



MEMORANDUM

TO: Whatcom County Council Members

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

DATE: May 19, 2020

SUBJECT: CARES Act Relief Funding in Whatcom County

Whatcom County is expecting to receive \$12.4 million from the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES). These funds will be processed through the State Department of Commerce (Commerce). Commerce will be distributing award letters as soon as this week which will include information on the funding process and guidelines. The Federal CARES Act Funding [Guidelines](#) were made available in late April and Council was provided additional information last week by the Administration.

To ensure our local governments are consistent in using these funds the County Administration is working with Unified Command, Regional Economic Partnership and the City Administrations to develop local guidelines and programs that will be targeted for eligibility for funding. There is overall support from local City leadership partner in this effort to make a successful program and utilize as many as these federal dollars locally to get as much economic stability and stimulus as we possibly can.

Initial discussions have been focused on the following preliminary framework:

1. **Public Health Emergency Response** – Assist our community with the costs associated with the Public Health response: including PPE, testing solutions and employee expenses for those substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
2. **Economic and Business Response** – Work with the Regional Economic Partnership, to provide our local businesses with economic support to reimburse the cost of business interruption and to focus efforts on business recovery and operate in a safe manner as businesses open back up.
3. **Food, Housing and Human Services Response** – Provide economic support for continued food delivery, housing security and care for the vulnerable homeless individuals to enable compliance with COVID-19 public health precautions
4. **Essential Government Services** – Cover COVID-19 related expenses reasonably necessary to the function of essential government operations
5. **Reserves** – Future needs that may arise to make sure local government can be responsive to the COVID-19 crisis.

Deployment of these limited funds requires targeted focus in order to see any measurable results. This shows the importance of coordinating our efforts as best we can throughout the County. Because time is of the essence, the Administration is formulating a budget supplemental for the Council's consideration based off the above framework and our continued conversations with community partners.

It is our understanding that the award letters from Commerce will provide additional details on program guidelines, process information, funding rules and process for reimbursement. At this time, Commerce has indicated the additional guidance will also try to;

- Provide maximum flexibility of Treasury's guidance for local jurisdictions
- Confirm that Counties and Cities must seek reimbursement between March 1st and October 31st.
 - This is to allow OFM to finalize the end of the year process. The reimbursement timeline may change as the event evolves and circumstances change.
- Clarify guidance for eligible expenses since it will be a local decision
- Develop a 5-prong test to ensure expenditures are consistent with CARES Act

We look forward to working with the Cities on the development of a coordinated and focused priorities and local guidelines. As projections are updated and the crisis evolves, we will continue to make prudent budget decisions. We plan to engage the council on June 2nd when we bring forward, for your consideration, the budget supplemental in preparation for the deployment of this critical funding.

Please contact Tyler Schroeder, Whatcom County Deputy Executive, if you have any questions or would like to provide input on the development of the programs.