



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lee Wilcox

**SUBJECT: AUTHORITY TO APPLY FOR
DISASTER RELIEF FUNDING**

DATE: April 2, 2020

Approved

Date

4/2/2020

RECOMMENDATION

Adopt a resolution authorizing the City Manager, Assistant City Manager, or Finance Director to submit applications to the State of California Office of Emergency Services (CalOES), the Federal Emergency Management Agency (FEMA), the U.S. Departments of Housing and Urban Development, Justice, Transportation, and Treasury, and including, without limitation, other federal and state agencies as necessary to apply for Disaster Assistance or related funding, to accept the funds if awarded, and to negotiate and execute all related documents to support the City's response and recovery under the COVID-19 Pandemic.

OUTCOME

The City Council's action will allow the City of San José to apply for state and federal disaster relief assistance from CalOES, FEMA, and the U.S. Departments of Housing and Urban Development, Justice, Transportation, and Treasury, as well as any other federal and state agencies to support the City's response and recovery under the COVID-10 Pandemic.

BACKGROUND

On January 24, 2020, the City established and activated its Pandemic Management Team in preparation for the potential spread of a novel corona virus (COVID-19) first detected in Wuhan City, Hubei Province in China in December 2019. The World Health Organization (WHO) declared the 2019-2020 coronavirus outbreak a Public Health Emergency of International Concern on January 30, 2020. On February 10, 2020, the County of Santa Clara declared a local health emergency and proclaimed a local emergency. On March 4, 2020, in addition to the Governor of California declaring an emergency, the City partially activated its Emergency Operations Center and began scaling up resources to respond to community and organizational impacts from COVID-19. On March 6, 2020, the City of San José declared a Local Emergency

that was subsequently ratified by the City Council on March 10, 2020¹. The WHO declared the 2019-2020 coronavirus outbreak a pandemic on March 11, 2020. On March 22, 2020, the President of the United States declared the State of California as a major disaster area for the COVID-19 pandemic.

The federal disaster declaration triggers the release of public assistance funding under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to supplement the efforts of state and local agencies responding to COVID-19 pandemic impacts retroactive to January 20, 2020 and forward. Other state and federal funding opportunities will also be available to the City as described below.

At the state level, Governor Newsom signed a \$1 billion emergency funding bill on March 17, 2020. Funding priorities for this bill include support to local government to reduce the spread of the virus in homeless populations. At the federal level, Congress has passed and the President has signed two federal stimulus bills – the first, on March 6, 2020, and the second on March 18, 2020 – primarily aimed at supporting workers and businesses impacted by the pandemic. A third, \$2.2 trillion stimulus bill, known as the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), was approved by Congress and signed by the President on March 27, 2020. In addition to providing elevated support to individuals and businesses, the CARES Act contains a number of opportunities for the City to obtain necessary funding, including a \$150 billion Coronavirus Relief Fund to be distributed to state and local governments to support expenditures related to the coronavirus public health emergency, \$5 billion in additional Community Development Block Grant (CDBG) funding, \$4 billion in additional homeless assistance grants, and \$10 billion for airport operations. The Administration continues to track state and federal action that may provide local assistance.

ANALYSIS

The recommended action authorizes the City to apply for the variety of federal and state funding opportunities currently available, and for other opportunities that may become available in the future. A brief summary of current funding availability is listed below. An information memorandum that provides additional detail regarding external funding opportunities will be released under separate cover prior to the April 7, 2020 City Council meeting.

Federal Emergency Management Agency (FEMA) public assistance funding is administered through CalOES (Applicant) on behalf of the City of San José (Sub-recipient). Recently, CalOES notified the City of the availability of these funds and provided information on the application process. The deadline to submit an application for this funding consideration is April 17, 2020. City staff is concurrently gathering requisite application information and additional details such as descriptions of activities, labor information and other pertinent cost estimates.

¹ <http://sanjose.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=6844>

FEMA has identified several areas below that are eligible for potential reimbursement, which closely align with the Emergency Operations Center's roadmap:

- Childcare
- Communication
- Emergency Operations Centers
- Food Distribution
- Law Enforcement
- Medical Sheltering
- Search and Rescue

An early analysis of the CARES Act indicates that the City of San José could receive substantial support for COVID-19 expenditures through the Coronavirus Relief Fund. It is anticipated that the City will need to apply to a variety of federal agencies such as the U.S. Departments of Housing and Urban Development, Justice, Transportation, and Treasury to access funding. More information about the CARES Act and the estimated amount and timing of available funding may be available for the inclusion in a separate item to be scheduled for the April 7, 2020 City Council meeting that will recommend various budget adjustments necessary to facilitate the City's COVID-19 response activities.

From the \$1 billion of emergency funding approved by the State of California on March 17, 2020, the City has already been notified by the State of California's Homeless Coordinating and Financing Council that it will receive \$3.9 million to protect the health and safety of people experiencing homelessness. The formal receipt and budgeting of this funding will be included in separate budget actions to be scheduled for the April 7, 2020 City Council meeting.

CONCLUSION

In light of the current COVID-19 pandemic, staff requests authorization to submit an application for grant funding from CalOES, FEMA, and the U.S. Departments of Housing and Urban Development, Justice, Transportation, and Treasury as well as other related federal and state emergency assistance programs. The Administration anticipates submitting funding applications in the coming weeks – once applications are available – to the State of California, as well as the U.S. Treasury and Transportation Departments to access funding recently made available to municipalities through approved legislation. The deadline to apply for CalOES/FEMA assistance is April 17, 2020; to meet this deadline, Council authority is requested at the April 7, 2020 City Council meeting.

EVALUATION AND FOLLOW-UP

The resolution adopted by Council will be filed with the State of California Office of Emergency Services. The receipt and allocation of funding will be recognized as part of future budget actions.

CLIMATE SMART SAN JOSE

The staff recommendations contained in this memo have no impact on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the April 7, 2020 Council Meeting.

COORDINATION

This memorandum has been coordinated with the Finance Department, the Airport Department, the City Attorney's Office, the Office of Emergency Management, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

COST SUMMARY/IMPLICATIONS

Approving the recommended action allows the City to apply for state and federal funding that will become available to help local jurisdictions respond to the COVID-19 pandemic. External resources will be needed as the City is anticipated to incur significant costs related to personal protective equipment and enhanced cleaning to maintain essential services, homelessness protection and support services, food and necessities distribution to vulnerable members of the community, and other emergency response activities. An information memorandum that provides additional detail regarding external funding will be released under separate cover prior to the April 7, 2020 City Council meeting. Further, as a separate item on the City Council meeting for April 7, 2020, the Administration will recommend initial budget adjustments to facilitate the City's COVID-19 response.

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CEQA

Not a Project, File No. PP17-006, Grant Application with no commitment or obligation to enter into an agreement at the time of application.

/s/

LEE WILCOX

Director, Emergency Operations Center

For questions, please contact Abraham Chacko, Emergency Operations Center Recovery Section Coordinator, at (408) 793-5523.