



Alachua County **CARES Act**

Funding Plan
July 27, 2020



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Introduction

Purpose

Alachua County will receive an approximately \$46.9 M allocation from the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). These funds may be used for necessary expenditures incurred for the COVID-19 emergency response.

Authority

The CARES Act, section 601(d) of the Social Security Act, was signed into law on March 27, 2020. Funds may be used for payments of expenses eligible under section 601(d) of the Act, and as further outlined in the United States Department of Treasury guidance document. The funds are also governed by an agreement with the State of Florida, which agreement was approved by the Board of County Commissioners on June 23, 2020.

Summary Explanation and Background

The CARES Act provided approximately \$2 trillion in economic aid to assist with the impacts of the unprecedented Coronavirus pandemic. Of that sum, approximately \$150 billion was dedicated to state and local governments. Local governments with a population of more than 500,000 received over \$2.4 Billion in direct allocation from the U.S. Department of Treasury. The State of Florida received over \$1.2 Billion specifically for local government allocation to those counties with a population below 500,000. The State of Florida released funding to counties beginning in June 2020. All CARES Act funds provided through the State were provided only to Florida’s counties.

Alachua County will receive approximately \$46.9 M in CARES Act funds based upon its population. The funds will be disbursed in increments, with the initial disbursement to be 25% of the total amount allocated to the County, and any additional amounts to be disbursed on a reimbursement basis. To receive the additional funding beyond the first 25%, the request for reimbursement must be executed by the Chair of the County Commission with a certification that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth by the Federal government. Specifically, those are that the monies (1) would only be used for necessary expenditures incurred for the COVID-19 public health emergency response; (2) were not accounted for in the most recently approved budget approved as of March 27, 2020; and (3) were incurred during the period that began on March 1, 2020 and ends on December 30, 2020.

The County is responsible for all CARES Act dollars received. While the agreement with the state provides that counties “should provide funding to municipalities within their jurisdiction upon request for eligible expenditures under the CARES Act... counties are responsible for the repayment of funds to the Division [of Emergency Management] for expenditures that the Division or the Federal government determines are ineligible under the CARES Act.” Among the remedies available, the State may collect any misspent funds through withholding of the County’s revenue share.

CARES Act Funding Options

The following are mandatory guidelines when developing programs and providing or expending funds utilizing CARES Act monies.

- (1) The CARES Act funds must be used for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”);
- (2) Expenditures that will be incurred in response to COVID-19 were not accounted for in the County’s or other reimbursed entities’ budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act);
- (3) The expenditures were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020; and

Staff recommends the following additional general guidelines in developing programs and providing or expending funds utilizing CARES Act monies, with specific programmatic guidelines to be determined with the assistance of county staff and a third-party administrator.

- (1) FEMA share of reimbursable expenditures shall not be eligible for CARES Act funds.
- (2) Any funds received, outside of this specific allocation, from any Federal, State or local source specifically as a result of COVID-19 shall be considered in any award or disbursement.
- (3) All CARES Act funds shall be administered and distributed by Alachua County.
- (4) Funds for individual and business grant programs shall be designated for residents and businesses within each municipality located in Alachua County and unincorporated area based upon population in the first round of funding to ensure that each municipality and unincorporated area’s recipients receive a fair opportunity for receipt of funds.
- (5) Municipalities, constitutional offices, independent special districts, and other government agencies may be eligible to receive CARES Act funds for the purpose of local cost share of FEMA expenses in a proportionate share to ensure that all funds designated for this category are disbursed fairly.

- (6) Municipalities, constitutional offices, independent special districts, and other government agencies requesting eligible CARES Act funds in Category 2, 3 or 4 will be limited to a proportional share of the Round 1 funds by line allocation to ensure that all funds designated for this category are disbursed fairly.
- (7) Funds shall be disbursed in multiple rounds, with funds spent in each category to be reviewed approximately every sixty (60) days. This will allow for reallocation where funds are most needed and ensure that all funds are spent by December 30, 2020.

The following items were approved at the July 7, 2020 County Commission meeting:

1. The use of a third-party administrator to implement programming and monitor funds for the programs outlined in this plan.
2. The Resolution and budget amendment for unanticipated revenues and budget amendment to receive and account for these funds.
3. The execution of sub-recipient agreements by the Chair with any entity or agency receiving funding from the County.
4. Directing staff to work with all stakeholders' utilities, landlords, etc. to get the word out to citizens regarding the County's Assistance Program. The intent is to work with all agencies to get the word out for bills to be paid, and the Chair is authorized to sign Chair Letters to assist with the effort.
5. Staff providing an update at the first meeting in August and all subsequent meetings in August of the funding program for the Board to determine if it wishes to reallocate.
6. A staff report to the Board on the July 14, 2020 meeting on the Code Enforcement activities of County staff and each of the municipalities' enforcement activities.
7. Allowing for individuals to apply for up to \$5,000.00 and cap the award at \$2,500 per household for the initial round.
8. Including that assistance for complying with the County Public Health Ordinance is an eligible expense and asks that the grantees warrant that they are complying with the County Emergency Orders.

Category 1: Medical Expenses

Recommended Funding: \$2 million– 100% available for 1st draw of 25%

- \$1,250,000 allocated to the Alachua County Department of Health for contact tracing specialists, epidemiologists and related support staff for the purpose of testing, tracing, case management and containment of COVID-19.
- \$750,000 allocated to other medical expenses to include, but not be limited to:
 - Expansion of testing sites and capabilities
 - Example: Tents with climate mitigation, testing kits, additional sites
 - Increased emergency transport cost

- Example: Decontamination units, overtime due to quarantine issues, drug costs

Category 2: Public Health Expenses

Recommended Funding: \$2 million - 100% available for 1st draw of 25%

- \$1,000,000 Protective Equipment (PPE) and Medical supplies for public health and safety workers
 - Example: Mask, face shields, gowns, and similar items
- \$250,000 disinfecting of public areas and facilities such as nursing homes
 - Example: Aerosol units, spray systems, and disinfecting products
- \$250,000 quarantining health care and public safety officers
 - Example: First responders, law enforcement officers and health personnel
- \$250,000 preparing public buildings to serve customers
 - Example: Social distancing markers, signage, modifying counter areas, etc.
- \$250,000 crisis intervention from trauma as a result of COVID-19

Category 3: Payroll Expenses

Recommended Funding: \$1 million - 50% available for 1st draw of 25%

- Local share of FEMA expenses for county, municipalities, and constitutional officer employees responding to COVID-19.

Category 4: Expenses of actions to facilitate compliance with COVID-19-related public health measures

Recommended Funding: \$3.3 million- 50% available for 1st draw of 25%

- \$800,000 maintaining the county jail, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Example: Modification to Air Handling System, and inmate's per pod / cell.
- \$500,000 local share of FEMA expenses for county, municipalities, and constitutional officer non-payroll expenses responding to COVID-19.

- \$500,000 cost to enforce public ordinances in place to prevent the transmission of COVID-19.
 - Example: Overtime, additional staff, and law enforcement support
- \$500,000 care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
 - Example: Quarantine/Non-Congregate housing, distancing measures, medical needs
- \$500,000 improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Example: Virtual meeting spaces, customer service, and workflow process
- \$500,000 set aside for future food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions
 - Example: Extended event that strains current non-profit assistance ability

Category 5: Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency

Recommended Funding: \$36,100,000 - Up to 20% available for 1st draw of 25%

- \$7.5 million Small Business Relief Grants – 25 employees and less
 - Examples: Small retail, salons, non-essential businesses, daycares
 - Documented lost profit from required closure
 - Documented employees (non-owner/family) remaining on payroll while on required closure
 - Up to \$10,000 total
- \$7.5 million Medium Business relief grants – 25 to 50 employees
 - Examples: Sit down restaurants, entertainment venues
 - Documented lost profit from required closure
 - Documented employees (non-owner/family) remaining on payroll while on required closure
 - Up to \$15,000 total
- \$21.1 million Individual Assistance
 - Rent, Mortgage, Utility, Internet, Phone and Car Payment Assistance
 - Daycare Assistance for School Aged children, if school attendance is limited

- Documented issue related to COVID-19 (i.e. furloughed / laid off)
- Up to \$2,500 total

Category 6: Any other COVID-19-related eligible expenses reasonably necessary to the function of government

Recommended Funding: \$2,500,000 - Available only after 1st draw of 25%

This is in the nature of reserves and shall be set aside for programs not yet determined and expenses not yet anticipated. If not expended by October 30, 2020, this amount shall be redistributed to other categories.

Third Party Administrator

Due to the volume of effort required to manage the disbursement and tracking of \$46.9 Million in CARES Act funds, and the minimal time allotted for its full expenditure, it is most effective and efficient to use a consultant to assist the County. Carr, Riggs & Ingram, LLC has a local office and capable staff to assist with this process. The cost of their services will be charged to each of the categories.

Conclusion

The allocation of CARES Act funding to Alachua County provides monies that may be used for necessary expenditures incurred for the COVID-19 emergency response. This funding source is limited in scope and duration. The County's liability for these funds is significant. As a result, this Plan provides for County-controlled funding to all entities and individuals. More specific criteria that ensure compliance with the requirements of the CARES Act shall be developed. While municipalities, constitutional offices and other governmental entities are eligible to receive funds in several categories, more than 75% of the funds allocated to Alachua County are recommended to be provided in the form of business and individual grants for the benefit of Alachua County's citizens and economic health.