

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : 1/25/21
TO : Supervisor Marcelia Nicholson, Chair, County Board of Supervisors
FROM : Joe Lamers, Department of Administrative Services, Budget Director
SUBJECT : COVID-19 Funding Updates, Eviction Prevention Funding, Miller Park Testing Site Revenue

OVERVIEW:

This report includes the following:

1. Informational updates are provided pertaining to various COVID-19 funding items.
2. Authorization is requested to retroactively apply for, receive, and allocate \$10,629,017 million of Emergency Rental Assistance funding that Milwaukee County is receiving from the federal COVID-19 Relief Bill signed into law on December 27, 2020.
3. Authorization is requested to allocate \$901,635 of Miller Park testing site revenues to COVID-19 response activities, including but not limited to costs associated with the Miller Park testing site. This authorization is requested to replace the Miller Park testing site allocation that was previously approved in File 20-937.

CARES Act Coronavirus Relief Fund Updates

The County received grant allocations under the CARES Act Coronavirus Relief Fund of over \$77 million in 2020. The CARES Act allocations were from the Federal government (\$62M) and the State government (\$15M). The County has either spent or encumbered the full allocation in 2020. We have submitted three Federal claims totaling \$52.8 million and will finish submitting remaining claims of \$9.2 million and close out this Federal grant in the next claiming period, which is in April 2021. We have completed all of our State claims and have received full payment from the State of Wisconsin.

The COVID-19 emergency relief bill which was recently approved by congress in December of 2020 provided a one-year extension on the use of CARES Act Coronavirus Relief Funds, from 12/30/20 to 12/31/21. Unfortunately, this extension provides no benefit to Milwaukee County, because it does not include additional funds and we were already on pace to spend down the grant with existing commitments from 2020.

The County has utilized its CARES Act allocations on items including but not limited to:

- Personal protective equipment (PPE) for the safety of County employees and the public

- Information technology equipment and upgrades to support remote work operations
- HVAC upgrades to improve air quality conditions in County facilities
- Emergency rent assistance payments provided to over 3,500 individuals and families
- Small business grants of \$12 million provided to over 1,550 small businesses
- Arts and cultural support grants of \$700,000 provided to 76 organizations
- Employment programs providing jobs to approximately 300 unemployed individuals, providing community resources pertaining to COVID-19 mitigation
- Community resilience funding providing \$850,000 of support to community and non-profit organizations to focus on response efforts in communities heavily impacted by COVID-19
- Funding of \$1.6 million for health and mental health support programs administered by the Department of Health and Human Services

Federal COVID-19 Relief Bill (Approved in December 2020)

After several months of negotiations on COVID-19 relief funding, in December of 2020 Congress passed a \$900 COVID-19 Relief Bill to provide support to individuals, families, and businesses impacted by COVID-19. The bill was passed within the Consolidated Appropriations Act, 2021.

The approved legislation did not contain additional flexible funding for State and local governments. The legislation did provide a one-year extension on the use of CARES Act Coronavirus Relief Funds. However, this extension does not benefit Milwaukee County because we were already on pace to spend down the full grant with costs incurred prior to the initial deadline of 12/30/20.

The legislation does include funding components which will provide support to some of the services provided by Milwaukee County.

Transit Funding: \$14 billion in funds nationwide are allocated to public transit. Of this amount, the Federal Transit Administration (FTA) has apportioned approximately \$60.3 million to the Milwaukee urbanized area. This funding will be distributed to transit agencies within the Milwaukee urbanized area as determined by the Southeastern Wisconsin Regional Planning Commission (SEWRPC). The allocation within the urbanized area has not yet been determined. The Milwaukee County Transit System (MCTS) currently anticipates receiving approximately 90% of the allocation, given that MCTS is the largest transit provider within the urbanized area. SEWRPC will be confirming the actual allocations in the coming weeks. This funding will be available to support payroll and operational needs at a time when ridership and farebox revenues have declined sharply due to impacts of COVID-19.

Emergency Rental Assistance (Action Item): The COVID-19 Relief Bill includes \$25 billion in funds nationwide for rental assistance and other housing related costs. Eligible expenses within this allocation include rent, rental arrears, utilities, home energy costs, and other related housing expenses. Localities with populations of over 200,000 are eligible to receive direct funding for this purpose. In order to receive these funds, local governments were required to apply to the Treasury by January 12, 2021. DAS worked with DHHS to submit this application.

On January 20, 2021, the Treasury notified Milwaukee County that we will be receiving \$10,629,017 in emergency rental assistance funding from the COVID-19 Relief Bill. This file requests retroactive authorization to apply for these funds, authorization receive funds, and authorization to allocate the funds for use on eligible purposes.

The Department of Administrative Services and the Department of Health and Human Services have started to collaborate with the City of Milwaukee and the State of Wisconsin on coordinated use of these emergency rent assistance funds. The City of Milwaukee will also receive an allocation. The Treasury has reported that the total allocation for this program in the State of Wisconsin is \$386.7 million. The State has indicated that the County and City will be eligible to receive additional eviction prevention funds under the State grant, in addition to funds being directly received by the Treasury. Further updates will be provided to the County Board regarding any allocation changes, as additional information becomes available.

Other Provisions: The COVID-19 relief bill includes funding for other items including vaccine administration, testing, airports, mental health services, and other services. The Department of Administrative Services continues to evaluate the relief bill, follow updated guidance from the Treasury, and work with departments on these and other allocations. Additional updates will be provided to the County Board on a routine basis.

Update on File 20-937 Regarding \$8.8 million use of Debt Service Reserve Funds

File 20-937, approved by the County Board in December 2020, authorized an allocation of \$8.8 million of debt service reserve funds in 2021 in order to finance emergency COVID-19 costs and other expenditures. Following is an update on each of the items financed within this allocation.

- **Miller Park testing site (Action Item):** File 20-937 allocated \$2.5 million or the actual amount of excess revenue earned from the Miller Park COVID-19 testing site, for the purpose of maintaining testing services at Miller Park into 2021. A \$2.5 million revenue projection was based on an expectation that Milwaukee County would maintain fiscal agent claiming and reimbursement responsibilities until the end of 2020.

Actual revenues earned in 2020 from the Miller Park testing site were \$901,635. Revenues were less than projected primarily because the City of Milwaukee took over fiscal agent responsibilities in December. Therefore, the City has received most revenues associated with tests conducted at the site. Accordingly, as a result of the change in fiscal agent responsibilities, the City is now financing most of the costs associated with maintaining the testing site in 2021.

As a result of these factors, the \$901,635 in revenues earned by the County can now be used for other purposes, rather than designating all revenues received to the Miller Park site. This file requests authorization to allocate \$901,635 of testing site revenues for COVID-19 response purposes, including but not limited to testing site operations at Miller Park. This request replaces the approval received in File 20-937.

- **\$5.0 million for emergency COVID-19 needs in 2021:** A \$5.0 million allocation was approved in order to provide continued funding for emergency COVID-19 expenses into 2021. This allocation is being utilized for items including:
 - o Personal protective equipment
 - o COVID-19 testing of County employees
 - o Vaccine administration for County employees and contractors

- Public health consultants
 - Financial and claiming consultant staff pertaining to COVID-19 grants
 - IT remote work expenses
 - Continuation of premium pandemic pay
 - Curative community testing contract (or replacement)
 - Emergency departmental expenditures related to COVID-19
- \$0.7 million for IT Asset Protection Project: Funding has been allocated to project WO65301 to allow IMSD to complete remediation of legacy systems and related software.
 - \$0.5 million for Vel Phillips Youth and Family Justice Center Kitchen Renovations: A Food Services Master Plan (Master Plan) is underway. Consultants have been selected to focus on food service needs and planning related to the House of Corrections, Criminal Justice Facility, Vel Phillips Youth and Family Justice Center (VJC), and Department of Health and Human Services-Aging meals programs (congregate sites and Meals-On-Wheels). The Master Plan will provide options pertaining to preparation and delivery of food, equipment needs, and culinary programming. This also includes analysis and recommendations pertaining to the kitchen and culinary program needs at the VJC. The Master Plan is expected to be completed in the spring of 2021.
 - \$0.1 million for OAAA communication and marketing plan: \$100,000 was approved and placed into an allocated contingency for an OAAA communications and marketing plan. OAAA is planning to provide a detailed report on planned use of this allocation as part of the March 2021 County Board meeting cycle.

RECOMMENDATIONS

The following requests are included in this file.

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JOSEPH LAMERS

Joe Lamers, Budget Director
Department of Administrative Services

Cc: David Crowley, Milwaukee County Executive
Jason Haas, Chair, Finance and Audit Committee
Willie Johnson, Jr., Co-chair, Finance and Audit Committee
Scott Manske, County Comptroller
Steve Cady, Research and Policy Director, Office of the Comptroller
Julie Landry, DAS Director
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