

**LAKE COUNTY SMALL BUSINESS  
COVID-19 RECOVERY TEAM**

Courthouse - 255 North Forbes Street  
Lakeport, California 95453  
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February 8, 2021

To Director Isabel Guzman:

We would like to thank the state, and the Office of Small Business Advocate, for offering a substantial amount of grant funding via the California Small Business COVID-19 Relief Grant Program. However, as you progress through the second round of funding, we would like to request a change in criteria or formula to ensure equity in this program in providing grant funding to rural communities such as Lake County.

- Provide an equitable share of grant funding to Lake County businesses
- Provide an equitable share of grant funding to rural counties in California
- Implement the economic weight a business carries within a county into your formula to prioritize business eligibility

We hope that you find our request compelling in seeing that not all businesses impact communities the same and that a new criteria or formula as to which businesses will be prioritized for the grants second round would benefit everyone in making this a fairer approach to helping each county survive the economic hardship equally and equitably.

When comparing counties around us via census.gov, it appears that when using the employer establishments of 2018 and population county of 2019 that in Lake County there are just over 17 employer establishments for every 1000 people. In neighboring counties (i.e. Mendocino, Sonoma, Napa) the ratio is just below 28.5 to 31.3 employer establishments for every 1000 people. That is an approximately 40-45% increase in employer establishments for every 1000 people in neighboring counties. An urban area like Los Angeles shows 28 employer establishments for every 1000 people. Additionally, each employer establishment in Lake County provides \$2700 per 1000 people to the community. In neighboring communities, the average is \$1784 per 1000 people in their community with it going as low as \$1203 per 1000 people in Napa. We request that you utilize these data points in reviewing the California Small Business COVID-19 Relief Grant Program Round 2 criteria or its formula. Lake County has followed all state regulations throughout this pandemic and our local businesses have taken all precautions and many have gone above and beyond to ensure the safety of our community members.

In Lake County, as with most of the state, our hair/nail salons, gyms, bars, and hospitality sectors of our economy have been extremely hit hard. In reviewing the criteria for who will be eligible for the California Small Business COVID-19 Relief Grant Program, we are both hopeful that our businesses will apply and be approved and we are concerned that this same criteria will

eliminate our businesses from accessing a much needed lifeline of financial assistance. We write this letter requesting that you review your criteria and formula for who gets chosen to receive these grants in the second round to ensure that rural communities impacted by COVID-19 get their fair share of the available funds.

Our particular area of concern is where the grant states that eligibility will be based on “COVID-19 health and safety restrictions following California’s Blueprint for a Safer Economy” and county status and the new “Regional Stay At Home Order.” Since early December Lake County has been in the widespread “purple” County Risk Level. Many of our hair salons, restaurants, bars, gyms, and hotels have been highly restricted or entirely shut down due to the many orders coming from the state in attempting to slow the spread of the virus. Also, being a rural community, our economy is much more reliant on the tourism industry than in larger urban areas. Due to COVID-19, tourism was highly restricted impacting our businesses once more. The vast majority of our businesses are going above and beyond in protecting customers and staff to ensure that they can continue operations and not be shut down for clean-up and contact tracing. This effort was also an attempt to get us into a less restrictive status based on the California Blueprint for a Safer Economy. All of these efforts have cost a lot of money to our local businesses whose profit margins were already slim to begin with prior to the pandemic based on our county’s economic status that remained from the crash of 2008.

Respectfully submitted,

  
[Bruno Sabatier \(Feb 9, 2021 08:42 PST\)](#)

Bruno Sabatier  
County of Lake, District 2 Supervisor

  
[Eddie James Crandell \(Feb 9, 2021 13:20 PST\)](#)

Eddie Crandell, Sr.  
County of Lake, District 3 Supervisor

  
[Mireya G. Turner \(Feb 9, 2021 13:54 PST\)](#)

Mireya Turner  
City of Lakeport, Councilmember

  

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Alan Flora  
City of Clearlake, City Manager

  
[Melissa Fulton \(Feb 10, 2021 10:52 PST\)](#)

Melissa Fulton  
Lake County Chamber of Commerce

  
[Carol Beare \(Feb 10, 2021 14:03 EST\)](#)

Carol Beare  
Middletown Area Merchant Association

  
[Rick White \(Feb 10, 2021 11:44 PST\)](#)

Rick White  
Lake County Economic Development Corp.

#### TEAM MEMBERS

Bruno Sabatier, County of Lake \* EJ Crandell, County of Lake \* Mireya Turner, City of Lakeport \*  
Alan Flora, City of Clearlake \* Rick White, Lake County EDC \* Melissa Fulton, Lake County Chamber of Commerce \*  
Carol Beare, Middletown Area Merchant Association \*