



AGENDA ITEM NO.11

CITY OF HAWTHORNE CITY COUNCIL AGENDA BILL

For the meeting of *January 11, 2022*

Originating Department: Housing Department

City Manager: *Vontray Norris*
Vontray Norris

Director of Housing: *Kimberly Mack*
Kimberly Mack

SUBJECT:

Resolution No. 8325 of the City Council authorizing the release of checks and warrants issued in connection with the Emergency Business Assistance Program

RECOMMENDED MOTION:

The staff advises the City Council review and approve the release of checks and warrants issued in conjunction with the Emergency Business Assistance Program.

DISCUSSION:

The Emergency Business Assistance (EBA) Program provides grant assistance to micro and small businesses in the City of Hawthorne that have been negatively impacted by the coronavirus pandemic (COVID-19). Eligible microenterprises may receive a grant of up to \$10,000. Qualified small businesses may receive a grant of up to \$25,000. The funds provide support to businesses for payroll, rent, personal protective equipment, and other costs required to resume or expand business operations. All grant payments are made as reimbursements for actual costs.

Applications have been received and approved for eligible businesses. Therefore, authorization is requested to issue the checks on a streamlined basis to avoid delays in providing necessary relief to the eligible participants.

FISCAL IMPACT:

None. The Substantial Amendment to the FY2020-2021 Action Plan allocates a total of \$350,000 of CDBG-CV funds for the Emergency Business Assistance (EBA) Program. More specifically, \$250,000 has been made available for the program's small business component, and \$130,000 has been made available for the microenterprise component.

RESOLUTION NO. 8325

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE,
CALIFORNIA AUTHORIZING THE RELEASE OF CHECKS AND WARRANTS
ISSUED IN CONNECTION WITH THE EMERGENCY BUSINESS ASSISTANCE
PROGRAM**

WHEREAS, on April 27, 2021, the City Council approved the City's Emergency Business Assistance Program ("EBA"), which provides grant assistance to micro and small businesses in the City of Hawthorne that have been negatively impacted by the coronavirus pandemic (COVID-19). Microenterprises may be eligible to receive a grant of up to \$10,000. Qualified small businesses may receive a grant of up to \$25,000.

WHEREAS, staff anticipates that the EBA program assists eligible businesses by providing support for payroll, rent, personal protective equipment and other costs required to resume or expand business operations, and all grant payments are made as reimbursement for actual costs; and

WHEREAS, the City Council has allocated \$350,000 in CDBG-CV funds for the EBA program. Specifically, \$250,000 has been made available for the program's small business component, and \$130,000 has been allocated to the microenterprise component; and

WHEREAS, the City's usual practice is for the City Council to audit warrants and checks against the City Treasury prior to their issuance; and

WHEREAS, this process can mean that a warrant or check is not released until weeks after it has been prepared; and

WHEREAS, the City Council desires to streamline the process for delivering EBA assistance to eligible businesses.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the recitals in Resolution No. 8325 are true, correct and incorporated by reference herein.

Section 2. Pursuant to Government Code Section 37208(b), the City Council waives the requirement that warrants and checks issued in connection with the EBA program be audited by the City Council prior to issuance, so long as the City Manager and the Finance Director certify to the City Treasurer that each such check has been issued pursuant to the requirements of the EBA program and so long as there have been sufficient funds appropriated to the EBA program by the City Council for such payments. Notwithstanding this waiver, the Finance Director shall make a report to the City Council of each payment that has

been made pursuant to this authorization. Such report shall be made at the next meeting of the City Council at which it is practicable for the Finance Director to make such report, and such report may be presented with (or be a part of) the usual report of warrants and checks for audit by the City Council.

Section 3. That this resolution shall be in full force and effect immediately upon its passage and adoption thereof.

PASSED, APPROVED and ADOPTED this 11th day January, 2022.

ALEX VARGAS, Mayor
City of Hawthorne, California

ATTEST

PAUL JIMENEZ
City Clerk

APPROVED AS TO FORM:



ROBERT M. KIM
City Attorney