



BAKERSFIELD

THE SOUND OF *Something Better*

Coronavirus Aid, Relief, and
Economic Security (CARES) Act

Overview

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020
- Over \$2 trillion economic relief package
- Funding to individuals, businesses and governments
- City of Bakersfield did not receive a direct allocation from the federal government
 - \$33.5 million allocation to City as part of state's FY 21 budget

General Guidelines

- CARES funding can be used to cover expenses that:
 - are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
 - were 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 government; and
 - were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

General Guidelines

- Ineligible uses:
 - Backfill lost revenue
 - Payroll or benefits for employee duties not “substantially dedicated”
 - Workforce bonuses
 - Damages covered by insurance
 - Assistance to owners to pay property taxes
 - Items disallowed in US Treasury FAQs (updated frequently)

General Guidelines

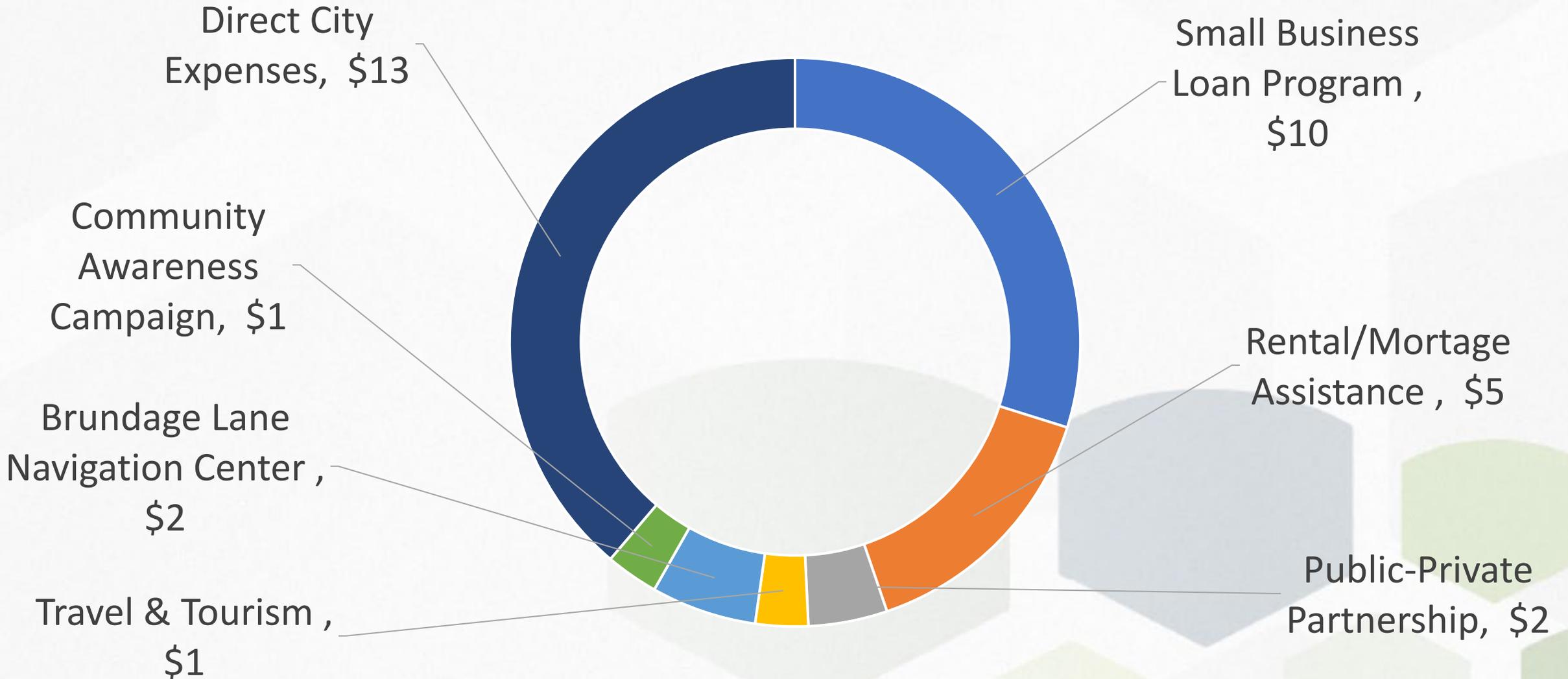
- State will be monitoring to ensure funds are being expended; time is of the essence
- Progress must be made by end of October
- Must be expended by December 30, 2020
- Reporting requirements, auditing and document retention

Allocation Plan

- Disperse allocation throughout the community
- Small businesses, non-profits, vulnerable populations
 - Unemployment 17%+
 - Individuals/families on the verge of homelessness
 - Retail sales down significantly
 - Hotel occupancy down 12 to 50 percent
- Recoup costs borne by the City in response to COVID-19

Allocation Plan

CARES Funding Allocation (in millions)



Small Business/Non-Profit Loan Program

- Forgivable loans to small businesses and non-profits within the City
- Partnership with one or more local lenders
- Loan amount dependent on specifics of businesses finances
- Focus on businesses that did not receive PPP or loan through Kern Recovers program
 - Independent contractors, non-profits, sole proprietors and micro businesses
- Loan program details and agreements with lender(s) – September 9th Council meeting

Rental/Mortgage Assistance

- Addresses vulnerable populations impacted financially by COVID-19
- Allocate up to \$5 million to provide a temporary rent subsidy for tenants in the City of Bakersfield who are unable to pay rent due to circumstances related to the COVID-19 pandemic
- Keep individuals and families stably housed as preventative investment where the alternative may be homelessness
- Ability for property owners to pay mortgage, property taxes, etc.
- Developing guidelines/agreement with the Housing Authority of Kern to facilitate the program – September 9th Council meeting

Community Awareness Campaign

- Keep Kern Open campaign led by Kern Hospital Group and in partnership with the County of Kern
- Encourages adherence to CDC and CA DPH guidelines to reopen economy
- Focus on masks, social distancing, etc.
- Multi-faceted campaign:
 - Pole Banners
 - Billboards & Digital Billboards
 - Bill inserts
 - Bus Wraps
 - Building Banners
 - TV Advertisement
 - Digital Advertisement

Brundage Lane Navigation Center

- The City's homeless navigation center must be modified from original design to meet current and future requirements associated with mitigating for COVID-19
- Spacing of beds
- Air handling
- Common area designs
- Meal preparation areas
- Intake areas
- Office areas
- Other areas of the facility that were not initially designed with COVID-19 specifications
- Up to \$2 million in updates

Travel and Tourism

- Designated set-aside of funding for travel/tourism industry
 - Hotels
 - Attractions
 - Entertainment Venues
- Provides resources to assist with payroll, operating costs, etc.
- Individual agreements based on specific need TBD

Public/Private Partnerships

- Focused efforts on supporting local businesses through engagement and technical support
- Partnerships with local Chambers to provide technical assistance and business support in a “COVID-19” world
- Analysis and assessments of local economy, workforce and other

Direct City Expenses

- City's FY 21 General Fund assumes an estimated \$3 million in CARES Act reimbursements
- City seeks to ensure all eligible and necessary costs are reimbursed
- Payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency

Direct City Expenses

- PPE:
 - Hand sanitizer, masks or face shields, gloves, Tyvek-type suits, cleaning supplies
- Operational modifications:
 - Signage, social distancing floor clings, sneeze guards, queuing improvements, touchpoint reducing improvements, social distancing improvements, enhanced janitorial services or event-specific disinfection services

Direct City Expenses

- Telecommuting Costs:
 - Technology acquired specifically to support COVID-19 telecommuting activities
 - Improvements specifically realized to provide for teleconferencing and telecommuting specifically for COVID-19
- Unbudgeted Capital Improvements/Equipment Acquisition:
 - Capital improvement projects necessary due to the COVID-19 public health emergency
 - Any significant changes or cost increases to existing projects DIRECTLY associated with mitigating for COVID-19
 - Equipment/software (online transactions, etc.) necessary to allow for social distancing meetings or other operations

Staff Recommendation/Next Steps

- Staff recommends approval of the plan
- Authorize staff to implement as deemed necessary
- Appropriate \$7,692,040 to the CARES COVID Relief Fund operating budget for Fiscal Year 2019-20
- Appropriate \$25,810,366 to the CARES COVID Relief Fund operating budget for Fiscal Year 2020-21
- Applicable agreements related to the various programs will be brought forward to the City Council beginning September 9th