



MEMORANDUM

TO: Whatcom County Council

FROM: Satpal Singh Sidhu, County Executive
Tyler Schroder, Deputy Executive

DATE: June 15, 2020

SUBJECT: CARES Act Funding – Coordinated Response to COVID-19 between
Whatcom County and the Cities of Whatcom County

The purpose of this memo is to outline the framework and coordination between Whatcom County and the cities of Whatcom County in the use of the local CARES Act federal stimulus dollars.

Whatcom County, the City of Bellingham, and the small cities have been awarded federal stimulus dollars through the CARES Act. The State Office of Financial Management developed an allocation methodology and determined the statewide jurisdictional amounts based on 2019 population estimates. Whatcom County has been awarded \$12,391,500; the City of Bellingham has been awarded \$2,703,300; and the Small Cities have collectively been awarded a total of \$1,206,120.

Under the program, municipalities will apply for reimbursement from the state for eligible costs incurred by local governments in response to the COVID-19 public health emergency during the period of March 1, 2020 thru October 31, 2020. Coordination between the County and the cities is necessary to ensure there is adequate cash flow prior to reimbursement and both County and City staff are prepared to administer the programs. Coordination will help to create efficiencies and ensure we are responding to our communities' most urgent needs.

Covered Costs Under CARES Act.

Under the CARES Act, the Coronavirus Relief Funds (CRF) 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);
- Are 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 local government.
- A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.
- According to Commerce, the use of these funds is very broad and flexible, and can be used for both operating and capital expenditures.

There are six (6) primary eligible cost categories for CARES Act funds when related to the COVID-19 public health emergency, as follows.

- Medical expenses
- Public Health expenses
- Payroll expenses
- Expenses to facilitate compliance with public health measures
- Expenses associated with economic support and
- Any COVID-19 related expenses reasonably necessary to the function of government.

To ensure our local governments use CARES Act funds consistent with program guidelines, the County and City Administrations are working with the Small Cities Administration, Regional Economic Partnership and other community partners that have established workgroups/taskforces, including: a Food Security Taskforce, a Childcare Taskforce, and a Digital Infrastructure Workgroup. The County and City administration(s) will also partner to provide resources to those that need it the most during this challenging time and to provide as much economic stability and stimulus as possible. The local programs and guidelines are as outlined below.

Council Direction Requested: The County and City administrations seek Council support of the framework outlined below. Addendum's to the Cost-sharing agreements, subsequent budget ordinances, and contracts will be considered at a later time and will likely require future Council action. The respective administrations intend to coordinate with each other to ensure these programs are efficiently administered in a uniform manner and program goals accomplished to the greatest extent possible. Flexibility in the specific funding amounts are subject to change in order to meet the October deadlines, to apply additional funding that becomes available and respond to the most urgent needs.

CARES ACT RELIEF - KEEP WHATCOM SAFE WORKING AND HEALTHY					
COVID-19 Response Program	Countywide TOTAL	Whatcom County	City of Bellingham	Small Cities	Description
Public Health Emergency Response	\$5,000,000	\$5,000,000			Health Department Response, Unified Command efforts, I/Q Facilities, Testing, PPE
Economic & Business Response	\$3,400,000	\$2,500,000	\$700,000*	\$200,000	Business Assistance Grant Program through REP in development. Implementation of Child Care Taskforce recommendations*
Food, Schools, Housing & Human Services Response	\$3,400,000	\$2,500,000	\$700,000	\$200,000	Food Security, Digital Infrastructure, Housing Security, Human Services
Essential Government Services	\$410,942	\$2,000,000	\$1,303,300	\$806,120	County/City Operations Impacted, Courtroom Technology, etc.
Reserves/Unallocated	\$391,500	\$391,500			
Total	\$16,300,920	\$12,391,500	\$2,703,300	\$1,206,120	

* The City of Bellingham has allocated additional local funds to supplement the COVID-19 funds listed above. \$350,000 in CDBG for Economic and Business Response, \$300,000 in CDBG & \$500,000 in Housing Levy for Food, Housing & Human Services Response.

Specific Program Areas with Coordination between Whatcom County and the Cities:

Business & Economic Recovery - Whatcom Restart				
	Whatcom County	Bellingham	Small Cities	Total
City Center & Fairhaven Business Grants		\$500,000*		\$500,000
Countywide Business Grants	\$2,000,000		\$100,000 TBD	\$2,100,000
Child Care Grants	\$500,000	\$200,000***	\$100,000 TBD	\$800,000
				\$ 3,400,000

* Bellingham will also be allocating a percentage of their Countywide funds to these core commercial areas.

**An additional \$350,000 will be available from City of Bellingham’s CDBG program.

- A Business Assistance Team was established by Mayor Fleetwood to advise on a grant program which will be made available to businesses throughout Whatcom County.
- Criteria, eligibility and application materials have been drafted.
- The county-wide allocation will be calculated based on number of employees per jurisdiction.
- Bellingham will allocate additional funding to the City Center and Fairhaven business districts.
- The County allocation will be for businesses in unincorporated Whatcom County, City Centers and small cities
- The Regional Economic Partnership will oversee the application process with input from local jurisdictions.
- \$15,000 maximum grant amount– simple reimbursement process based on expenses.
- Criteria weighted to need, adaptation, likelihood of success.

Childcare will be a separate funding process. The Childcare Recovery Taskforce, led by the Opportunity Council’s Childcare and Early Learning Department, will provide advice on the allocation of the Childcare dollars. Staff is expecting to receive recommendations in the next week or two.

Food, Schools, Housing & Human Services Recovery – A Healthy Whatcom				
	Whatcom County	Bellingham	Small Cities	Total
Food Security	\$400,000	\$200,000		\$600,000
Housing Security	\$700,000			\$700,000
Behavioral Health	\$350,000			\$350,000
Homeless	\$550,000	\$500,000		\$1,050,000

Digital Infrastructure (Schools)	\$500,000			\$500,000
			\$200,000 TBD	\$200,000
Total				\$3,400,000

- Food delivery to residents, including senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Developing program with the Whatcom County Food Security Network – waiting on guidance.
- Housing security to ensure residents, including senior citizens and other vulnerable populations, to mitigate COVID-19 effects on stable housing and to enable compliance with COVID-19 public health precautions. .
 - Rent/Mortgage Payments to 80% AMI, Agency Staffing Costs to distribute assistance, Motel Stays
 - Compliance with COVID-19 public health precautions
- Care for behavioral health homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
 - Lighthouse Mission COVID-19 relocation, PPE, sanitation and Janitorial support for housing program
 - Technology for telehealth, Behavioral Health support in housing and residential treatment facilities
- Facilitate distance learning, including technological improvements tied to school closings.

Public Health Emergency Response - A Safe Whatcom

- Payroll expenses for public safety, public health, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID19 public health emergency.
- Expenses associated with Isolation and Quarantine Facilities.
- Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for public health or safety workers in connection with the COVID-19 public health emergency.
- Costs of providing COVID-19 testing, including serological testing.
- Cost for Telemedicine capabilities.

Essential Government Services

- Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund’s eligibility criteria.
- County and City operations, Courtroom improvements, telework technology, etc.

Reserves/Unallocated

- Additional priorities that may arise to respond to the COVID-19 public health emergency