



TO: Honorable Mayor and Members of the City Council  
Alex Meyerhoff, Interim City Manager

FROM: Steve Groom, Finance Director

DATE: June 9, 2020

RE: CARES Act

This is in response to the question being asked by council seeking guidance on using CARES Act money, to counteract adverse effects the city is experiencing.

**Federal Aid.** Navigating Federal Aid programs involves considerable staff time and expertise. We've received a large number of guidelines, rules, publications, FAQs and procedures to follow. Staff has attended webinars and participated in conference calls, some with the result of finding out that expenses we considered were ineligible.

The 4-page guide attached summarizes the program. Funds may be used to cover costs that:

- are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- were incurred during the period that begins on March 1, 2020 and ends on October 31, 2020.

The City Council has suggested the following:

- 1) Utility relief of those impact by COVID-19 (*lost revenue is not eligible*)
- 2) Individual unemployment, reduced employment hours, childcare expenses, etc. (*these are not allowable expenses incurred by the City eligible for reimbursement*)
- 3) Small business closure or reduced revenue (*not allowable expenses incurred by the City, ineligible for reimbursement*)
- 4) Landlords for nonpayment of rent by impacted renters (*not allowable expenses incurred by the City, ineligible for reimbursement*)

The expenses staff is pursuing include:

- Materials purchased that were not budgeted, face masks, gloves, cleaning supplies, sanitizer, plexiglass barriers
- COVID-related meetings and related expenses
- COVID-related time logged by all employees using the timecard system for later eligibility review
- EOC staffing