



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2020-657, **Version:** 2

A resolution appropriating \$29,822,775.00 in CARES Act funds to certain accounts for the benefit of various Metropolitan Government departments.

WHEREAS, on June 16, 2020, the Metropolitan Council passed Substitute Ordinance BL2020-286, the budget ordinance for the Metropolitan Government for Fiscal Year 2021, which was subsequently signed into law by Mayor John Cooper on June 17, 2020; and,

WHEREAS, Substitute Ordinance BL2020-286 established a COVID-19 Financial Oversight Committee (“the Committee”) to collect, consider, and recommend appropriate uses of all federal and state funds provided to the Metropolitan Government specifically for COVID-19 relief and recovery, including but not limited to, federal CARES Act funds, and to submit its initial recommendations to the Mayor, the Director of Finance, and the Metropolitan Council not later than August 3, 2020; and,

WHEREAS, there are federal requirements for use of CARES Act funds that require that these funds be used or distributed on or before December 30, 2020; and,

WHEREAS, Metro Council previously approved resolutions to designate use of federal CARES funds, including RS2020-394 to provide financial assistance to MNPS for remote learning; RS2020-478 to provide mortgage, rent, and utilities relief; RS2020-500 to provide food assistance; RS2020-515 to provide financial assistance to live music venues; RS2020-516 to provide financial assistance and technical support to small businesses; RS2020-629 to provide financial assistance to nonprofit arts organizations; RS2020-635 to provide rent relief for vendors of the Nashville Farmers Market; and,

WHEREAS, the Committee recognizes that certain public safety salaries are an eligible expense of the Coronavirus Relief Fund (CRF); and,

WHEREAS, the Committee recognizes that Metro will continue to incur expenditures related to the pandemic after December 30, 2020 that are not included in the fiscal year 2021 budget; and,

WHEREAS, the Committee recognizes that there will continue to be needs in the community after December 30, 2020; and,

WHEREAS, the current expiration date to incur expenditures against the CRF is December 30, 2020; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and

Davidson County that this resolution be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan Council accepts this resolution as a recommendation of the COVID-19 Financial Oversight Committee.

Section 2. That \$29,822,775.00 from the COVID-19 Pandemic Fund 30099 is hereby appropriated to reimburse expenditures incurred March 1, 2020 through December 30, 2020 for eligible public safety salaries already included in the fiscal year 2021 budget.

Section 3. The Metropolitan Council directs that the savings from the fiscal year 2021 budget shall be directed to establish a new special revenue reserve fund for the purposes of continuing the expenditures necessary to respond to the coronavirus pandemic.

Section 4. The Metropolitan Council hereby appropriates the first \$20,000,000.00 of the new special revenue reserve fund for the Metropolitan Government's continued COVID-19 related emergency response expenditures for the following purposes and in the following estimated amounts, provided that the Director of Finance shall have the authority to alter the individual appropriations herein within a fifteen percent (15%) differential without further Council approval so long as the total spent from all of the categories does not exceed \$20,000,000.00:

1. \$3,750,000.00 Assessment centers
2. \$3,500,000.00 Contact tracing / response lines
3. \$2,300,000.00 Vulnerable population and homeless support
4. \$8,000,000.00 Health order implementation and enforcement, including public safety/health overtime and PPE distribution
5. \$2,200,000.00 Vaccine planning/distribution
6. \$250,000.00 Increasing telework capabilities

Section 5. The Metropolitan Council hereby appropriates \$5,000,000.00 from the new special revenue reserve fund to Metropolitan Nashville Public Schools to cover the following COVID-19 related expenditures:

1. \$4,400,000.00 Laptops for teachers
2. \$600,000.00 Virtual curriculum and at-home school supplies for students

Section 6. The Metropolitan Council directs additional funding for rent, mortgage and utility assistance of \$3,800,000.00 from the new special revenue reserve fund to be administered by United Way of Greater Nashville under the same terms of RS2020-478.

Section 7. The Metropolitan Council directs additional funding for small business relief grants of \$1,000,000.00 from the new special revenue reserve fund to be administered by Pathway Lending under the same terms of RS2020-516.

Section 8. The Metropolitan Council further appropriates formerly approved CRF funding allocations that are underspent by December 30, 2020, or any approved CRF funding allocations that are ultimately reimbursed

through another funding source for expenditures incurred March 1, 2020 through December 30, 2020 for eligible public safety salaries already included in the fiscal 2021 budget. The savings resulting from those expenditures will be directed to this new special revenue reserve fund for future appropriation by the Council. For any additional COVID-19 emergency response needs, community response needs, and replenishment of Metro emergency management infrastructure and capital, such as: medical supplies and gear, subsidize fleet needs for first-responders, OEM equipment upgrades (e.g., communications/IT equipment in EOC), health department technology or capital needs, or rent, mortgage and utility assistance.

Section 9. This resolution shall take effect from and after its final passage, the welfare of the public requiring it.

Analysis

This resolution appropriates \$29,822,775 in CARES Act funds to various departments of the Metropolitan Government to reimburse expenditures incurred March 1, 2020 through December 30, 2020 for eligible public safety salaries already included in the fiscal year 2021 budget. The Council approved and accepted a Coronavirus Relief Fund (CRF) grant from the U.S. Department of the Treasury in an amount not to exceed \$121,122,775 via Resolution No. RS2020-318, as amended.

This resolution would further direct that savings from the fiscal year 2021 budget be used establish a new special revenue reserve fund for the purposes of continuing the expenditures necessary to respond to the coronavirus pandemic. The first \$20,000,000 of this new special revenue fund would be appropriated for Metro's continued COVID-19 emergency response expenditures, including but not limited to:

- Assessment centers
- Contact tracing / response lines
- Vulnerable population and homeless support
- Health order implementation and enforcement, including public safety/health overtime and PPE distribution
- Vaccine planning/distribution
- Increasing telework capabilities

Additionally, \$5,000,000 from this special revenue fund would be directed to Metropolitan Nashville Public Schools to cover COVID-19 related expenditures deemed eligible, but not limited to those already included in Resolution No. RS2020-658, also on the December 1 agenda. \$3,800,000 would be directed for rent, mortgage and utility assistance to be administered by the United Way of Greater Nashville under the same terms of Resolution No. RS2020-478. \$1,000,000 would be directed for small business relief grants to be administered by Pathway Lending under the same terms of Resolution No. RS2020-516.

Any unused portion of the \$29,822,775 of formerly approved CRF funding that are underspent by December 30, 2020, or any approved CRF funding allocated reimbursed through another funding source would also be directed to the special revenue reserve fund. These funds would be used for any additional COVID-19 emergency response needs and emergency management infrastructure and capital such as medical supplies and gear, fleet needs for first-responders, OEM equipment upgrades, and health department technology or

capital needs.

There is a proposed amendment for this resolution amending Section 8 to clarify that only the budgetary savings realized from the use of CRF funding for reimbursable public safety expenses will be transferred to the new special revenue reserve fund. All CRF funding will be spent by December 30 as required by the federal government.

Fiscal Note: The Council has appropriated a total of \$96,800,000 thus far through the Committee process. This resolution along with RS2020-658 would appropriate the remaining \$29,822,7775 balance of the CARES Act Fund.