



City Update on the Coronavirus Relief Fund Strategic Plan

This report provides City Council with an update on the Community Services programs that were approved under the Coronavirus Relief Fund (CRF) Strategic Plan.

Summary

On March 27, 2020 the CARES Act was signed into law to address the economic fallout resulting from the COVID-19 pandemic in the United States. The bill is the largest economic bill in United States history totaling over \$2.1 trillion. The CARES Act provides different types of funding for which local governments can apply for funding to offset COVID-19 related expenses. As a large city with a population in excess of 500,000, Phoenix was awarded a direct allocation of \$293 million in Coronavirus Relief Funds. The CRF is intended to cover only those costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19. On May 5, City Council approved a plan to allocate the CRF into three major categories:

- Community Services - \$75 million
- City Operations - \$75 million
- Reserve to Preserve City Services - \$143 million

As originally adopted, the Community Services portion of CRF was allocated to projects related to the health and safety of residents, small business assistance, and other social assistance programs. Programmatic expenditures under Community Services were broken down into seven distinct sections:

- Business Assistance - \$15.7 million
- Utility & Rent/Mortgage Assistance - \$30 million
- Distance Learning and Wi-Fi Access - \$3.3 million
- Mitigation and Care for Vulnerable Populations - \$10 million
- Food Delivery - \$5 million
- Better Health Outcomes and Community Testing - \$5 million
- Unallocated Funds - \$6 million

On Oct. 13, 2020 City Council approved reprogramming \$15 million in CRF funds to address additional community needs. The funding was reallocated from the Commercial City Services Assistance Program (\$5.8 million), the Unallocated Funds (\$6 million) and the Payroll Expense Reimbursement Program (\$3.2 million). Funds were allocated to the following programs and strategic plan categories:

- US Vets - \$10.5 million (Mitigation and Care for Vulnerable Populations)
- PPE/Technology for Schools - \$2 million (Better Health Outcomes and Community Testing)
- Job Training - \$1 million (Mitigation and Care for Vulnerable Populations)
- Food Delivery - \$1 million (Food Delivery)
- Animal Welfare - \$500,000 (Better Health Outcomes and Community Testing)

On Nov. 4, 2020 City Council approved reprogramming of \$444,000 in the Community Services allocation from the Better Health Outcomes and Community Testing category to the Food Delivery category. As a result of the changes through November the CRF Strategic Plan reflected the following allocations:

- Community Services - \$78.2 million
- City Operations - \$71.8 million
- Public Safety Salary Offset - \$143 million

On Dec. 8, in anticipation of the pending federal deadline on CRF spending, City Council made their final adjustments by approving a plan to allocate the remaining \$43.4 million in CRF. The plan included using approximately \$34.5 million to offset public safety salaries in the General Fund (GF) to free up GF resources to continue previously approved CRF Programs including:

- Bridging the Digital Divide
- Public Wi-Fi Access Installation
- US Vets Property Acquisition
- Refugee and Asylee Microenterprise
- Community COVID-19 Testing
- HOPE Fund for Employees
- Employee COVID-19 Testing
- Medical and Public Safety Measures
- Public Facility Retrofit Projects
- Telework/E-government Projects

The plan also included allocating \$8.9 million to the following:

- Rent, Mortgage and Utility Assistance
- Project Assist
- Small Business Assistance
- Community COVID-19 Testing
- Food Relief

The purpose of this report is to provide City Council with a regular update on the progress staff has made on the programs under Community Services. To date, we have released approximately \$54.4 million of the funding to participants or vendors responsible for delivering services. The bulk of expenditures have been spent in the Business Assistance and Utility & Rent/Mortgage Assistance sections, together they represent approximately \$33.8 million in expenditures. A detailed breakdown of the life-to-date spending and activities for each program can be found in **Attachment A**. In addition, **Attachment B** from Wildfire provides a detailed year-to-date summary of direct payments made on behalf of residents under the Utility & Rent/Mortgage Assistance Program. While open, total attendance at the Summer Heat Respite Center exceeded 27,000, the detailed daily attendance metrics can be found in **Attachment C**.

To provide additional transparency, the public can now view real time expenditures as it relates to program budgets for all Community Services category programs at phoenix.gov/Covidrelief.

Responsible Department

This item is submitted by Deputy City Manager Jeff Barton and the Budget and Research Department.