



COVID Response and Updates for Federal CARES Coronavirus Relief Funds

Update for City Council – November 2020

Melvin Carter, Chief of Fire



CARES Coronavirus Relief Funds Background

- On March 27th Congress established and passed the “Legislative Intent” Title V: The Coronavirus Relief Fund
- The Office of the General Counsel established parameters for expenditures:
 - **Necessary expenditures** incurred due to the **public health emergency** with respect to **COVID-19**
 - Incurred from **March 1, 2020 through December 30, 2020.**
 - **Not accounted** for in the budget most recently approved; and



CARES Coronavirus Relief Funds Background

- The Commonwealth received the funds and the Commonwealth's Secretary of Finance notified Virginia localities of their allocations in **May and August 2020**
- The City received \$20.1M in funding under the Coronavirus Aid Relief and Economic Security Act (CARES Act) on June 1, 2020. **\$3.0M of this revenue was recognized in FY2020** while the remaining balance was deferred as of June 30, 2020. A second allotment of **\$20.1M was received August 2020**
- Council adopted **Ordinance 2020-185 on August 20, 2020** to receive these funds for **necessary expenditures incurred due to the COVID-19 public health emergency**



The City's Response to COVID-19

- The City expanded the **Real Estate Tax Relief for the Elderly and Disabled Program**. The income allowable increased to \$60,000 and the net worth allowable increased to \$350,000. Additionally, credit percentage guidelines increased in most income categories, with those with income between \$50,001 and \$60,000 becoming newly eligible. The Deadline for the program was Extended to Oct 30th
- The City offered a **tax amnesty program** in the wake of COVID-19 for **Admissions, Lodging, and Meals Taxes (ALM)** to alleviate **short-term cash flow concerns** facing City **businesses** that **depend on public tourism** and negatively affected by the COVID-19 virus. **Qualifying taxpayers** could **submit a return each month** (with or without payment) and **either pay all taxes due by June 30, 2020**, or enter an **approved payment plan** by that time



The City's Response to COVID-19

- The City offered a **Tax Amnesty Program** in the wake of COVID-19 **for Real Estate and Personal Property Taxes** to alleviate short-term cash flow concerns facing a number of **City residents** negatively affected by the COVID-19 virus. Qualifying taxpayers were permitted to pay their **tangible personal property taxes** otherwise due June 5, 2020, and/or their real estate taxes, otherwise due June 15, 2020, by August 14, 2020 **without penalty or interest**
- DPU and Richmond Gas continues with non-disconnection of utility services and remains committed to the safety of all during COVID-19
- Parking fines and library fines have been suspended to increase accessibility to our residents



CARES Act Spending Categories

- **Small Business Expenses**
 - The **Richmond Recovers Grant Program** – \$3,000,000 grant program for small businesses who reported revenue loss due to COVID-19
 - The **Richmond Small Business Disaster Loan Program (COVID-19)** – 46 loans totaling \$883,919 made to small business loans made by the Economic Development Authority were converted to grants
 - The **First Responder Meals Program** – \$236,310 paid to local restaurants to provide meals to on duty Public Safety First Responders
 - **Forward RVA** – \$30,000 to provide online reopening guidance and PPE distribution for small businesses



CARES Act Spending Categories

- **Payroll for Public Safety Employees** – Richmond Ambulance Authority Employee COVID-19 pay for required time off
- **Personal Protective Equipment** – Masks, hoods, gloves, Plexiglas dividers, and room dividers to ensure appropriate social distancing in the workplace
- **Public Health Expenses** – Disinfection & sanitation, safe access to government, public health and safety employees under the Presumption Provision
- **Administrative** – COVID-19 Sick Pay and Hazardous Pay
- **Miscellaneous Categories** – Child Care Support, Greater Richmond Convention Center / PPE Expense



CARES Act Spending Categories

- **COVID-19 Testing and Contact Tracing.**
- **Food Programs – Mayor’s First Responders Meals Program** Meals and peripherals (disposable trays, napkins, and sporks etc.) for Richmond Ambulance Authority, Police, Department of Emergency Communications, Sheriff, and Fire
- **Housing Support** – Includes: Eviction Diversion Program, Isolation Program, and Housing stabilization via rental and mortgage assistance through Housing Opportunities Made Equal and Area Congregations Together in Service.
- **Improve Telework Capabilities** – IT support to undergird teleworking employees via broadband expansion, internet access, additional VPN licensing, remote telephone positions, and Non-Governmental Internet Access and laptops
- **Facilitating Distance Learning** – Additional IT infrastructure for Richmond Public School students



Richmond's Allocation is Simply Not Enough

- While more than \$40 Million has helped Richmond communities, an estimated \$37 Million is still needed to respond to this pandemic.

	Committed through December 2020	Additional Funding Needed January through June 2021 *
Admin, COVID-19 Sick, and Hazard Pay	\$ 5,879,542.00	\$ 4,040,037.00
Contact Tracing/Testing	\$ 742,174.00	\$ 200,000.00
Distance Learning	\$ 500,000.00	\$ -
Food Programs	\$ 261,158.00	\$ -
Housing Support	\$ 14,750,000.00	\$ 20,800,000.00
Telework	\$ 3,707,538.00	\$ 1,349,600.00
Overtime Pay for Public Safety	\$ 299,416.00	\$ 124,000.00
PPE	\$ 1,077,219.00	\$ 750,000.00
Public Health Expenses	\$ 5,712,648.00	\$ 5,372,000.00
Small Business Expenses	\$ 4,150,229.00	\$ 5,000,000.00
Miscellaneous-Child care	\$ 3,470,000.00	\$ -

*Estimated numbers based on available information at this time.

\$ 40,549,924.00 \$ 37,635,637.00



CARES Act Spending Categories

- **Small Business Expenses – Proposed New Initiatives**
 - \$2,000,000 – Additional direct financial support for small businesses that operate from a commercial building
 - \$250,000 – Partner with a local restaurant delivery company to offset the fees charged to local restaurants for meal delivery
 - \$50,000 – Funding to support the relaunch of the Small Business Development Center in Greater Richmond
 - \$200,000 – Grants to organizations existing organizations that advocate for and provide technical assistance to small businesses
 - \$390,630 – Request from the Richmond Symphony to offset the impact of canceling and rescheduling the Menuhin Violin Competition
 - \$250,000 – Request from the Flying Squirrels



Continued Unmet Needs and Challenges

- **Housing** support
- **Mental Health** support
- Financial and programmatic support for **Social Services**
- **Recovery package** for **Richmond's tourism industry** (i.e. hotels, restaurants, and museums)
- More funding for **local small businesses**
- **Food insecurity**
- **Unemployment**



Resources

- The City has a dedicated website for updates: <https://rva.gov/mayors-office/official-covid-19-updates> and <https://www.rvastrong.org>
- Weekly memos to Council from the Mayor's Office from March 20 – July 2, and as needed from July 10 to present. The most recent [memo](#) on COVID-19 and CARES Act funding was sent on August 14th
- City Council received its first [presentation](#) on CARES Act funding at its May 26th informal meeting
- Council received a [presentation](#) on the CARES Act spending plan submitted to the Commonwealth on August 17th
- [Ordinance 2020-185](#), where Council approved the appropriation of CARES Act funds, included a detailed O&R with background information on CARES Act funding
- CARES Act Funding White Paper sent to Council ahead of the Government Operations Committee on October 22nd.



Any Questions?

