establishes the ARPA Nonprofit Grant Program, approves the guidelines for the program, attached hereto as Exhibit A and incorporated herein by reference, and authorizes the City Manager to implement the program consistent with the guidelines and in accordance with state and federal requirements.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 8<sup>th</sup> day of September 2021.




BOBBIE SINGH-ALLEN, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

  
JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:

  
JONATHAN P. HOBBS,  
CITY ATTORNEY



## EXHIBIT A

# American Rescue Plan Act Nonprofit Grant Program Guidelines

### BACKGROUND AND GENERAL INFORMATION

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARPA) into law. The \$1.9 trillion Fiscal Recovery Funds package is intended to combat the COVID-19 pandemic, including public health and economic impacts. The City of Elk Grove (City) is scheduled to receive a total of \$21,944,605 over two years to respond to the COVID-19 public health emergency and its economic impacts.

At the August 11, 2021 meeting, the Elk Grove City Council approved a total of \$2,500,000 of ARPA funding to be made available as grants to nonprofits that have faced economic hardship resulting from or exacerbated by the public health emergency. Such grants could include funds to cover a loss of earnings, decline in revenues, or impacts of cancelled fundraising events during periods of closure or limited operations due to public health orders; unexpected expenses related to an increased demand for services or mitigation efforts to contain the spread of COVID; and/or other necessary expenditures related to the COVID-19 public health emergency.

### ELIGIBLE ORGANIZATIONS

The City's ARPA nonprofit grant program is designed to support organizations, programs, and activities that benefit Elk Grove residents. Organizations eligible to apply include nonprofits that are corporations, associations, agencies, or faith-based organizations with a 501(c)(3) or 501(c)(6) nonprofit status under the Internal Revenue Service Code. For-profit entities and individuals are not eligible.

Eligible organizations shall meet the following requirements:

- Serve Elk Grove residents or businesses.
- Be in good standing with the California Secretary of State and the California Attorney General's Registry of Charitable Trusts, if required by law to be registered.
- Demonstrate financial impacts directly related to the COVID-19 pandemic. This could be due to an increase in services provided, an inability to hold fundraising events, loss of revenue related to government-mandated shutdowns, increased costs for complying with reopening requirements, or costs of new programming designed to assist those disparately impacted by the pandemic and its economic effects.
- Provide proof of insurance to the satisfaction of the City's Risk Manager prior to the receipt of any funding.

Organizations that received other COVID-19 funding assistance such as, but not limited to, Federal CARES Act funding; Paycheck Protection Program (PPP) loans; Economic Injury Disaster Loans (EIDL); or Community Development Block Grant – Coronavirus (CDBG-CV) funds are eligible to apply for ARPA funding so long as expenses are not duplicated.

**GRANT AWARDS**

A total of \$2,500,000 is available for eligible nonprofits. A minimum of \$5,000 and a maximum of \$350,000 is available per organization.

**ELIGIBLE COSTS** *(including but not limited to)*

- Loss of earnings, decline in revenues, or impacts of cancelled fundraising events during periods of closure or limited operations due to COVID-19 public health orders.
- Costs associated with implementation of prevention or mitigation measures to contain the spread of the virus, such as physical changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing or contact tracing programs.
- Reimbursement of expenses related to the organization's response to the COVID-19 public health emergency such as payroll and benefit costs; costs to retain employees; mortgage, rent or utilities costs; and other related operating costs.
- Funding for new programs designed in response to the COVID-19 pandemic or those designed to serve a population disparately impacted by the public health emergency and its economic impacts, such as lower-income households.

**INELIGIBLE COSTS** *(including but not limited to)*

- Loss that bears no relation or are grossly disproportionate to the type or extent of harm experienced due to the COVID-19 public health emergency.
- Contributions to rainy day funds, financial reserves, or similar funds.
- Payment of interest or principal on outstanding debt instruments.
- Inherently religious activities, such as worship, religious instruction, or proselytization and/or those that promote or inhibit religious interest.
- Lobbying, support of candidates for public office, or other political activities.
- Past infrastructure projects that did not comply with California Labor Code Section 1770 et seq., regarding the payment of prevailing wage.
- Funding for programs or organizations that do not serve Elk Grove residents.
- Economic hardship incurred outside of the period beginning January 27, 2020 and ending June 30, 2023.
- Expenses reimbursed or eligible for reimbursement through any other contract or agreement with the City, including but not limited to Community Service Grant, Community Development Block Grant, and CARES grants.

**GRANT PERIOD**

In general, applicants may apply for funds to cover COVID-19 related economic loss or costs incurred during the period beginning January 27, 2020 and ending June 30, 2023. New programs and activities will typically be funded for programming not to exceed 18-months beginning January 1, 2022, and ending on or before June 30, 2023.

## HOW TO APPLY

The ARPA Nonprofit Grants Program application will be available through the City's website at [www.elkgrovecity.org/grants](http://www.elkgrovecity.org/grants) from **September 10, 2021 through October 3, 2021**. Applications must be submitted electronically; hard copies will not be accepted.

Staff is available to answer questions about the application requirements, eligible activities, or the funding process once the application is posted through the deadline. Please contact Alicia Tutt at 916-627-3735 or [atutt@elkgrovecity.org](mailto:atutt@elkgrovecity.org) with questions.

Applicants will be required to submit the following information:

- Organization Overview
  - Organization name and contact information
  - Mission statement
  - Proof of nonprofit status
  - Length of time in existence
  - Number of employees
  - Description of services provided to Elk Grove residents
  - Number of Elk Grove residents served in recent fiscal years
  - Description of how the organization typically raises funds
  - Description of how the organization has been negatively impacted by COVID-19
  - Steps the organization has taken to address financial impacts of COVID-19
- Grant Request
  - Amount requested
  - Requests for existing programs/activities:
    - Description of how requested funding will mitigate financial hardship experienced as result of the COVID-19 public health emergency and its economic impacts
  - Requests for new programs/activities:
    - Description of how program/activities(s) respond to needs created by the COVID-19 pandemic
    - Target beneficiaries, including how they've been impacted by COVID-19
    - Description of proposed outcomes (e.g., persons served)
    - Proposed budget, including line-item expenses
    - Timeline for fund expenditure
- Organizational budget
  - Agency budget, showing actual revenue and expenditures by categories for the following time periods:
    - January – December 2019
    - January – December 2020
    - January – June 2021

- Current operating year budget, showing revenue and expenditure projections
- Amount and description of use of Federal CARES Act and American Rescue Plan Act assistance received, including but not limited to, PPP, EIDL, CDBG-CV, and City CARES grant funds (if applicable)
- Insurance coverage information
- Conflict of interest documentation
- Any other supporting information the organization would like the review panel to consider (may be limited in size or length)

### **APPLICATION REVIEW PROCESS**

City staff will review grant applications for completeness and eligibility. Applicants may be asked to revise proposals or provide additional information.

Complete and eligible applications will then be reviewed by a review panel. The panel will meet virtually to discuss the applications and make a recommendation for funding to the City Council. The City Council will consider the panel's recommendations and make final award determinations in early November.

### **APPLICATION REVIEW CRITERIA**

Award allocations will be based on total number of applicants, completeness of applications, expense eligibility, organizational need, community benefit, and organizational operating budget size. No cash match is required.

Review panel members may consider the following factors in their evaluation:

- Organization is a qualifying nonprofit
- Financial impact of COVID-19 is clear and demonstrated
- Impact of other Federal or City assistance received, alone or in comparison to other applicants
- Need for financial assistance in order to remain operational
- Program description and impact of program on communities and populations most disproportionately impacted by the pandemic, i.e. low-income and socially vulnerable communities
- Ability to expend funds by June 30, 2023 (new programming only)
- Fiscal and administrative capacity to administer the funding in compliance with requirements
- Grant budget is provided, reasonable, and aligns with eligible expense categories
- Other factors as deemed appropriate by the panel members

**APPLICATION TIMELINE**

The City anticipates the following schedule for reviewing submitted applications and determining funding awards:

September 10, 2021	Release of application
October 3, 2021 at 11:59pm PT	Deadline for application submissions
October 4 – November 10, 2021	Application review period
November 10, 2021	City Council Meeting (award determinations)
November 11, 2021	City staff begin drafting grant agreements

**PUBLIC RECORD**

Unless otherwise exempt under applicable law, applications and application materials are public records. All information received from an applicant, whether received in connection with a grant application or in connection with any grant-funded activities performed, are subject to disclosure pursuant to the California Public Records Act, unless otherwise exempt.

**AFFIDAVIT, WAIVER, AND RELEASE FORM**

All nonprofit organizations offered a grant who choose to accept the grant will be required to sign a non-negotiable affidavit, waiver, and release form prior to payment being made. The affidavit will require the applicant to declare that all information contained in the application is true and correct and can be used as admissible evidence in any legal proceeding against the company if the City attempted to recoup any grant funds provided under false pretenses.

**IF FUNDED**

Grant awards will be made in the form of an agreement executed between the applicant and the City. The grant period, scope, allowable budget, and reporting requirements will be outlined in a contract between the applicant organization and the City. All awarded funds for new programming/activities must be expended no later than June 30, 2023.

**CERTIFICATION**  
**ELK GROVE CITY COUNCIL RESOLUTION NO. 2021-262**

STATE OF CALIFORNIA            )  
COUNTY OF SACRAMENTO        )        ss  
CITY OF ELK GROVE                )

*I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on September 8, 2021 by the following vote:*

**AYES:**            **COUNCILMEMBERS:** *Singh-Allen, Hume, Spease, Suen*

**NOES:**           **COUNCILMEMBERS:** *None*

**ABSTAIN:**       **COUNCILMEMBERS:** *None*

**ABSENT:**       **COUNCILMEMBERS:** *Nguyen*

  
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**Jason Lindgren, City Clerk**  
**City of Elk Grove, California**