



THE CITY OF KEY WEST

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MEMORANDUM

EXECUTIVE SUMMARY

TO: Greg Veliz, City Manager
Patti McLaughlin, Assistant City Manager

CC: Mark Finigan, Chief Financial Officer

FROM: Carolyn Sheldon, Senior Grants Administrator

DATE: December 15, 2020

RE: **Ratifying the attached Interlocal Agreement for CARES Act Funding with Monroe County Board of County Commissioners in the amount not to exceed \$1,300,000.00.**

ACTION STATEMENT:

This resolution will ratify the attached Interlocal Agreement for CARES Act Funding with Monroe County Board of County Commissioners in the amount not to exceed \$1,300,000.00.

BACKGROUND:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law on March 27, 2020 and created the Coronavirus Relief Fund which provides \$150 billion in direct assistance for domestic governments. On June 10, 2020, Governor DeSantis announced the State of Florida's plan to disburse up to \$1.275 billion in CARES Act funds to counties like Monroe County with a population below 500,000.

Monroe County's funding agreement with the Florida Division of Emergency Management (FDEM) was initially for a Phase 1 disbursement of \$3.25 million. Their agreement has been amended to reflect the County's full allotment of \$13,003,340.00 to be expended before the deadline date of December 30, 2020. The County's approved allocation plan included a Phase 2 amount of \$2.6 million for economic relief to the community in the form of a small business assistance grant program for \$1 million and a non-profit assistance grant program for \$1.6 million. The Phase 3 amount is approximately \$7.15 million.

The City of Key West received a Phase 1 allocation of \$165,600.00 and entered into an Interlocal Agreement with Monroe County that was approved with Resolution 20-180. Phase 1 reimbursement was received in October. No Phase 2 funds were allocated to municipalities. The Phase 3 allocation to the City is \$1.3 million. With the short turnaround time to execute the Phase 3 Interlocal Agreement, ratification is necessary in order to meet the tight deadline to submit a reimbursement package. The City's Phase 3 reimbursement was submitted to Monroe County on December 14, 2020 along with the Interlocal Agreement signed by the City Manager. A copy of the Interlocal Agreement with signature pages for both the County and the City are attached.

Key to the Caribbean – Average yearly temperature 77° F.

As with Phase 1, the County's focus for Phase 2 and Phase 3 funds are similar: economic relief to the community inclusive of the municipalities suffering from COVID-19 related employment or business interruptions and public health and safety costs incurred by local government entities for COVID-19 related response, mitigation and recovery efforts and CARES Act program implementation and compliance costs.

PURPOSE AND JUSTIFICATION:

The Interlocal Agreement for CARES Act funding with Monroe County recognizes that the City has and will incur expenditures responding to the COVID-19 pandemic and in accordance with the County's CARES Act funding Agreement with FDEM.

FINANCIAL IMPACT:

With proper documentation to justify requested expenditures incurred due to the public health emergency with respect to COVID-19, it is the County's intent to reimburse the City for expenditures which are eligible for CARES Act funding not to exceed \$1,300,000.00. Through the end of November 2020, the City had incurred \$1.982M in both personnel and other COVID related expenses. Approximately \$1.537M was associated with personnel services (regular and overtime hours) of which \$1.02M was included in the City's Phase 3 reimbursement request along with \$215K for operational expenses and \$65K for rental assistance.

RECOMMENDATION:

Staff recommends that the City Commission ratify the attached Interlocal Agreement for CARES Act Funding with Monroe County Board of County Commissioners in the amount not to exceed \$1,300,000.00.