

## COVID-19 CORONAVIRUS EMERGENCY FUNDS

One of the primary purposes of Silicon Valley Community Foundation (SVCF) is to meet ongoing as well as emergency needs of those in our region. As part of that responsibility, we often take on unexpected local challenges, including responding to natural and human-made disasters. In times of crisis, public officials, nonprofit organizations and residents have historically turned to SVCF for service and quick action, and the community foundation welcomes these partnerships.

Today, our region is presented with an unprecedented public health crisis. In response to COVID-19, SVCF is leading multiple efforts with our Bay Area philanthropic, government and corporate partners. These responses include:

- Support for our **low-income individuals** and families who are being most severely affected;
- Support for our **nonprofit partners** whose operations are being affected; and
- Support for our **small businesses** whose employees are most at risk for diminished or lost wages.

### I. REGIONAL RESPONSE FUND – Help for Individuals and Families

Hosted by Silicon Valley Community Foundation, **the COVID-19 Regional Response Fund** will work with trusted lead partner organizations in the 10-county Bay Area region. The fund will provide flexible operating grants to these organizations, which have deep roots in community. These lead organizations, in turn, will work with a network of trusted and effective community-based organizations to provide direct support to those affected by the COVID-19 pandemic within each county. Neighbors we expect to serve include some of the most vulnerable in our community, such as:

- Low-income residents and those without health insurance and/or access to sick days,
- People with limited English language proficiency,
- Healthcare and gig economy workers, and
- Communities of color.

The fund is designed to complement (but not duplicate) the work of public health officials and expand local capacity to address all aspects of the outbreak as efficiently as possible.

### II. REGIONAL NONPROFIT EMERGENCY FUND – Help for Nonprofits

The COVID-19 pandemic is impacting nonprofit organizations in dramatic ways. SVCF's local partners are already experiencing the following: lost revenue due to closures and event cancellations; a surge in demand for services; and challenges maintaining operations while enforcing strict public health guidelines (including social distancing and self-quarantining).

During this time of incredible need, SVCF will partner with our colleague community foundations across the 10-county Bay Area region to provide general support/operating grants for nonprofit organizations. It is expected that these funds will address loss of revenue and/or unexpected costs, such as (i) increased sick days or other benefits needed for staff impacted by the illness; (ii) supplies related to health and hygiene (e.g., masks, gowns, gloves and other protective equipment) as recommended by the Centers for Disease Control or county public health departments; (iii) technology upgrades or purchase of virtual

communication vehicles; and (iv) other operational expenses related to shifts in direct service plans or the provision of emergency services. For schools and school districts, we will also consider costs associated with materials and tools needed for distance learning (computers, wi-fi hotspots, etc.).

### **III. SMALL BUSINESS RELIEF FUND – Help for Small Businesses**

Self-employed and small business (SB) owners are a major component of the economy. Many of these businesses are owned by women and people of color. A significant portion of self-employed and SB owners have low and inconsistent incomes and are financially stressed even before a crisis. When small businesses fail, employees lose jobs, vendors lose contracts and communities see reduced services, empty storefronts and less tax revenue. For these reasons, SVCF will be hosting a small business relief fund in partnership with Opportunity Fund.

Opportunity Fund is California’s largest nonprofit microlender, serving small businesses since 1994. To respond to this crisis statewide, the Small Business Relief Fund will provide immediate relief to struggling self-employed and small business owners through both loan and grant programs. Opportunity Fund will also engage existing partnerships with public and private entities to leverage the impact of these funds to support struggling entrepreneurs throughout California.

**DETAILS ON EACH FUND FOLLOW, INCLUDING GUIDELINES ON HOW TO GIVE TO THESE EFFORTS.**

## REGIONAL RESPONSE FUND

### Overview

Long before the arrival of COVID-19, many Bay Area residents were struggling with basic needs, such as affordable housing and food security. The pandemic, however, will only exacerbate the challenges faced by these individuals and families. In addition, the slowing of local commerce and closing of schools threaten to tip those living precariously on the edge into financial crisis and homelessness.

### Regional Response Fund – Help for Individuals and Families

Hosted by Silicon Valley Community Foundation, the **COVID-19 Regional Response Fund** will work with trusted lead partner organizations in the 10-county Bay Area region. The fund will provide operating grants to the organizations listed below, which have deep roots in the community. These lead organizations, in turn, will support those affected by the COVID-19 pandemic.

**WHO:** Neighbors we expect to serve include some of the most vulnerable in our community, such as: (i) residents without health insurance and/or access to sick days; (ii) people with limited English language proficiency, (iii) healthcare and gig workers, and (iv) communities of color.

**WHAT:** This regional fund will provide flexible resources and focus on basic needs: housing/shelter, food, clothing, financial assistance (determined by need).

**WHERE:** A network of trusted and effective community-based organizations are collaborating with lead partner organizations to meet the needs within each county.

COUNTY	LEAD / PARTNER
Alameda	Community Initiatives
Contra Costa	Contra Costa Regional Health Foundation
Marin	Adopt A Family
Napa	Napa Valley Community Foundation
San Francisco	San Francisco-Marin Food Bank Catholic Charities of San Francisco, Marin & San Mateo
San Mateo	San Mateo County Core Services Agencies Silicon Valley Community Foundation
Santa Clara	Destination: Home and Sacred Heart Community Services Silicon Valley Community Foundation
Santa Cruz	Community Foundation Santa Cruz County
Solano	Solano County Community Foundation
Sonoma	Community Foundation of Sonoma County

**HOW:** Funds can be directed to specific counties. Undesignated funds will be distributed based on a calibration of needs (determined by input from local partners). Fund transfers will take place weekly once any designated county reaches a balance of \$10,000 or more.

**IMPACT:** This new fund expects to reach tens of thousands of Bay Area residents. Ongoing monitoring of progress and impact will ensure that funds are deployed as per strategic and public health guidance.

## REGIONAL NONPROFIT EMERGENCY FUND

### Overview

The Bay Area is home to a broad network of nonprofit organizations. Many of these are safety net agencies serving our neighbors living in difficult circumstances. Before the COVID-19 pandemic, these organizations were struggling to meet the demand for their services. The arrival of the coronavirus multiplied these challenges. Nonprofit organizations are experiencing event cancellations, uncertainty about volunteer support, calls for extra assistance, and challenges procuring emergency equipment. These dedicated organizations are caring for their own employees while also scrambling to ramp up services to their clients and constituents.

### Regional Nonprofit Emergency Fund – Help for Nonprofits

Hosted by Silicon Valley Community Foundation, the **Regional Nonprofit Emergency Fund** will be administered by community foundations throughout the 10-county Bay Area region. The fund will be used to provide flexible operating support grants to nonprofit organizations serving one or more of the 10 counties.

**WHO:** Organizations with a 501c (3) designation.

**WHAT:** Operating grants for nonprofit organizations that have experienced unexpected costs due to the virus. These costs could include, but are not limited to, the following:

- Increased sick days or other benefits needed for staff impacted by the illness;
- Meeting or event cancellations;
- Supplies related to health and hygiene (e.g., masks, gowns, gloves and other protective equipment) as recommended by the Centers for Disease Control or county public health departments;
- Technology upgrades or purchase of virtual communication vehicles;
- For schools, items needed for distance learning (computers, wi-fi hotspots, etc.) or supplies that support food distribution for low-income students; and
- Other operational costs related to shifts in direct service plans or the provision of emergency services.

**WHERE:** The 10 counties in the Bay Area region, including Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma counties.

**HOW:** SVCF is partnering with community foundations in the 10-county Bay Area region. Each community foundation will use a simple process to issue grants for the county(ies) they serve.

**IMPACT:** This new fund will reach thousands of Bay Area nonprofit organizations to strengthen their operations during this incredible time of need. Ongoing monitoring of progress and impact will ensure that funds are deployed as per strategic and public health guidance.

## SMALL BUSINESS RELIEF FUND

### OVERVIEW

The economic and personal impacts from the COVID-19 pandemic are growing and potentially devastating for small businesses in California and beyond. Small businesses (SB) and their employees are affected more quickly and severely from a drop in consumer demand than large firms and more likely be owned by immigrants, women and people of color. A significant portion of self-employed and SB owners have low and inconsistent incomes and are financially stressed (even before a crisis). When small businesses fail, the owners, their families, their employees and whole communities suffer.

### Small Business Relief Fund – Help for Small Businesses

Hosted by Silicon Valley Community Foundation, **the Small Business Relief Fund** will provide immediate support to struggling self-employed and small business owners. SVCF will partner with Opportunity Fund, California's largest nonprofit microlender, to ensure critical capital remains available to these entities throughout this crisis.

**WHO:** Self-employed individuals and small businesses.

**WHAT:** Technical assistance as well as loan and grant funding to provide relief and/or liquidity for self-employed individuals and small businesses. The type of support provided by Opportunity Fund to each business will depend on the business' current situation.

- For some businesses, three months of loan payments may be forgiven, freeing up needed cash for other essential business and household uses.
- For other small businesses, one to three months of loan payments may be skipped and added to the end of the loan, payable when the loan matures. This will provide relief to the business over the next three months so they can use those funds for other essential needs.
- For other small businesses that may need new money, a grant may be offered in which 50 percent of the grant amount would go to providing a loan with extended terms and 50 percent would go to a savings account in the name of the borrower.
  - The savings account would act as a guarantee for that loan.
  - As the borrower repays the loan, Opportunity Fund would release the comparable amount from the savings account.
  - This would allow borrowers to both build savings and improve/maintain their credit score simultaneously, provided they make payments on the loan.
  - Community banks would be the proposed partners to open these savings accounts.
- If Opportunity Fund determines borrowers can no longer pay their loans, a grant may be offered to cover those losses so that Opportunity Fund can continue to lend to other businesses.
- Opportunity Fund will also partner with other Community Development Financial Institutions (CDFIs) in California that are lending to small businesses in their communities and don't have the scale, experience or capacity to support their borrowers during these times. Opportunity Fund will select key CDFIs and provide one or all of the following services:

- Knowledge on how Opportunity Fund is addressing borrowers based on the options described above.
- Sub-granting so these CDFIs can get access to the funding they need.
- Capacity to support these lenders’ operations for loan underwriting, servicing and collections so that Opportunity Fund can help other lenders mitigate losses. This support can be provided in English and Spanish right away and in other languages with some lead time.
- SVCF and Opportunity Fund will also partner with other providers to offer technical assistance, including business plan restructuring, bill payment relief, financial and tax advice, marketing strategies, human resource and layoff aversion support and legal support related to restructuring of lease, credit, supplier and other contractual obligations.

**WHERE:** Self-employed individuals and small businesses throughout California with targeted support for geographies with high concentrations of at-risk businesses.

**HOW:** SVCF is partnering with Opportunity Fund, California’s largest nonprofit microlender, serving small businesses since 1994. Opportunity Fund will in turn partner with certain CDFIs to expand the scope of services and support to small businesses.

**IMPACT:** This new fund will reach hundreds of small businesses throughout California. As an example, for each \$1 million contribution, 500 small business owners will receive immediate debt relief and 225 will get help with securing responsible credit.

This new fund should allow the flexibility for Opportunity Fund to help businesses most in need and preserve their survivability while leveraging the fund to help even more borrowers. In other words, the best utilized fund will continue to recycle and create a multiplier effect so that more businesses can get access to loans/grants and the fund is not depleted.

**QUESTIONS / CONTACT INFORMATION**

**For questions about the new funds, please contact:**

Regional Response Fund	Avo Makdessian	amakdessian@siliconvalleycf.org
Nonprofit Emergency Fund	Manuel Santamaria	mjsantamaria@siliconvalleycf.org
Small Business Relief Fund	Erica Wood	ekwood@siliconvalleycf.org

**HOW TO GIVE**

**OVERVIEW**

SVCF can receive gifts of cash by wire or check or stock

**IMPORTANT:** Please indicate the purpose of your COVID-19 Response gift as support for:

1. "COVID-19 Regional Response Fund (#6013)" (Specific county: \_\_\_\_\_ )
2. "Regional Nonprofit Emergency Fund (#6019)" (Specify county: \_\_\_\_\_ )
3. "Small Business Relief Fund (#6020)" (Specify city, if desired: \_\_\_\_\_ )

## CHECKS

- Please make checks payable to: Silicon Valley Community Foundation
- Please note fund name or other gift designations in the memo line

## WIRE TRANSFER

- When wiring cash, please notify your SVCF contact or [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org) in advance to ensure the gift is properly identified and processed.
- Please direct wire transfers to:

Wells Fargo Bank, N.A. 420 Montgomery Street San Francisco, California 94104 ABA No.: 121000248 Account No.: 4122436637 Swift Code: WFBIUS6S Beneficiary: Silicon Valley Community Foundation, Gifts Account
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- Valuation is not determined by the signing of an irrevocable gift letter but rather on the day the assets are transferred to SVCF
- Contributions sent by U.S. Mail are valued as of the date of the postmark

## STOCK TRANSFER INSTRUCTIONS

### DTC Wire Transfers

- DTC transfers of securities are received anonymously. In order to track the gift's arrival and ensure that it is credited properly, please notify your SVCF contact or [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org) with:
  - The expected date of transfer
  - The number of shares being transferred
  - The corresponding ticker symbol(s)

- DTC wire transfers can be directed to our broker, Matthew Ives at Morgan Stanley:

Broker: Matthew Ives  
Tel: 650.853.4072  
Fax: 650.644.3309

Morgan Stanley  
DTC #0015  
For credit to: MS account 112-089215-072  
Silicon Valley Community Foundation