



# CITY OF NEWARK

## CITY COUNCIL

City Administration Building, City Council Chambers

37101 Newark Boulevard, Newark, CA 94560 | (510) 578-4266 | E-mail: [city.clerk@newark.org](mailto:city.clerk@newark.org)

AGENDA and NOTICE  
Special Meeting  
Thursday, November 19, 2020  
6:00 P.M.

**THIS IS A MEETING BY VIRTUAL TELECONFERENCE ONLY.  
THE CITY COUNCIL CHAMBERS WILL NOT BE OPEN.  
REFER TO THE END OF THE AGENDA TO REVIEW OPTIONS FOR PARTICIPATING IN THE  
MEETING REMOTELY OR TO SUBMIT PUBLIC COMMENTS VIA EMAIL.**

### **A. ROLL CALL**

### **B. NEW BUSINESS**

- B.1 Allocation of \$140,000 from Appropriations to the Alameda County CARES Matching Grant Program and Authorization for the City Manager to Take all Necessary Actions to Participate in the Alameda County CARES Grant Program – from Community Development Director Turner.(RESOLUTION)**

### **C. CLOSED SESSION**

- C.1 Closed session for conference with Labor Negotiators pursuant to California Government Code Section 54957.6. Agency designated representative: City Manager Benoun and Assistant City Manager Hovorka, Employee Groups: the Newark Police Association, the Newark Police Management Association, the Newark Association of Miscellaneous Employees; City Officials and the Management, Supervisory, and Professional Employee Group; and the Confidential Employee Group.**

### **D. ADJOURNMENT**

## IMPORTANT NOTICE REGARDING CITY COUNCIL MEETING

Due to the COVID-19 pandemic, the City of Newark made changes related to City Council meetings to protect the public's health and prevent the disease from spreading locally. As a result of the COVID-19 public health emergency, including the Alameda County Health Officer and Governor's directives for everyone to shelter in place, **the City Council Chambers will be closed to the public.** Members of the public should attempt to observe and address the Council using the below technological processes.

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic. In accordance with Executive Order N-29-20, the public may only view the meeting on television and/or online.

Mayor Nagy, Vice Mayor Freitas, and Council Members Collazo, Hannon, and Bucci will be attending this meeting via teleconference. Teleconference locations are not open to the public. All votes conducted during the teleconferencing session will be conducted by roll call vote.

### **How to view the meeting remotely:**

Live television broadcast - Comcast Channel 26

Livestream online at- <https://www.newark.org/departments/city-manager-s-office/agendas-minutes/live-streaming-meetings>

### **How to participate in the meeting remotely, via Zoom Webinar:**

From a PC, Mac, iPad, iPhone or Android device: <https://zoom.us/j/92858342881>

From a telephone dial 1 669 900 9128, Webinar ID 928 5834 2881

Provide live, remote public comments, when the Mayor calls for comments. Use the raise your hand feature in Zoom to be called upon by the City Clerk.

For frequently asked Zoom questions, please go to <https://www.newark.org/departments/city-manager-s-office/agendas-minutes> and select the Frequently Asked Questions link.

### **Submission of Public Comments:**

Public comments received by 4:00 p.m. on the Council meeting date will be provided to the City Council and considered before Council action. Comments may be submitted by email to [City.clerk@newark.org](mailto:City.clerk@newark.org). Comments may also be submitted via e-mail to [city.clerk@newark.org](mailto:city.clerk@newark.org) at any time prior to closure of the public comment portion of the item(s) under consideration.

Reading of Public Comments: The City Clerk will read aloud email comments received during the meeting that include the subject line "FOR THE RECORD" as well as the item number for comment, provided that the reading shall not exceed five (5) minutes, or such other time as the Council may provide, consistent with the time limit for speakers at a Council meeting and consistent with all applicable laws. Matters brought before the Council that require Council action may be either referred to staff or placed on a future Council agenda.

No question shall be asked of a council member, city staff, or an audience member except through the Mayor. No person shall use vulgar, profane, loud or boisterous language that interrupts a meeting. Any person who refuses to carry out instructions given by the Mayor for the purpose of maintaining order may be guilty of an infraction and may result in removal from the meeting.

**Council Meeting Access/Materials:**

The agenda packet is available for review at <https://www.newark.org/departments/city-manager-s-office/agendas-minutes>. The packet is typically posted to the City website the Friday before the meeting, but no later than 72 hours before the meeting.

Pursuant to Government Code 54957.5, supplemental materials distributed less than 72 hours before this meeting, to a majority of the City Council, will be made available for public inspection at this meeting and will be posted, if time allows, at <https://www.newark.org/departments/city-manager-s-office/agendas-minutes>. Materials prepared by City staff and distributed during the meeting are available for public inspection at the meeting or after the meeting if prepared by some other person. Documents related to closed session items or are exempt from disclosure will not be made available for public inspection. For those persons who require special accommodations, please contact the City Clerk at least two days prior to the meeting at [city.clerk@newark.org](mailto:city.clerk@newark.org) or 510-578-4266.

**B.1 Allocation of \$140,000 from Appropriations to the Alameda County CARES Matching Grant Program and Authorization for the City Manager to Take all Necessary Actions to Participate in the Alameda County CARES Grant Program – from Community Development Director Turner. (RESOLUTION)**

**Summary** – Last week the Alameda County Board of Supervisors allocated \$5 million towards a one-time small business grant in the amount of \$5,000 to be distributed Countywide to small, non-chain businesses through a lottery process. The County allocated an additional \$3 million towards a matching program that would allow cities to contribute monies that would be matched by the County, all of which would be distributed to businesses within the matching city’s jurisdiction.

This staff report recommends that the Council allocate \$140,000 from appropriations towards this matching program, thereby distributing a total of \$280,000 to Newark small businesses.

**Background/Discussion** – In March 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The package provides over \$2 trillion in economic relief programs to assist workers, families, and businesses, as well as state, local, and tribal governments. The State of California received over \$15 billion in CARES Act funding and has distributed \$604,590 to the City of Newark.

On September 24, 2020, the Council adopted the NEWARK CARES Funding Plan that allocated the monies to three general programs: (1) \$200,000 for a residential rental assistance program; (2) \$200,000 for a small business grant program; and (3) \$204,590 for miscellaneous programs and services, including food distribution events, personal protective equipment (PPE) for Newark community members, and reimbursements for various expenses previously incurred by the City.

On November 12, 2020, staff provided the Council with updates on the residential renter and small business grant programs. The residential rental assistant program, administered by the Fremont Family Resource Center, is accepting grant applications through November 20, 2020 with grants expected to be distributed by December 18, 2020. In October, the City received 81 complete applications from eligible small businesses as part of the small business grant program. Forty business were selected at random, each receiving \$5,000 grants that were issued at the end of October. All funds are expected to be distributed by the December 30, 2020, deadline established by the CARES Act.

On November 10, 2020, the Alameda County Board of Supervisors authorized funding to support small, emerging businesses through the Alameda County CARES Grant Program. Similar to Council’s earlier findings, the Board of Supervisors recognized that small business survival and sustainability is vital to restoring economic activity, retaining quality jobs, and driving development in communities most affected by the COVID-19 pandemic. The funding initiative established the program to be administered by the East Bay Economic Development Alliance (EBEDA) in an amount not to exceed \$5,000,000 for eligible businesses throughout the County. Program eligibility, application requirements, and grantee selection process are

very similar to the Newark small business grant program. Newark businesses that have applied and/or received funding via the Newark CARES Small Business Grant Program are eligible to apply for the County program. No City funds are required for participation in this program. The application period began on November 16, 2020 and ends at 11:30PM on November 30, 2020.

City staff is advertising this new program to our local business community by promoting it on social media, notifying businesses that previously applied for the NEWARK CARES Small Business Grant Program, and through the Chamber of Commerce.

In addition to the \$5,000,000 countywide grant program, the Board of Supervisors allocated \$3,000,000 in matching grant funds available to cities who choose to allocate local funds for small business grants. Matching grant funds would be provided dollar-for-dollar with the local allocation. For example, a city that chooses to allocate \$50,000 for the grant program would receive \$50,000 from the county program for a total of \$100,000 grant funds.

Although details of the local match grant program have yet to be finalized, staff recommends that the Council allocate \$140,000 from appropriations to be used for the program, as further explained below.

Staff has participated in initial discussions with EBEDA regarding both grant programs. It appears that the matching grant funds would be available on a first-come, first-served basis, and that funding commitments have to be transmitted via resolution to EBEDA by November 30, 2020.

If matching grant funds are awarded to Newark, a total of \$280,000 would be available to support Newark small businesses. This would build upon the earlier small business support provided by the City through the NEWARK CARES Funding Plan. Submittal of a funding authorization resolution as quickly as possible will provide the best chance that matching funds are awarded to Newark.

There are two possible scenarios for matching grant funds administration:

1. EBEDA administers the matching grant fund program – In this scenario, Newark business owners would be subject to the eligibility criteria, application requirements, and grant award process established by the County/EBEDA. Newark would provide our local allocation directly to EBEDA, which would issue the grant awards. It is unclear whether any administration fee would be charged.
2. City of Newark administers the matching grant fund program – In this scenario, the City would control grant awards, subject to any criteria that the County/EBEDA may establish.

If the County/EBEDA establishes criteria for the use of these funds, the City would launch a new small business grant program within our community, consistent with the established

criteria. The new program would be an accelerated version of the Newark CARES program that was recently concluded, in order to use the funds in a timely manner. Funds must be distributed no later than December 30, 2020.

If the County/EBEDA does not establish criteria and instead provides complete control of the program to Newark, staff would use the existing Newark CARES small business applications for grant award consideration.

Under this arrangement, and in order to use the funds in a timely manner due to end of the year deadlines, staff recommends awarding \$5,000 grants to each of the 41 eligible businesses that were not randomly selected for grants in October (for a total of \$205,000). In addition, there are 15 businesses that started filling out the application, but did not finish within the deadline. Staff recommends having those businesses complete the application. The City could award \$5,000 grants to those businesses who submit complete information and are confirmed as eligible.

Under this scenario, if all applications are determined to be complete and identified as eligible, a total of \$75,000 in additional grants could be awarded. Total maximum grant awards would be \$280,000.

If it is determined that EBEDA would administer the matching grant program (Scenario 1), the City could have less control over the grant eligibility and selection process. However, having EBEDA administer this program would reduce City staff work to implement the program in a timely manner.

Under Scenario 2, the amount of staff work and administration will depend on whether or not the City is subject to County/EBEDA criteria. If the City retains control and is not subject to the County/EBEDA criteria or requirements, grants could be issued relatively quickly with some work necessary to have the incomplete applications filled out and returned. However, if the City would be subject to criteria, a new grant program would need to be developed, launched, and administered resulting in a substantial staff work effort and within a very short time frame (CARES Act funds must be expended by the end of the year).

In either scenario, Newark small business would benefit through the distribution of additional grant funds during a time of unprecedented challenges. There is a clear need for economic relief, particularly since the County reverted to the purple “widespread” tier, which limits certain economic activities.

Staff will continue to work with EBEDA on the final program parameters. Any new information received after publication of this report will be provided at the November 19 Council meeting.

For all of the foregoing reasons, staff recommends that the Council adopt the attached resolution that allocates the sum of \$140,000 towards this matching program, thereby distributing a total of \$280,000 in total to Newark businesses, which would certainly assist the

local economy with the COVID-19 recovery. The attached resolution also authorizes the City Manager to take any and all actions necessary to implement the grant program, as well as make any necessary adjustments because this is an evolving and developing program and there is a desire to provide financial support to Newark businesses.

**Attachments – Resolution**

**Action** – Staff recommends that the City Council, by resolution, allocate \$140,000 from appropriations for the Alameda County CARES Grant Matching Program and authorizing for the City Manager to take all necessary actions to participate in the Alameda County CARES Grant Program.

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
NEWARK ALLOCATING \$140,000 FROM APPROPRIATIONS  
FOR THE ALAMEDA COUNTY CARES GRANT PROGRAM  
AND AUTHORIZING THE CITY MANAGER TO TAKE ALL  
NECESSARY ACTIONS TO PARTICIPATE IN THE  
ALAMEDA COUNTY CARES GRANT PROGRAM

WHEREAS, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease named “coronavirus disease 2019” (“COVID-19”); and

WHEREAS, COVID-19 is easily transmissible from person to person, and community spread of the disease has occurred throughout the United States and California, including in Alameda County; and

WHEREAS, on January 31, 2020, the Secretary of the United States Department of Health and Human Services declared a public health emergency for the entire United States to aid the nation’s healthcare community in responding to COVID-19; and

WHEREAS, on March 1, 2020, the Alameda County Health Officer declared a public health emergency throughout the County of Alameda relating to COVID-19, which was ratified by the Alameda County Board of Supervisors on March 10, 2020; and

WHEREAS, on March 4, 2020, the Governor of California proclaimed a state of emergency regarding COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national state of emergency in response to the spread of COVID-19 within the United States of America; and

WHEREAS, on March 16, 2020, due to an escalating increase in the number of COVID-19 cases in Alameda County, the City Manager, acting as Director of Emergency Services, found that the conditions related to the COVID-19 pandemic were of extreme peril to the safety of persons and property within the territorial limits of the City and thus proclaimed a local emergency pursuant to Newark Municipal Code Section 2.16.060 and Government Code Section 8558; and

WHEREAS, on March 16, 2020, the Alameda County Health Officer, issued a legal order directing residents in Alameda County to shelter at home beginning March 17, 2020. The order in Alameda County limited activity, travel, and business functions to only the most essential needs (the “shelter in place order”); and

WHEREAS, on March 19, 2020, the Governor of California issued Executive Order N-33-20 ordering all individuals within the State of California to stay home or at their place of residence, except as needed to maintain continuity of operation of the federal critical infrastructure sectors, critical government services, schools, childcare, and construction (the “State order”); and



WHEREAS, the shelter in place order and the State order have been modified to gradually allow some activity under limited circumstances and social distancing guidelines, but both remain in place and large segments of the economy remain closed or severely limited; and

WHEREAS, during this time, many businesses are experiencing substantial declines in business income as a result of business closures, customer fear to leave home, or the loss of hours, which threatens their ability to pay rent, maintain payroll, and continue operating; and

WHEREAS, businesses are an integral part of the economy and community of Newark; and

WHEREAS, local businesses are a significant source of jobs, tax revenue and essential services for the community; and

WHEREAS, business closures will negatively impact the local economy by resulting in layoffs to employees and businesses ceasing to provide services to residents of the City, reducing rent payments to property owners with mortgages, contributing to vacancies that undermine business for surrounding tenants and for property owners, and negatively impact local health by reducing the number of retail and commercial spaces available to provide essential services while maintaining social distancing, and will result in decreased tax revenues available to the City to respond to COVID-19 and other public health and safety concerns; and

WHEREAS, in March 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act, an economic stimulus package in response to the economic impacts associated with the COVID-19 Pandemic; and

WHEREAS, on November 10, 2020 the Alameda County Board of Supervisors authorized implementation of a \$5,000,000 funding initiative to support small, emerging businesses, the “Alameda County CARES Grant Program”. In addition, the Board of Supervisors allocated \$3,000,000 is to be used as a source of dollar-for-dollar matching funds to provide direct assistance to cities that allocate funds for local business grant programs; and

WHEREAS, to assist Newark businesses that are experiencing, and will continue to experience, severe negative economic impacts due to the COVID-19 pandemic, the City of Newark desires to participate in the Alameda County CARES Grant program by allocating \$140,000 that would be matched with an equivalent amount to be used to provide up to \$280,000 in \$5,000 one-time grants to support qualifying Newark small businesses; and

WHEREAS, there may be certain administrative costs associated with participating in the Alameda County CARES Grant program and the City Council desires to allow a portion of the \$140,000 allocation to be utilized for necessary administrative costs.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Newark hereby approves the allocation of \$140,000 from appropriations to participate in the Alameda County CARES Grant program as described in this Resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Newark authorizes the City Manager to take all appropriate action to participate in the Alameda County CARES

Grant program and make, enter and execute any agreements and similar documents in a form acceptable to the City Attorney, and take any actions, necessary and proper to effectuate the intent of this resolution.