

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-42

ESTABLISHING THE SUM TO BE MADE AVAILABLE FOR THE FIRST DISTRIBUTION UNDER THE UNALASKA CARES GRANT PROGRAM FOR LOCAL BUSINESSES AND NON-PROFIT ORGANIZATIONS EXPERIENCING NEGATIVE ECONOMIC IMPACT DUE TO COVID-19

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, the City of Unalaska wishes to provide financial aid to qualifying non-profit organizations and commercial businesses in Unalaska that have been negatively impacted by COVID-19; and

WHEREAS, the City of Unalaska requested preliminary applications from non-profit organizations and commercial businesses seeking funds from the Unalaska Cares Grant Program for local businesses and non-profit organizations; and

WHEREAS, the City of Unalaska's online application portal opened on June 17 at 8:00 a.m. and closed at June 22 at noon, to provide time for staff to review and summarize applications in time for the City Council meeting on Tuesday, June 23; and

WHEREAS, staff reviewed all applications received during the pre-application process and is providing a summary of those applications, including a recommendation for funding by qualified and eligible applicants, to be presented at the June 23 City Council meeting; and

WHEREAS, the City Council is approving preliminary funding in the amount of \$ \_\_\_\_\_ for the first distribution under the Unalaska Cares Grant Program for local businesses and non-profit organizations who submitted applications, distributed according to this Resolution.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves distribution of funding to the following applicants in the amount designated:

<b>Unalaska Cares Grant Applicant</b>	<b>Amount</b>
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____
Business or NPO Name .....	\$ _____

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on June 23, 2020.

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Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

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Marjie Veeder, CMC  
City Clerk

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Jim Sharpe, Interim Finance Director  
Through: Erin Reinders, City Manager  
Date: June 23, 2020  
Re: CARES Act Overview - Update

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**SUMMARY:** The City of Unalaska is receiving CARES Act funding, of which \$5,477,777 was received in early June. The staff team continues to work diligently to develop a responsible spending plan. Tonight, the team will provide additional information regarding the Act, provide an update regarding the spending plan and report on grant applications received to date.

**PREVIOUS COUNCIL ACTION:** City Council approved Resolution 2020-37 entering into an agreement with the State of Alaska to receive CARES Act funding. At their June 9, 2020 Council meeting, Council called for a Special Meeting on June 15, 2020 to discuss the CARES Act and requested City Staff to solicit applications from local businesses and non-profits and report back at the June 23, 2020 regularly scheduled meeting.

**BACKGROUND:** The City will to receive up to \$13,453,952 in CARES Act monies from the Federal Government, passed through the State of Alaska.

A team of staff have been assembled to gain a better understanding of the CARES Act and also develop parameters on how the monies received can be utilized to meet the needs of the City and in the future. In essence, the CARES Act guidance indicates funds should be used for the following purposes:

- Provide grant funding to City residents, businesses and not-for-profits negatively impacted by COVID-19 (Grants)
- Cover the cost associated with the City's response to the Pandemic (Response)
- Cover costs associated with the prevention and anticipation of future COVID-19 related outbreaks (Prevention)

**DISCUSSION:** As a result of internal meetings and research, the following items, including amount and percentage of total budget, are proposed:

***Grants – Planning Director, Bil Homka will provide an update regarding applications received to date and seek guidance going forward with respect to grant program parameters, will be the focus of tonight's discussion.***

- Grants to local not-for-profits
- Grants to local businesses

***Response – The City of Unalaska has incurred, and will continue to incur expenses associated with responding to this public health emergency, and these funds will address those expenses.***

- Public Safety personnel costs from March 27, 2020 through December 30, 2020 – the Act allows for personnel costs for all public safety personnel (police and fire) to be paid from the grant; currently, it is our expectation that amounts will be spent in other areas that the full amount of these costs (\$5,000,000) will not be covered by the CARES Act
- Personnel costs associated with response – these costs include re-deploying staff to address COVID-19 related tasks (i.e. food program development, quarantine site preparation) and staying home to limit the amount of close contact and reduce the potential spread of COVID-19
- Goods and services costs associated with response – these costs include, but are not limited to, cleaning supplies, plexiglass to protect employees and residents in situations when proper social distancing cannot be maintained
- Improved technology so employees can work from home – this area is a critical piece of the City’s response as well as prevention going forward
  - Increased bandwidth to improve ability for employees to effectively work remotely.
  - Improved remote network connectivity allowing employees to work from home, reducing foot traffic in City Hall in prevention of future outbreaks
- Emergency Support to Clinic – already provided in April 2020
- Cancel library construction contract
- Increased legal and insurance costs; currently, these are estimated at \$50,000 combined
- Preparation of and continued cleaning of the quarantine site
- Stretchers for EMS – EMS purchased new power packs for existing stretchers (approximately 10-15 years old) in early FY 2020; however, due to COVID-19, the technician was not able to travel to Unalaska to install them; the power packs were essentially a band aid as the remaining stretcher components had reached the end of their useful life; the new stretchers will allow bariatric patients, which was not possible previously.

***Prevention – The City of Unalaska provides essential services to the community as a whole. This funding will help to ensure the health and safety of our workforce so that we can continue meeting the needs of the community moving forward.***

- Improved bandwidth so employees can effectively work from home – the goal is to reduce exposure to employees through interactions with fellow employees in close quarters
- Backup generators for certain public buildings – continued electrical service is critical to operate technology within public buildings; loss of power when employees are on-site and working remotely (in the case of a health crisis, for example) would prohibit an employee to effectively complete their job tasks
- Replace old and outdated first responder radio equipment – the current equipment is approximately 15 years old and, while it remains functional, does not meet current

regulatory requirements. Without proper and reliable communication equipment, the City's ability to properly respond to any public health emergency in the future is severely hampered.

- Install cardlock system in City buildings to reduce foot traffic, manage access, and mitigate the impact of future outbreaks
- Improve Council Chambers to better allow for social distancing – New/updated software, hardware, microphones, audio and visual systems, and speakers would reduce the requirement for community members to be physically present to attend Council Meetings thus reducing exposure and risk of contamination in the future
- Improve airflow and air cleaning in City buildings – Improved airflow and filtration will help prevent/reduce the spread of any future airborne illness
- Update and improve the City's Emergency Operations Center – The layout and current use of the Public Safety building does not properly allow for social distancing; in the event of any future health crises the current design increases the risk that staff will be exposed to undue risk; it will also allow for updated equipment, which is currently out of date (radio and computers)
- Engineering designs of the new Public Safety Building – The layout and current use of the Public Safety building does not properly allow for social distancing; in the event of any future health crises the current design increases the risk that staff will be exposed to undue risk; a new building will allow for more appropriate distancing and employee segregation
- Engineering designs in converting public safety building to Fire only – The layout and current use of the Public Safety building does not properly allow for social distancing; in the event of any future health crises the current design increases the risk that staff will be exposed to undue risk

**ALTERNATIVES:** A vast number of alternatives exist, but spending would need to be done in accordance with the Treasury Guidelines. Staff is open to feedback.

All spending must be completed prior to December 30, 2020 and certain items above require lead time for completion; therefore, staff requests that a special Council Meeting (work session only) be held in order to discuss the items above.

**CITY MANAGER COMMENTS:** Thank you for this opportunity to discuss this important and complex issue. Staff requests your feedback and direction on the CARES Act spending and how local businesses and non-profit organizations might be supported in these challenging times.

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: William Homka, Planning Director  
Through: Erin Reinders, City Manager  
Date: June 23, 2020  
Re: Resolution 2020-42: Establishing the sum to be made available for the first distribution under the Unalaska CARES Grant Program for local businesses and non-profit organizations experiencing negative economic impact due to COVID-19.

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**SUMMARY:** The City is eligible to receive up to \$13,453,952 in CARES Act monies from the Federal Government and has received over \$5 million thus far. Among other things, the City can use money received from the CARES Act to financially assist local nonprofits and businesses impacted by COVID-19.

**PREVIOUS COUNCIL ACTION:** On May 26, 2020, Council approved Resolution 2020-37 authorizing the City Manager to sign a Grant Agreement with the State of Alaska DCCED and accepting Coronavirus Relief Funds. On June 15, 2020, Council held a special meeting to discuss CARES Act funding and ways it can be used to assist local non-profits and businesses.

**BACKGROUND:** On March 27, 2020 Congress passed the federal act known as the Coronavirus Aid Relief and Economic Security Act (CARES Act). Section 601 of this Act established the Coronavirus Relief Fund (CRF) with the stated purpose of distributing \$150,000,000,000 to states for “necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19)”.

The State of Alaska subsequently announced it would distribute CARES Act money to communities throughout the state, and proposed Unalaska would receive \$13,453,952. The money can be used for COVID-19 related expenses or damages resulting from responding to the disease, preparing for the disease, and for lost revenues and income streams caused to non-profits and businesses as a result of COVID.

**DISCUSSION:** At its meeting on June 15, 2020 Council decided to seek applications from Unalaska non-profit organizations and businesses to assist in its determination about how to best use CARES Act funding. The funds are unique because a broad range of uses are eligible as long as they relate to COVID-19. Many non-profits and businesses were negatively impacted by measures implemented by state and local emergency declarations starting around March 17, 2020. Some declarations effectively closed, minimized or cancelled various fundraising and commercial activities which created financial hardships for affected businesses and non-profit organizations.

City Council wanted to establish a method to quickly respond to severely impacted businesses and organizations. The Planning Department committed to develop an on-line application portal to expedite pre-applications for CARES Act funds so that City Council could review applications at the next meeting on June 23, 2020.

Applications submitted to the Unalaska Cares Grant Program pre-application portal have been summarized and presented by the Planning Department. Exhibit A will be provided at the City Council meeting with detailed information about the applications including the applicant name, requested amount, and a description of the request. The Planning Department will also include a recommendation of whether the applications are eligible for funding according to the CARES Act eligible uses provided from the State of Alaska and the U.S. Treasury Department.

**ALTERNATIVES:** City Council can choose to fund all, some or none of the applications received via the Pre-Application process.

**FINANCIAL IMPLICATIONS:** Whatever amount the City Council chooses to fund the Pre-Applications will be subtracted from the total amount available to the City for other eligible COVID related purposes.

**STAFF RECOMMENDATION:** See Exhibit A to be provided at the City Council meeting.

**PROPOSED MOTION:** An initial motion to adoption Resolution 2020-42 should be made. After discussion, it is anticipated that a motion to amend will be made, to insert a total amount for the first grant distribution, with names of receiving entities and corresponding grant amounts.

**CITY MANAGER COMMENTS:** Thank you to the Planning team for their hard work on this. Creating a new grant program from scratch is a complex undertaking. We look forward to addressing the need of local businesses and non-profit organizations in these challenging times.