

INTRODUCED: April 27, 2020

A RESOLUTION No. 2020-R033

To support requests made by the City of Richmond to the United States Congress for the enactment of legislation to supplement and modify the CARES Act for the provision of additional federal aid to recover from the damaging economic loss caused by the COVID-19 pandemic and to promote timely economic recovery assistance for all residents.

\_\_\_\_\_  
Patron – Mayor Stoney  
\_\_\_\_\_

Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: MAY 4 2020 AT 6 P.M.

WHEREAS, the Council believes that the COVID-19 pandemic has had devastating effects on every level of the local economy, from City government, to small businesses, to families; and

WHEREAS, the City projects that revenues will be reduced for the proposed budget for the fiscal year commencing July 1, 2020, and ending June 30, 2021, by \$38,500,000; and

WHEREAS, upon information and belief of the Council, small businesses, the backbone of the City’s economy, have had to shutter their doors at a significant and alarming rate; and

AYES:            8            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:   MAY 4 2020   REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

WHEREAS, according to data released by the Virginia Employment Commission, over 12,000 residents within the city of Richmond have filed for unemployment benefits over recent weeks, adding to the millions of Americans who have already done so across the United States; and

WHEREAS, according to data released by the National Multifamily Housing Council, nearly one-third of apartment renters nationally did not pay their rent for the month of April; and

WHEREAS, data from the Richmond City Health District shows that the city's communities of color are being impacted by the COVID-19 pandemic at a higher rate than other racial and ethnic communities; and

WHEREAS, the Council believes that the federal stimulus program entitled the "Coronavirus Aid, Relief, and Economic Security Act," known as "the CARES Act," which was enacted by the 116<sup>th</sup> Congress of the United States on March 27, 2020, will provide some necessary emergency assistance to localities, including cities like the City of Richmond, that have more diverse populations that will need additional federal aid to recover from the damaging economic loss; and

WHEREAS, the National League of Cities has released a survey of more than 2,400 cities and found that 88 percent of the cities surveyed expect a revenue shortfall this year as a result of the effects of the COVID-19 pandemic; and

WHEREAS, Mayor Levar Stoney sent letters to Senator Mark Warner and Senator Tim Kaine on April 16, 2020, advocating for the enactment by the United States Congress of certain proposals to promote timely economic recovery assistance for all residents; and

WHEREAS, the Council believes that it is in the best interests of the residents of the City of Richmond that the Council support such requests to the United States Congress to provide

additional aid to localities, such as the City of Richmond, that have experienced significant reductions in projected revenues and will continue to lack the resources to recover without federal aid;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND

The Council hereby supports the following requests to the United States Congress to provide additional aid to localities, such as the City of Richmond, that have experienced significant reductions in projected revenues and will continue to lack the resources to recover without federal aid:

1. Enactment of the Main Street Emergency Grant Program, which proposes \$40,000,000,000 for a Main Street Local Relief Program and \$10,000,000,000 for a Main Street Community Development Financial Institutions Program and would provide direct assistance to cities, counties, and states to scale existing or newly created relief funds that are explicitly targeted towards small businesses, such as restaurants, barbershops, salons, and retail stores.

2. The provision of \$53,550,000,000, through the “Interim Supplemental” currently being negotiated in the United States Congress, in emergency fiscal assistance to local governments, based on the successful CDBG structure, which would allow flexible funds to be channeled to cities immediately.

3. Modifications to the CARES Act to support independent restaurants by:

(a) Changing the origination date of Paycheck Protection Program loans administered by the United States Small Business Administration to the first day that restaurants can legally and fully reopen.

(b) Extending the maximum loan amounts to three months after restaurants are allowed to reopen and operate at full capacity.

4. Modifications to the CARES Act to support vulnerable populations by:

(a) Clarifying for state governments whether CARES Act funding can be utilized to expand testing capacity in most-at-risk neighborhoods, and if not, provide additional funding for testing expansion in vulnerable communities.

(b) Issuing emergency housing grants to local housing authorities to provide direct rental payment assistance.

(c) Establishing an emergency fund to provide monetary relief to small landlords undergoing lost income due to the loss of rent revenue, particularly in low-income areas.

(d) Extending the timeline and funding for school meal waivers, which, upon information and belief of the Council, are currently set to expire at the end of the 2019-2020 school year, to ensure children get the food they need.

5. Modifications to the CARES Act to provide clear guidance to state governments regarding how funding from the CARES Act can be put to use.




# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

O&R

### REQUEST

**DATE:** April 22, 2020 **EDITION:** 1  
**TO:** The Honorable Members of City Council  
**FROM:** The Honorable Levar M. Stoney, Mayor  04/23/2020  
**RE:** Federal Assistance for Localities

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** Resolution to request the United States Federal Government provide additional stimulus dollars and guidance for localities to help them economically recover and provide much needed assistance to residents during and after the COVID-19 pandemic.

**REASON:** To ensure that diverse localities, like the City of Richmond, have the federal support they need to recover from the damaging economic impacts of the COVID-19 pandemic. The City of Richmond is projected to have to cut its Fiscal Year 2021 budget by \$38.5 million.

**RECOMMENDATION:** Approval is recommended by the City Administration.

**BACKGROUND:** Even though the recently approved CARES Act will provide some aid to localities, it will not be enough to help them fully recover from the damaging economic impacts of the current pandemic. Moreover, the unprecedented number of people and small businesses that are experiencing financial hardship cannot only be supported by local dollars, as many localities like Richmond are legally required to have a balanced budget and are dependent on local tax revenues, which are projected to drastically decrease. Therefore, the City of Richmond is formally requesting that the United States Federal Government support localities with additional aid in the next series of stimulus bills. The attached resolution outlines the specific asks of the Federal Government and Congress.

**FISCAL IMPACT / COST:** N/A

**FISCAL IMPLICATIONS:** N/A

**BUDGET AMENDMENT NECESSARY:** N/A

**REVENUE TO CITY:** N/A

**DESIRED EFFECTIVE DATE:** Upon adoption.

**REQUESTED INTRODUCTION DATE:** April 27, 2020

**CITY COUNCIL PUBLIC HEARING DATE:** April 27, 2020

**REQUESTED AGENDA:** Consent agenda.

**RECOMMENDED COUNCIL COMMITTEE:** N/A

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None.

**AFFECTED AGENCIES:** N/A

**RELATIONSHIP TO EXISTING ORD. OR RES.:** None.

**REQUIRED CHANGES TO WORK PROGRAM(S):** None.

**ATTACHMENTS:**

RESOLUTION SUPPORTING ADDITIONAL STIMULUS DOLLARS FROM FEDERAL GOVERNMENT AND CARES ACT CLARIFICATION FOR STATES

**STAFF:** Lincoln Saunders, Chief of Staff, Office of Mayor Levar Stoney