



Committee: Directly to Council
Committee Review: N/A
Staff: Craig Howard, Deputy Director
Purpose: To receive testimony/final action - vote expected
Keywords: #CARES Act, coronavirus, COVID-19

AGENDA ITEM #7
November 17, 2020
Public Hearing/Action

SUBJECT

Special Appropriation to the Fiscal Year 2021 Operating Budget, Montgomery County Government Federal Coronavirus Relief Fund (NDA), \$35,636,325 (Source of Funds: Federal Grant Funds) and Amendment to Resolution 19-498 Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Federal Coronavirus Relief Fund (NDA)

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

The Council will hold a public hearing and consider action.

DESCRIPTION/ISSUE

This special appropriation will appropriate \$35.6 million in federal CARES funding to the County Government COVID NDA, and amend Resolution 19-498 to allow additional authorized uses of the Fund. This \$35.6 million amount reflects the remainder of the \$183 million in CARES funding that the Council has yet to appropriate. The Council introduced this appropriation on November 10.

SUMMARY OF KEY DISCUSSION POINTS

- On June 16, the Council adopted Resolution 19-498 to appropriate \$80 million in Federal CARES Act funding to the COVID NDA. That appropriation was used to reimburse the General Fund for previously approved COVID-19 related special appropriations (\$28.1 million) and to provide expenditure authority (\$51.9 million) for a specified list of eligible COVID-19 related expenditures. On June 28, the Council amended Resolution 19-498 to expand the list of allowed uses for these funds.
- This appropriation is requested for the remaining unappropriated CARES funds received from the Federal government to the COVID NDA to allow funds to be expended by December 30, 2020. **A current estimate from the Executive Branch of how the total \$183 million in CARES funding will be allocated is attached at ©15-16.**
- This appropriation would: 1) authorize the County Government to expend these additional funds on the list of uses previously approved in Resolution 19-498 as amended; 2) further amend Resolution 19-498 to allow three additional uses for funds from the NDA; and 3) allow the NDA to reimburse the General Fund for two previously approved special appropriations. Each of these areas is discussed in more detail in the next section.
- **Councilmember Riemer has requested an amendment to the proposed resolution (see ©13-14).** This amendment would fully fund the 3R Initiative at \$500,000. The Montgomery County

Economic Development Corporation (MCEDC) is administering the 3R Initiative, and the Council appropriated \$500,000 in June 2020 using undisbursed Telework Assistance Program funding. The \$500,000 was an estimate provided by MCEDC, and after final reconciliation of the Telework Assistance Program, the total undisbursed funds equaled \$459,000. This is \$41,000 less than the \$500,000, and this amendment would ensure MCEDC receives the full \$500,000.

DETAILED SUMMARY OF REQUEST

Based upon passage of the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, Montgomery County received \$183,336,953 in Federal grant funding to be used for eligible COVID-19 related expenditures incurred between March 1 and December 30, 2020. To date, the Council has appropriated \$147,700,628 of the total. This appropriation is requested for the remaining unappropriated balance of \$35,636,325. The appropriation as requested by the Executive would do the following:

- **Authorize the County Government to spend all or some of these additional funds on the list of uses previously approved. Resolution 19-498 (as originally approved on June 16 and amended on July 28) includes a list of 22 authorized expenditures from the NDA, listed below.**
 1. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency, including any pay differential provided to employees responding to the public health crisis.
 2. COVID-19 related expenses of public clinics and similar facilities.
 3. Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 4. Costs of providing COVID-19 testing, including serological testing.
 5. Emergency medical response expenses, including emergency medical transportation related to COVID-19.
 6. Expenses for establishing and operating community telemedicine capabilities for COVID-19.
 7. Expenses for communication and enforcement of public health orders related to COVID-19.
 8. Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment for medical personnel, police officers, social workers, child protection services, child welfare officers, County employees, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 9. Expenses for disinfection of public areas and other facilities in response to the COVID-19 public health emergency.
 10. Expenses for technical assistance or mitigation of COVID-19 related threats to public health and safety.
 11. Expenses for public safety measures undertaken in response to COVID-19.
 12. Expenses for quarantining individuals.

13. Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 14. Expenses to improve telework capabilities of public employees to enable compliance with COVID-19 public health precautions.
 15. Expenses relating to Department of Correction and Rehabilitation facilities as it relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 16. Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
 17. Expenses, including overtime or contractual expenses, associated with implementation and administration of any new programs established by the special appropriations listed in this Resolution, or any related legislation.
 18. Costs related to obtaining and maintaining lines of credit as authorized by the County Council.
 19. Costs necessary to satisfy the non-Federal funding matching requirements for reimbursement of eligible emergency expenditures by the Federal Emergency Management Agency.
 20. Assistance to other governmental entities in Montgomery County for costs or expenses incurred or necessitated due to COVID-19.
 21. Expenses necessary for the reopening of County Government and provision of services to the public in different ways due to COVID-19.
 22. Costs related to eviction and homelessness prevention programs addressing tenants at risk of eviction or homelessness due to COVID-19 impacts.
- **Amend Resolution 19-498 to allow three additional uses of funding from the NDA, listed below.**
 1. Costs related to the COVID Corps program.
 2. Costs related to reimbursing Takoma Park for its Small Business Mini-Grant Program, provided that no funds may be used to pay for a grant to a business that received any COVID-related business assistance grant from Montgomery County.
 3. Costs related to the Early Care and Education Initiative Recovery Fund where the amount awarded to recipients was in excess of the appropriation under Resolution 19-500 and General Funds were used to pay for the overage.
 - **Allow the NDA to reimburse the General Fund for two previously approved special appropriations totaling \$2,040,000, listed below. The Executive Branch has determined that these special appropriations are an eligible use of CARES funding.**
 1. Resolution 19-432: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government COVID-19 Human Services Response and Community Assistance Non-Departmental Account (NDA) for Emergency Eviction Prevention and Rental Assistance (\$2,000,000).

2. Resolution 19-490: Special Appropriation to the Fiscal Year 2020 Operating Budget WorkSource Montgomery Non-Departmental Account, Support for COVID-19 Response – Unemployment Insurance Outreach (\$40,000).

This report contains:

Executive Transmittal Memo (November 5, 2020)	©1-2
Draft Special Appropriation Resolution	©3-5
Resolution 19-498 (adopted June 16, 2020)	©6-10
Resolution 19-554, amendments to Resolution 19-498 (adopted July 28, 2020)	©11-12
Recommended amendment to the proposed Resolution from Councilmember Riemer	©13-14
Updated estimates of CARES funding allocations (November 13, 2020)	©15-16

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

November 6, 2020

TO: Sidney Katz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Special Appropriation #21-496 to the Federal Coronavirus Relief Fund (NDA)
\$35,636,325 (Source of Funds: Federal Grant Funds) and Amendment to Resolution 19-498 Uses of the Federal Coronavirus Relief Fund (CRF) Non-Departmental Account

On June 16, 2020 the County Council adopted Resolution 19-498, a Special Appropriation to the FY20 Operating Budget for Montgomery County Government. This Special Appropriation allocated \$80,000,000 from the funds received under the CRF to the Federal Coronavirus Relief Fund Non-Departmental Account (NDA). The resolution stated that the funds in the NDA may be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the specified purposes listed in the resolution. On July 28, 2020 Council adopted Resolution 19-554 that expanded the list of allowed uses for the funds in the NDA. Any COVID-19 related expenditure not listed in the amended resolution would require the approval of the County Council.

Of the original \$183,336,953 in Coronavirus Relief Funds received by the County, \$35,636,325 has not been appropriated by the Council. I am requesting that Council appropriate the remaining funds to the Federal Coronavirus Relief Fund NDA to be used to pay for the uses authorized by Council.

In addition, I am requesting that the Council expand the authorized uses of the funds in the CRF NDA to include two additional appropriations that Council previously passed where the source of funds was designated as General Fund Reserves but are eligible CRF expenditures. The attached resolution would also amend Resolution 19-498 and add three additional authorized uses outlined below.

1. Costs related to implementing the COVID Corps Program;
2. Costs related to reimbursing Takoma Park for its Small Business Mini-grant Program, provided that no funds may be used to pay for a grant to a business that received any COVID-related business assistance grant from Montgomery County; and

Sidney Katz, President, County Council
November 6, 2020
Page 2

3. Costs related to the Early Care and Education Initiative Recovery Fund where the amount awarded to recipients was in excess of the appropriation under Resolution 19-500 and General Funds were used to pay for the overage.

I appreciate the Council's consideration of this request. Should you have any questions or need further clarification, please contact Joshua Watters in the Office of Management and Budget.

ME:jw

c: Marlene Michaelson, Executive Director, Montgomery County Council
Richard S. Madaleno, Chief Administrative Officer
Jennifer Bryant, Acting Director, Office of Management and Budget
Michael Coveyou, Director, Department of Finance
Earl Stoddard, Ph.D., Director, Office of Emergency Management and Homeland Security

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead sponsor: Council President at the request of the County Executive

SUBJECT: Special Appropriation #21-496 to the Fiscal Year 2021 Operating Budget Montgomery County Government Federal Coronavirus Relief Fund (NDA) \$35,636,325 (Source of Funds: Federal Grant Funds) and Amendment to Resolution 19-498 Special Appropriation #20-464 to the Fiscal Year 2020 Operating Budget Montgomery County Government Federal Coronavirus Relief Fund (NDA)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. On March 27, 2020 the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted. The CARES Act established the Coronavirus Relief Fund (CRF) and appropriated \$150,000,000,000 to the fund. Under the CARES Act, the fund is to be used to make payments for specified uses to States and certain local governments, and Montgomery County is eligible to receive \$183,336,953 from the Federal CRF. On April 14, 2020 the County submitted an application to access the CRF funds. As required by the CARES Act, the County Executive certified that the funds would only be used to cover costs 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 County budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The full \$183,336,953 Federal grant has been received by the County
3. On June 16, 2020 the County Council adopted Resolution 19-498, a Special Appropriation to the FY20 Operating Budget for Montgomery County Government. This Special Appropriation allocated \$80,000,000 from the funds received under the CRF to the Federal Coronavirus Relief Fund Non-Departmental Account (NDA). The resolution

4. stated that the funds in the NDA may be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the specified purposes listed in the resolution. On July 28, 2020 Council adopted Resolution 19-554 that expanded the list of allowed uses for the funds in the NDA. Any COVID-19 related expenditure not listed in the resolution would require the approval of the County Council.
5. The County Executive is requesting that the remaining unappropriated Coronavirus Relief Fund monies received from the Federal government be appropriated to the Federal Coronavirus Relief Fund NDA, the Executive is requesting that Council expand the uses of those funds.
6. Public notice of the special appropriation was provided by news release and specified the source of funds as Federal Grant Funds.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY20 Operating Budget of the Montgomery County Government, in the amount of \$35,636,325 is approved to the Federal Coronavirus Relief Fund NDA (COVID NDA) as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$35,636,325	\$35,636,325	Federal Funds

The General Fund was designated as the source of funding for the following previously approved special appropriations. Funds in the COVID NDA may be used to reimburse the General Fund for the following special appropriations, to the extent possible and to the extent these special appropriations are not eligible for other Federal reimbursement:

Resolution 19-432: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government COVID-19 Human Services Response and Community Assistance Non-Departmental Account (NDA) for Emergency Eviction Prevention and Rental Assistance (\$2,000,000); and

Resolution 19-490: Special Appropriation to the Fiscal Year 2020 Operating Budget WorkSource Montgomery Non-Departmental Account, Support for COVID-19 Response – Unemployment Insurance Outreach (\$40,000).

The Council approves the following amendment to Resolution 19-498 which authorized uses for funds in the Federal Coronavirus Relief Fund NDA (COVID NDA).

Funds in the COVID NDA may also be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the following, to the extent these expenditures are not eligible for other Federal reimbursement:

Costs related to implementing the COVID Corps Program;

Costs related to reimbursing Takoma Park for its Small Business Mini-grant Program, provided that no funds may be used to pay for a grant to a business that received any COVID-related business assistance grant from Montgomery County; and

Costs related to the Early Care and Education Initiative Recovery Fund where the amount awarded to recipients was in excess of the appropriation under Resolution 19-500 and General Funds were used to pay for the overage.

This appropriation is needed to in response to a public health emergency and to act without delay is in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Resolution No.: 19-498
Introduced: June 9, 2020
Adopted: June 16, 2020

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead sponsor: Council President at the request of the County Executive

SUBJECT: Special Appropriation #20-464 to the Fiscal Year 2020 Operating Budget
Montgomery County Government
Federal Coronavirus Relief Fund (NDA)
\$80,000,000 (Source of Funds: Federal Grant Funds)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020 the World Health Organization declared the disease a pandemic. As of May 20, 2020, there were approximately 1.5 million confirmed cases in the United States, including over 42,000 confirmed cases in Maryland, of which over 9,000 were in Montgomery County.
3. To slow the spread of the disease, Governor Hogan declared a State of Emergency and has issued several Executive Orders with actions that include, but are not limited to, closing schools, closing senior centers and adult medical day care programs, closing all non-essential businesses and limiting the number of people that can gather. On May 15, 2020, the County Executive issued, and the County Council approved, an Executive Order extending the Governor's stay at home order for Montgomery County.
4. On March 27, 2020 the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted. The CARES Act established the Coronavirus Relief Fund (CRF) and appropriated \$150,000,000,000 to the fund. Under the CARES Act, the fund is to be used to make payments for specified uses to States and certain local governments, and Montgomery County is eligible to receive \$183,336,953 from the Federal CRF.

5. On April 14, 2020 the County submitted an application to access the CRF funds. As required by the CARES Act, the County Executive certified that the funds would only be used to cover costs 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 County budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The full \$183,336,953 Federal grant has been received by the County.
6. The Non-Departmental Account created by this resolution will be administered by the Office of Management and Budget.
7. Public notice of the special appropriation was provided by news release and specified the source of funds as Federal Grant Funds.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY20 Operating Budget of the Montgomery County Government, in the amount of \$80,000,000 is approved to the Federal Coronavirus Relief Fund NDA (COVID NDA) as follows:

	<u>Personnel</u> <u>Expense</u>	<u>Operating</u> <u>Expense</u>	<u>Total</u>	<u>Source of Funds</u>
COVID NDA	\$0	\$80,000,000	\$80,000,000	Federal Grant Funds

The General Fund was designated as the source of funding for the following previously approved special appropriations. Funds in the COVID NDA must be used to reimburse the General Fund for the following special appropriations, to the extent possible and to the extent these special appropriations are not eligible for other Federal reimbursement:

Resolution 19-407: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Department of Health and Human Services Support for COVID-19 Response - Feeding Our Families (\$260,000);

Resolution 19-408: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Conference and Visitors Bureau Non-Departmental Account Support for COVID-19 Response – Hotel or Motel Rooms for Medical and Front-Line Staff (\$250,000);

Resolution 19-409: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Department of Finance Economic Development Fund, Public Health Emergency Grant Program (\$20,000,000);

Resolution 19-425: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Department of Finance Economic Development Fund, Public Health Emergency Grant Program (\$5,000,000);

Resolution 19-426: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Montgomery County Economic Development Corporation Non-Departmental Account, Support for COVID-19 Response – Local Production Fund (\$100,000);

Resolution 19-427: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government, Department of General Services Purchase of Face Coverings and other Personal Protective Equipment (\$250,000);

Resolution 19-437: Supplemental appropriation to the County Government's FY20 Operating Budget, COVID-19 Human Services and Community Assistance Non-Departmental Account (NDA) Support for COVID-19 Response – Food Assistance/Feeding Our Families (\$750,000);

Resolution 19-438: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government, Montgomery County Economic Development Corporation Non-Departmental Account, Support for COVID-19 Response – Telework Assistance Program (\$250,000); and

Resolution 19-454: Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government, Montgomery County Economic Development Corporation Non-Departmental Account, Support for COVID-19 Response – Telework Assistance Program (\$1,250,000).

Funds in the COVID NDA may be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the following, to the extent these expenditures are not eligible for other Federal reimbursement:

Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency, including any pay differential provided to employees responding to the public health crisis;

COVID-19 related expenses of public clinics and similar facilities;

Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs;

Costs of providing COVID-19 testing, including serological testing;

Emergency medical response expenses, including emergency medical transportation related to COVID-19;

Expenses for establishing and operating community telemedicine capabilities for COVID-19;

Expenses for communication and enforcement of public health orders related to COVID-19;

Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment for medical personnel, police officers, social workers, child protection services, child welfare officers, County employees, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency;

Expenses for disinfection of public areas and other facilities in response to the COVID-19 public health emergency;

Expenses for technical assistance or mitigation of COVID-19 related threats to public health and safety;

Expenses for public safety measures undertaken in response to COVID-19;

Expenses for quarantining individuals;

Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions;

Expenses to improve telework capabilities of public employees to enable compliance with COVID-19 public health precautions;

Expenses relating to Department of Correction and Rehabilitation facilities as it relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions;

Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions; and

Expenses, including overtime or contractual expenses, associated with implementation and administration of any new programs established by the special appropriations listed in this Resolution, or any related legislation.

COVID-19 related expenses not described above require the approval of the County Council via a future Special Appropriation.

The County Executive must transmit a report on the use of the funds by category to the Council every two weeks beginning June 26, 2020 and ending January 1, 2021, or until the balance in the fund is \$0.

The funds appropriated in the COVID NDA must be placed in a Grant Fund account in which any unspent funds will be reappropriated in FY 2021.

The County Executive may transfer the funds appropriated in this NDA to County departments, offices, or other NDAs, as needed for the purposes specified in this resolution.

This appropriation is needed in response to a public health emergency and to act without delay is in the public interest.

This is a correct copy of Council action.



Selena Mendy Singleton, Esq.
Clerk of the Council

Resolution No.:	<u>19-554</u>
Introduced:	<u>July 28, 2020</u>
Adopted:	<u>July 28, 2020</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Amendment to Resolution 19-498, Special Appropriation #20-464 to the Fiscal Year 2020 Operating Budget
Montgomery County Government Federal Coronavirus Relief Fund (NDA)

Background

1. On March 27, 2020, the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted. The CARES Act established the Coronavirus Relief Fund (CRF) and appropriated \$150,000,000,000 to the fund. Under the CARES Act, the fund is to be used to make payments for specified uses to States and certain local governments, and Montgomery County is eligible to receive \$183,336,953 from the Federal CRF. On April 14, 2020 the County submitted an application to access the CRF funds. As required by the CARES Act, the County Executive certified that the funds would only be used to cover costs 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 County budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020. The full \$183,336,953 Federal grant has been received by the County.
2. On June 16, 2020, the County Council adopted Resolution 19-498, a Special Appropriation to the FY20 Operating Budget for Montgomery County Government. This Special Appropriation allocated \$80,000,000 from the funds received under the CRF to the Federal Coronavirus Relief Fund Non-Departmental Account (NDA). The resolution stated that the funds in the NDA may be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the specified purposes listed in the resolution. Any COVID-19 related expenditure not listed in the resolution would require the approval of the County Council.
3. The County Executive is requesting additional allowed uses for the funds in the NDA based upon additional guidance received from the U.S. Treasury Department as well as expenditures necessary for reopening County government and providing services to the public in new ways; the fiscal health of the County; and to provide assistance to other

governmental entities in Montgomery County. In addition, the CRF can be used to provide funding for eviction and homelessness prevention programs addressing tenants at risk of eviction or homelessness due to COVID-19 impacts.

Action

The County Council for Montgomery County, Maryland approves the following action:

The Council approves an amendment to Resolution 19-498, authorized uses for funds in the Federal Coronavirus Relief Fund NDA (COVID NDA).

Funds in the COVID NDA may also be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the following, to the extent these expenditures are not eligible for other Federal reimbursement:

Costs related to obtaining and maintaining lines of credit as authorized by the County Council;

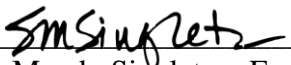
Costs necessary to satisfy the non-Federal funding matching requirements for reimbursement of eligible emergency expenditures by the Federal Emergency Management Agency;

Assistance to other governmental entities in Montgomery County for costs or expenses incurred or necessitated due to COVID-19;

Expenses necessary for the reopening of County government and provision of services to the public in different ways due to COVID-19; and

Costs related to eviction and homelessness prevention programs addressing tenants

This is a correct copy of Council action.



Selena Mendy Singleton, Esq.
Clerk of the Council

CRF resolution amendment

Rierner, Hans <Hans.Rierner@montgomerycountymd.gov>

Tue 11/10/2020 2:05 PM

To: #CCL.Councilmembers (Private) <#CCL.CouncilmembersPrivate@montgomerycountymd.gov>; #CCL.Confidential Aides <#CCL.ConfidentialAides@montgomerycountymd.gov>; Smith, Gene <Gene.Smith@montgomerycountymd.gov>; Howard, Craig <Craig.Howard@montgomerycountymd.gov>

Colleagues,

I recommend a minor amendment to the \$35,636,325 CRF appropriation resolution. This amendment seeks to address a minor rounding issue for the 3R Initiative being administered by the Montgomery County's Economic Development Corporation (MCEDC). I plan to move this amendment before the Council adopts the resolution next Tuesday, November 17. Feel free to follow up with me or my office, and I look forward to your support for this amendment.

Below is the background and my proposed amendment to address the issue.

- The Council appropriated a total of \$1,500,000 through two resolutions for the Telework Program that MCEDC administered.
- The Council appropriated \$500,000 for the 3R Initiative. The source of funding for this program was the unspent funds from the Telework Program. At the time, MCEDC estimated that it would have about \$500,000 unspent from Telework Program.
- After finalizing all payments for the Telework Program, MCEDC disbursed a total of \$1,041,000. This left \$459,000 for the 3R Initiative, \$41,000 short of the \$500,000 intended by the Council.
- MCEDC has requested that the Council consider adding \$41,000 to the 3R Initiative so that it is fully funded at the \$500,000 intent.

I propose the following amendment to be added in the action section of the proposed resolution:

- The Council approves that \$41,000 of this appropriation will be provided to the Montgomery County Economic Development Corporation to fully fund the 3R Initiative at \$500,000.

-
Thank you for your consideration of this item.

The Council approves the following amendment to Resolution 19-498 which authorized uses for funds in the Federal Coronavirus Relief Fund NDA (COVID NDA).

Funds in the COVID NDA may also be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the following, to the extent these expenditures are not eligible for other Federal reimbursement:

Costs related to implementing the COVID Corps Program;

Costs related to reimbursing Takoma Park for its Small Business Mini-grant Program, provided that no funds may be used to pay for a grant to a business that received any COVID-related business assistance grant from Montgomery County; and

Costs related to the Early Care and Education Initiative Recovery Fund where the amount awarded to recipients was in excess of the appropriation under Resolution 19-500 and General Funds were used to pay for the overage.

The Council approves that \$41,000 of this appropriation will be provided to the Montgomery County Economic Development Corporation to fully fund the 3R Initiative at \$500,000.

This appropriation is needed to in response to a public health emergency and to act without delay is in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Federal Coronavirus Relief Fund NDA Status

November 13, 2020

(\$ in Millions)

Appropriated Amount Under Resolution 19-498	\$80.0
Special Appropriations - Spent and Likely to be Spent by December 30	
PHEG Program (19-409 & 19-425)	-\$20.9
Local PPE Production Special Appropriation (19-426)	-\$0.1
Telework Assistance Program (19-438 & 19-454)	-\$1.0
Local Share for FEMA Eligible Special Appropriations Listed in 19-498	-\$0.3
Subtotal	-\$22.4
County Operations	
Local Match for FEMA Reimbursement Submitted 10/23	-\$7.8
Estimate Disallowed Reimbursements from FEMA - incurred/future expenses (Post 10/23 Submission based on revised FEMA guidelines covering costs after 9/15)	-\$8.8
Estimate Local Match for Remaining FEMA Reimbursements for CY20 Costs	-\$13.9
Estimate County Match for Pay Differential Through End of CY20 (Assuming FEMA Eligibility of All Costs)	-\$18.7
Estimate Less Optimistic Analysis of Pay Differential Costs Not Covered by FEMA	-\$35.2
County Government Operating Expenditures Booked to CRF (March - September)	-\$4.3
Estimate County Government Operating Expenditures (October - December)	-\$3.0
Subtotal	-\$91.5
Municipal / Outside Agency Reimbursements	
Estimate Municipal and Outside Agency Reimbursements from CRF NDA	-\$2.5
Subtotal	-\$2.5
Requests Pending Before Council for Additional Expenditure Authority	
Rental Assistance Shifting General Fund Appropriation to CRF NDA (19-432)	-\$1.1
Covid Corps Expenditures*	-\$0.3
ECEI Recovery Fund Additional Funding Needed	-\$0.3
Subtotal	-\$1.7
Special Appropriation 21-496 Pending Before Council	\$35.6
Total Appropriations Minus Expenditures and Estimated Expenditures	-\$2.4

*Some expenditures might be FEMA eligible and will reduce amount charged to the CRF NDA

Federal Coronavirus Relief Fund Status

November 13, 2020

(\$ in Millions)

Beginning Balance	\$183.3
Special Appropriations	
PHEG Program (19-409 & 19-425)	-\$20.9
Local PPE Production Special Appropriation (19-426)	-\$0.1
Telework Assistance Program (19-438 & 19-454)	-\$1.0
3R Program (19-499)	-\$0.5
ECEI Assistance to Childcare Providers (19-500)	-\$10.0
Food Assistance/Security Administration Costs (19-506)	-\$0.3
Assistance to Arts Organizations (19-522)	-\$3.3
Reopen Montgomery (19-523)	-\$9.0
MD Tech Council - Business Continuity Task Force (19-524)	-\$0.3
Assistance to Medical and Dental Clinics (19-535)	-\$3.0
Assistance to Distressed, Affordable Common Ownership Communities (19-551)	-\$0.1
Permanent Supportive Housing for Veterans and Unsheltered Adults (19-556)	-\$0.1
Hospitality and Tourism Support (19-560)	-\$0.2
Rental Assistance & Eviction/Homelessness Prevention (19-557 & 19-432)	-\$21.1
COVID-19 Mental Health Hotline (19-564)	-\$0.3
Por Nuestra Salud (19-565)	-\$4.6
AAHP COVID Response (19-582)	-\$3.4
Youth Sports Initiative (19-590)	-\$0.6
Countywide - Youth Sports Initiative for CUPF (19-589)	-\$0.5
School Age Child Care During Distance Learning (19-611)	-\$7.7
COVID-19 Educational Enrichment & Equity Hubs	-\$1.2
Arts COVID-19 Relief Funds	-\$0.4
Tourism & Stabilization Grant Program	-\$5.1
Local Share for FEMA Eligible Special Appropriations	-\$5.8
Subtotal	-\$99.3
County Operations	
Local Match for FEMA Reimbursement Submitted 10/23	-\$7.8
Estimate Disallowed Reimbursements from FEMA - incurred/future expenses (Post 10/23 Submission based on revised FEMA guidelines covering costs after 9/15)	-\$8.8
Estimate Local Match for Remaining FEMA Reimbursements for CY20 Costs	-\$13.9
Estimate County Match for Pay Differential Through End of CY20 (Assuming FEMA Eligibility of All Costs)	-\$18.7
Estimate Less Optimistic Analysis of Pay Differential Costs Not Covered by FEMA	-\$35.2
County Government Operating Expenditures Booked to CRF (March - September)	-\$4.3
Estimate County Government Operating Expenditures (October - December)	-\$3.0
Subtotal	-\$91.5
Requests Pending Before Council for Additional Expenditure Authority	
Covid Corps Expenditures*	-\$0.3
ECEI Recovery Fund Additional Funding Needed	-\$0.3
Subtotal	-\$0.6
Municipal / Outside Agency Reimbursements	
Estimate Municipal and Outside Agency Reimbursements from CRF NDA	-\$2.5
Subtotal	-\$2.5
Total Spent or Allocated	-\$193.9
Remaining Amount	-\$10.6

*Some expenditures might be FEMA eligible and will reduce amount charged to the CRF NDA



Committee: Directly to Council
Committee Review: N/A
Staff: Craig Howard, Deputy Director
Purpose: To receive testimony/final action - vote expected
Keywords: #CARES Act, coronavirus, COVID-19

ADDENDUM
AGENDA ITEM #7
November 17, 2020
Public Hearing/Action

SUBJECT

Special Appropriation to the Fiscal Year 2021 Operating Budget, Montgomery County Government Federal Coronavirus Relief Fund (NDA), \$35,636,325 (Source of Funds: Federal Grant Funds) and Amendment to Resolution 19-498 Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County Government Federal Coronavirus Relief Fund (NDA)

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

The Council will hold a public hearing and consider action.

DESCRIPTION/ISSUE

On November 16, the County Executive submitted a proposed amendment to the special appropriation that would provide one additional authorized use of CRF funds – to pay for the \$1.2 million that was spent on the Essential Provider Childcare Supplement Program. Since this program was unbudgeted, implemented during the timeframe described by Congress for the usage of CRF dollars, and implemented in response to the pandemic, the Executive Branch has determined that CRF dollars could be used to pay for this program. **Council staff recommends approval.**

This report contains:

Executive Transmittal Memo (November 16, 2020)	©1-2
Recommended amendments to the proposed special appropriation	©3

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

November 16, 2020

TO: Sidney Katz, President, County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Requested Amendment to Special Appropriation #21-496 to the Federal Coronavirus Relief Fund (NDA) \$35,636,325 (Source of Funds: Federal Grant Funds) and Amendment to Resolution 19-498 Uses of the Federal Coronavirus Relief Fund (CRF) Non-Departmental Account

On November 6, I requested that Council approve an additional \$35.6 million special appropriation for the CRF NDA and provide authority to use the funds in the NDA for additional purposes. To ensure that the CRF funds are maximized, and to provide the greatest flexibility for the County to use General Funds, I have directed the Office of Management and Budget to work with departments to determine whether the CRF dollars could be used to pay for things that have previously been paid for with General Funds.

In working with the Department of Health and Human Services, it has been determined that CRF dollars could be used to pay for the Essential Provider Childcare Supplement Program. This program, begun in March 2020, was created in response to the Governor giving permission for certain licensed childcare providers to apply to reopen and serve children of essential workers. These providers were identified as essential providers for childcare and essential providers for school age children. The State program paid those providers \$250 per week per child, an amount that would not support the programs in Montgomery County. As a result, the County implemented a supplement payment to pay a reasonable cost to provide support to our essential workforce. This program supported 1,688 clients and 220 providers at total cost of \$1.2 million. Since this program was unbudgeted, implemented during the timeframe described by Congress for the usage of CRF dollars, and implemented in response to the pandemic, CRF dollars could be used to pay for this program.

In order for this program to be funded with CRF dollars, we must have Council authorization to use the funds for that purpose. Therefore, I am requesting that Council approve the

Sidney Katz, President, County Council
November 16, 2020
Page 2

following Sidney Katz, President, County Council amendment to Resolution 19-498 which authorized uses for funds in the Federal Coronavirus Relief Fund NDA to include:

“Costs related to implementing the Essential Provider Childcare Supplement Program.”

I appreciate the Council’s consideration of this request. Should you have any questions or need further clarification, please contact Joshua Watters in the Office of Management and Budget.

ME:jw

c: Richard S. Madaleno, Chief Administrative Officer
Marlene Michaelson, Executive Director, Montgomery County Council
Jennifer Bryant, Acting Director, Office of Management and Budget
Michael Coveyou, Director, Department of Finance
Raymond Crowell, Psy.D., Director, Department of Health and Human Services
Earl Stoddard, Ph.D., Director, Office of Emergency Management and Homeland Security

The Council approves the following amendment to Resolution 19-498 which authorized uses for funds in the Federal Coronavirus Relief Fund NDA (COVID NDA).

Funds in the COVID NDA may also be used to pay for any County or municipal expenditure that is eligible under the CARES Act related to the following, to the extent these expenditures are not eligible for other Federal reimbursement:

Costs related to implementing the COVID Corps Program;

Costs related to reimbursing Takoma Park for its Small Business Mini-grant Program, provided that no funds may be used to pay for a grant to a business that received any COVID-related business assistance grant from Montgomery County; and

Costs related to the Early Care and Education Initiative Recovery Fund where the amount awarded to recipients was in excess of the appropriation under Resolution 19-500 and General Funds were used to pay for the overage.

Costs related to implementing the Essential Provider Childcare Supplement Program

The Council approves that \$41,000 of this appropriation will be provided to the Montgomery County Economic Development Corporation to fully fund the 3R Initiative at \$500,000.

This appropriation is needed to in response to a public health emergency and to act without delay is in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Amendment recommended by the County Executive highlighted in GREEN

Amendment recommended by Councilmember Riemer highlighted in YELLOW