

Finance and Budget Committee
& City Council

**Coronavirus Aid, Relief, and Economic
Security Act (“CARES Act”):**

Process Overview & Funding Recommendation for Lee’s
Summit Non-Profits

September 14, 2020

Purpose of Presentation

- Give a status report on CARES Funding Disbursement Activities
- Review disbursement process
- Seek input and approval

Key Milestones

- June 22: Jackson County approves assignment of \$5,921,527 to LSMO
- June 22: Staff continues research on Federal restrictions / guidelines relating to CARES Funds and JACO assignment of funds
- June 29 – present: Staff conducts search for qualified vendors and firms to fulfill COVID 19 operational needs
- August 18: Presentation to City Council regarding potential disbursement plan and draft intergovernmental agreement between LSMO and JACO

Key Milestones (continued)

- August 19 – August 26: Legal review of intergovernmental agreement between LSMO and JACO
- August 27 – September 8: Solicitation of applications from local non-profits for relief funding
- September 1: Approval of intergovernmental agreement by City Council
- September 14: Presentation of disbursement plan including community-based awards

Overview of Eligibility

Funds may only be used for the following:

- Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19),
- Expenses that were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- Expenses or revenue loss that incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

CARES Act Funds Provided via JACO \$5,921,527

Expense Type	CARES Act Proposed Budget*
Medical Expenses [1]	\$243,089
Public Health [2]	\$3,412,018
Payroll Expenses [3]	\$656,000
Compliance with Public Health Measures [4]	\$279,220
Economic Support [5]	\$560,000
Other Related Expenses [6]	\$771,200
Total Budget	\$5,921,527

*Includes expenses incurred through 05.31.2020

[1] Includes emergency medical response expenses.

[2] Includes expenses for communication of public health orders, acquisition and distribution of medical and protective supplies, including sanitizing products and PPE, disinfection of public areas and other facilities, technical assistance to local authorities, public safety measures taken, and quarantining individuals.

[3] Includes payroll expenses for public safety, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the public health emergency.

[4] Includes expenses to improve telework capabilities for public employees, providing paid sick and paid family and medical leave to public employees.

[5] Includes provision of grants to small businesses to reimburse the costs of business interruption and other community assistance.

[6] Includes any other related expenses reasonably necessary to the function of government.

\$5.9M Disbursement Process

\$5.34M: Distributed to City Operational Costs for COVID Mitigation and Response

- \$4.34M: Subject to the Procurement Policy
 - a. Competitive Bid Process
 - b. Cooperative Purchasing Contracts
 - c. On-Call Contracts previously approved by City Council
 - d. Sole Source when necessary
 - e. City Manager Approval up to \$50k
 - f. Council Action exceeding \$50K
- \$650,000: Assigned to reimbursement for certain payroll expenditures
- \$350,000: EPSLA and Emergency FMLA payment and quarantine of First Responders

\$5.9M Disbursement Process (continued)

\$560,000: Distributed to Community-based Organizations

- Established Application / Review based on CDBG Process
- Solicited Community Responses
- Review of Responses and Summarized Staff Recommendation
- Presentation to City Council for Consideration
- Created Approval Process for Disbursement

Funding for Community-Based Organizations

- Small Business Assistance Recommendation (\$225,000)
 - Award to Velocity which will administer the program and distribute the funds to small businesses in Lee's Summit.
- Non-Profit Assistance Recommendation (\$335,000)
 - Funds will be awarded to Lee's Summit nonprofit agencies. These funds will awarded based on expenses incurred or lost revenue due to responding to or mitigating against the impact of COVID-19.

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Funding Timeline

- Funding Application (Aug. 27- Sept. 8)
- Staff Review, Evaluation and Prioritization (Sept. 9-11)
- Staff Funding Recommendation (Sept. 14)
- City Council Adoption by Ordinance (Sept. 14)
- Execution of Agreements (Sept. 15- 18)
- Funding Available Immediately Upon Full Execution of Contracts
- Deadline for submitting an invoice to the City for reimbursement (Dec. 1)
- Final reimbursements processed by the City & issued to agencies (Dec. 30)

Applications & Requests

Applicant	Project Description	Request
Developing Potential Inc	Loss of revenue, remote technology	\$60,096.92
Lee's Summit Social Services	emergency assistance	\$71,436.28
Coldwater of Lee's Summit (1)	PT salary due to an increased need for staffing due to food pantry usage (Sept- Nov)	\$2,884.60
Coldwater of Lee's Summit (2)	Summer Lunch Program Extension	\$2,500.00
Downtown LS	Loss of revenue due to cancelling events	\$121,093.64
ReDiscover	Telehealth costs and PPE	\$40,000.00
LS Historical Society	PPE reimbursement & loss of revenue	\$8,072.89
Summit Art	PPE fees, loss of revenue	\$4,431.26
LS Girls Softball Association	Covid compliance/ PPE	\$2,503.27
LS CARES	Quarantine Parenting program	\$10,000.00
LS Housing Authority	COVID improvements	\$98,050.00
LS Jazz Orchestra	Rental venue to comply with social distancing (musicians & refreshments)	\$3,125.00
LS Symphony	Fall Concert lost revenue	\$18,167.00
Summit Theater Group	Cover loss of income due to cancelling shows	\$20,000.00
LS Economic Development Council	COVID-19 Outreach and Operations	\$136,263.63
Lee's Summit Chamber	Oktoberfest Relief Fund/Technology Upgrades	\$25,000.00

Total Requests = \$623,624.49

Selection Criteria

- Applications were reviewed by a Staff committee, and scored based on the following:

Category	Score
Access to and receipt of other funding sources to respond to and mitigate against COVID-19; Percent of other funds received that will be used to provide specified service (less access to funds results in a higher score)	15
Clear and specific correlation between planned use of funds and how such service/activity responds to and mitigates against COVID-19	25
Estimated number of Lee's Summit citizens and/or businesses that will benefit from services/activity	20
Demonstrated ability and plan to reach and assist a broad group of Lee's Summit citizens and/or businesses	10
Percentage of funds that will spent within the City of Lee's Summit boundaries and be used to directly benefit Lee's Summit citizens and/or businesses	20
Experience in providing assistance to public	10
Total	100

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Funding Recommendation

Ordinances & Agreements

- Ordinances
 1. Allocate funds to non-profit entities
 2. Approve template PSA for non-profit entities
 3. Allocate funds and approve PSA with Velocity Lee's Summit, Inc. for small business assistance
- Agreements
 - Modeled after City's IGA with County
 - PSA with non-profit is reimbursement
 - PSA with Velocity is prepayment

Discussion & Questions