

**GOVERNMENT RELATIONS**

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Date: June 1, 2020
To: Honorable Mayor and Members of the City Council
From: Brad Lundahl, Government Relations Director
Subject: June 16 Council Work Study Session; CARES Act Funding

This item will be a presentation, discussion and possible direction to staff regarding available CARES Act/AZCares funding and City Council priorities for the uses of the funds, including funding areas, programs and funding amounts.

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed into law on March 27, 2020, created the Coronavirus Relief Fund, which provided \$150 billion in direct federal assistance to state and local governments.

On May 27, 2020, Governor Ducey announced the creation of the AZCares Fund, which is the mechanism to distribute funds to local governments and consists of approximately \$441 million of the \$1.8 billion he received from the CARES Act/Coronavirus Relief Fund. The City of Scottsdale was allocated \$29,628,014 from the AZCares Fund.

The purpose of the June 16, 2020 Work Study Session is to discuss the available CARES Act/AZCares funding and provide feedback to staff on Council priorities for these funds.

If you will recall at the May 19th Council meeting, the City Manager provided an overview of potential programs or key funding areas the Council could consider if the City were to receive funding.

Staff will formalize the priorities and prepare an item for council action on July 1, 2020 to properly accept the funds and memorialize the Council fund allocation priorities.

Please feel free to reach out to me if you have any questions or need additional information.

Attachments:

1. AZCares Fund Allocation Overview
2. May 19th COVID-19 Recovery-Possible Uses for Funds

AZCARES FUND ALLOCATIONS

CITY/TOWN/COUNTY	POPULATION*	AZCARES FUND ALLOCATION
Apache County	61,456	\$7,055,552
Eagar	4,941	\$567,259
St. Johns	3,512	\$403,201
Springerville	1,978	\$227,087
TOTAL APACHE COUNTY POPULATION	71,887	
Cochise County	50,007	\$5,741,132
Benson	4,880	\$560,257
Bisbee	5,225	\$599,865
Douglas	16,193	\$1,859,063
Huachuca City	1,736	\$199,305
Sierra Vista	43,045	\$4,941,849
Tombstone	1,303	\$149,593
Willcox	3,533	\$405,612
TOTAL COCHISE COUNTY POPULATION	125,922	
Coconino County	52,978	\$6,082,222
Flagstaff	75,038	\$8,614,855
Fredonia	1,281	\$147,068
Page	7,529	\$864,379
Sedona**	2,822	\$323,985
Tusayan	580	\$66,588
Williams	3,248	\$372,892
TOTAL COCONINO COUNTY POPULATION	143,476	
Gila County	25,791	\$2,960,977
Globe	7,347	\$843,484
Hayden**	631	\$72,443
Miami	1,780	\$204,356
Payson	15,813	\$1,815,437
Star Valley	2,308	\$264,974
Winkelman**	348	\$39,953
TOTAL GILA COUNTY POPULATION	54,018	
Graham County	21,096	\$2,421,960
Pima	2,558	\$293,676
Safford	9,983	\$1,146,114
Thatcher	5,200	\$596,995
TOTAL GRAHAM COUNTY POPULATION	38,837	
*US Census Bureau, 2019 Estimated **City/town boundaries are in two (2) counties, total combined allocation is listed on last page		

CITY/TOWN/COUNTY	POPULATION*	AZCARES FUND ALLOCATION
Greenlee County	5,002	\$574,263
Clifton	3,708	\$425,703
Duncan	788	\$90,468
TOTAL GREENLEE COUNTY POPULATION	9,498	
La Paz County	14,138	\$1,623,136
Parker	3,207	\$368,185
Quartzsite	3,763	\$432,018
TOTAL LA PAZ COUNTY POPULATION	21,108	
Maricopa County	325,615	*Allocation received from U.S. Department of the Treasury
Apache Junction**	335	\$38,461
Avondale	87,931	\$10,095,056
Buckeye	79,620	\$9,140,899
Carefree	3,927	\$450,846
Cave Creek	5,838	\$670,241
Chandler	261,165	\$29,983,456
El Mirage	35,753	\$4,104,679
Fountain Hills	25,200	\$2,893,126
Gila Bend	2,100	\$241,094
Gilbert	254,114	\$29,173,954
Glendale	252,381	\$28,974,995
Goodyear	86,840	\$9,969,802
Guadalupe	6,631	\$761,282
Litchfield Park	6,436	\$738,895
Mesa	518,012	*Allocation received from U.S. Department of the Treasury
Paradise Valley	14,637	\$1,680,424
Peoria**	175,961	\$20,201,477
Phoenix	1,680,992	*Allocation received from U.S. Department of the Treasury
Queen Creek**	44,968	\$5,162,621
Scottsdale	258,069	\$29,628,014
Surprise	141,664	\$16,263,957
Tempe	195,805	\$22,479,699
Tolleson	7,372	\$846,354
Wickenburg**	7,189	\$825,344
Youngtown	6,859	\$787,458
TOTAL MARICOPA COUNTY POPULATION	4,485,414	
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CITY/TOWN/COUNTY	POPULATION*	AZCARES FUND ALLOCATION
Mohave County	79,583	\$9,136,651
Bullhead City	40,884	\$4,693,751
Colorado City	4,836	\$555,205
Kingman	31,013	\$3,560,496
Lake Havasu City	55,865	\$6,413,669
TOTAL MOHAVE COUNTY POPULATION	212,181	
Navajo County	70,275	\$8,068,031
Holbrook	5,084	\$583,677
Pinetop-Lakeside	4,469	\$513,071
Show Low	11,442	\$1,313,617
Snowflake	5,995	\$688,265
Taylor	4,321	\$496,079
Winslow	9,338	\$1,072,064
TOTAL NAVAJO COUNTY POPULATION	110,924	
Pima County	366,996	*Allocation received from U.S. Department of the Treasury
Marana**	49,030	\$5,628,966
Oro Valley	46,044	\$5,286,153
Sahuarita	31,421	\$3,607,337
South Tucson	5,715	\$656,119
Tucson	548,073	*Allocation received from U.S. Department of the Treasury
TOTAL PIMA COUNTY POPULATION	1,047,279	
Pinal County	236,659	\$27,170,006
Apache Junction**	42,236	\$4,848,970
Casa Grande	58,632	\$6,731,338
Coolidge	13,130	\$1,507,410
Eloy	19,625	\$2,253,079
Florence	27,422	\$3,148,226
Hayden**	0	\$0
Kearny	2,168	\$248,901
Mammoth	1,687	\$193,679
Marana**	0	\$0
Maricopa	52,127	\$5,984,522
Queen Creek**	5,922	\$679,884
Superior	3,178	\$364,855
Winkelman**	3	\$344
TOTAL PINAL COUNTY POPULATION	462,789	
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CITY/TOWN/COUNTY	POPULATION*	AZCARES FUND ALLOCATION
Santa Cruz County	25,521	\$2,929,978
Nogales	20,103	\$2,307,956
Patagonia	874	\$100,341
TOTAL SANTA CRUZ COUNTY POPULATION 46,498		
Yavapai County	91,067	\$10,455,089
Camp Verde	11,187	\$1,284,341
Chino Valley	12,375	\$1,420,731
Clarkdale	4,391	\$504,116
Cottonwood	12,253	\$1,406,725
Dewey-Humboldt	4,137	\$474,955
Jerome	455	\$52,237
Peoria**	0	\$0
Prescott	44,299	\$5,085,816
Prescott Valley	46,515	\$5,340,227
Sedona**	7,517	\$863,001
Wickenburg**	903	\$103,670
TOTAL YAVAPAI COUNTY POPULATION 235,099		
Yuma County	61,126	\$7,017,666
San Luis	34,778	\$3,992,743
Somerton	16,554	\$1,900,508
Wellton	3,044	\$349,471
Yuma	98,285	\$11,283,763
TOTAL YUMA COUNTY POPULATION 213,787		
AZCARES FUND TOTAL ALLOCATIONS	7,278,717	\$440,745,718
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CITY/TOWN	TOTAL ALLOCATION	
*Boundaries overlap two counties		
Apache Junction	\$4,887,430	
Hayden	\$72,443	
Marana	\$5,628,966	
Peoria	\$20,201,477	
Queen Creek	\$5,842,506	
Sedona	\$1,186,985	
Winkelman	\$40,297	
Wickenburg	\$929,015	

From May 19, 2020 City Council Meeting, Tentative Budget Discussion

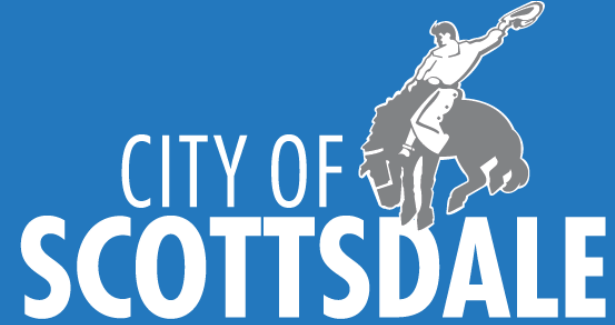
COVID-19 Recovery – Possible Uses for Funds*

COMMUNITY INVESTMENT

Business Assistance Programs
Arts, Culture, Signature Events
Care for Vulnerable Citizens
Utility Assistance
Food Delivery

CITY OPERATIONS

Public Facility Retrofits for safety
PPE, Sanitation, Cleaning
Telework/Technology Expenses
Emergency Response
Testing and monitoring (if needed)

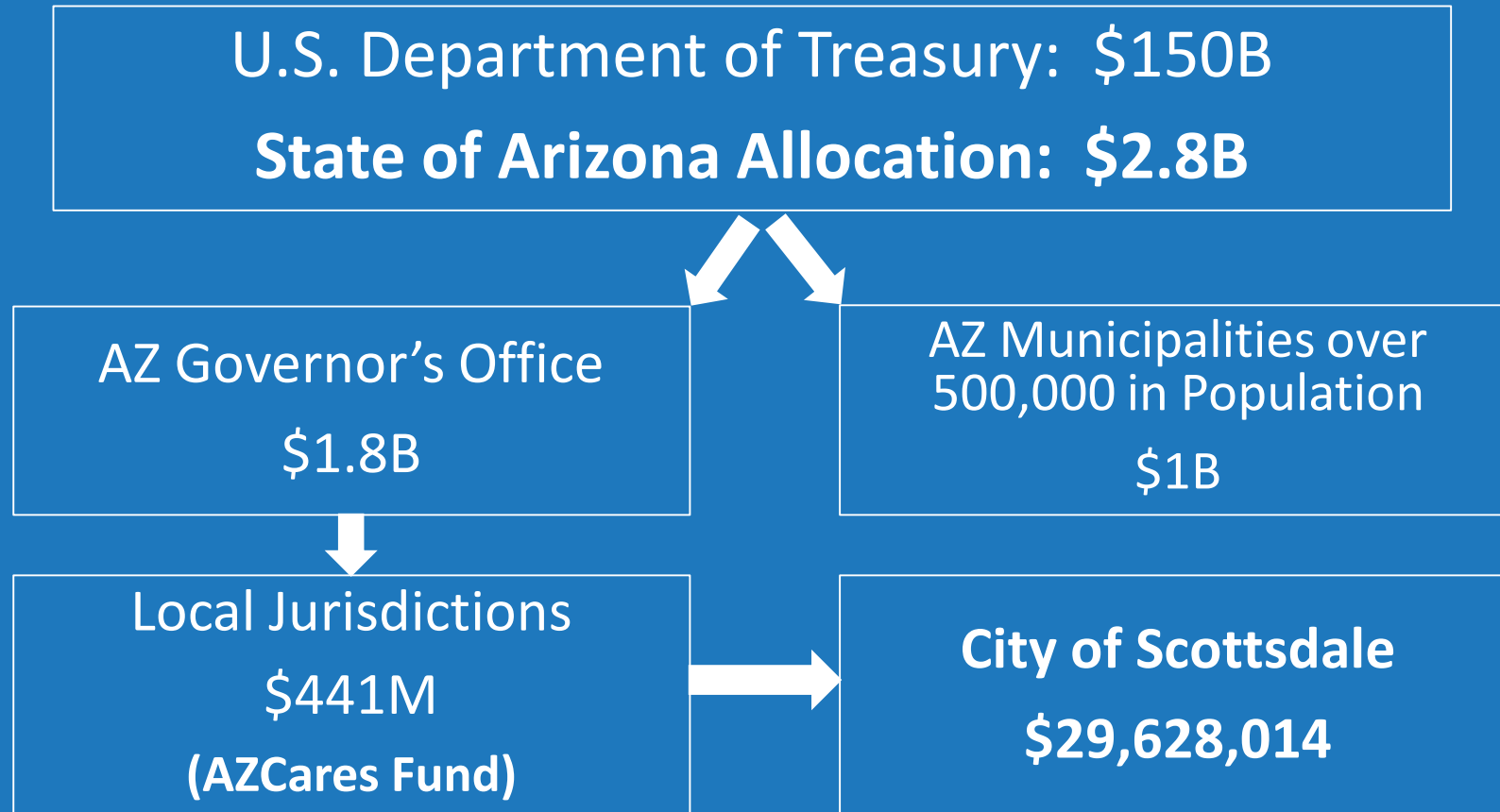


CARES Act and AZCares Funding

City Council Work Study Session

June 16, 2020

Federal CARES Act Established the Coronavirus Relief Fund (CRF)



AZCares Fund Eligibility

Any county and incorporated city or town that did not receive a direct allocation from the U.S. Department of Treasury is eligible.

ALLOWABLE COSTS include regular salary and employee related expenses (EREs) incurred between March 1, 2020 and December 30, 2020.

Public Safety

Police Officers
9-1-1 (Dispatch)
Fire
Emergency Medical Services (EMS)

Public Health

Public Health Department
Healthcare
Human Services
Similar Type Employees

AZCares Fund Allowable Uses

Federal requirements for uses of the CARES Act funds are met by the State of Arizona applying AZCares funds to the cost of public health and safety salaries, a federally approved category.

The City of Scottsdale allocation may be used for any general fund purpose, offering maximum flexibility in the use of AZCares funds.

AZCares Funding Priorities

COMMUNITY INVESTMENT		CITY OPERATIONS	
	Proposed		Proposed
Business Assistance Programs	\$6,000,000	Safety Retrofits to 32 City Buildings	\$2,220,000
Arts and Culture	1,500,000	Telework/Technology Expenses	875,000
Community Facility Safety Upgrades	2,910,000	PPE, Sanitation, Cleaning	840,000
Care for Vulnerable Citizens	2,522,000	Emergency Response	2,000,000
Utility Assistance for residents	950,000	COVID-19 Reoccurrence Preparation	2,000,000
Technology	200,000	Testing and Monitoring (if needed)	200,000
Total:	\$14,082,000	Public Safety reimbursement	4,000,000
		Sub-Total	\$12,135,000
		Total Allocated:	\$26,217,000
		Total Available:	\$29,628,014
		Unallocated Remaining*:	\$3,411,014

*reserve for virus rebound, unanticipated costs, emergency response

COVID-19 Available Grant Funding

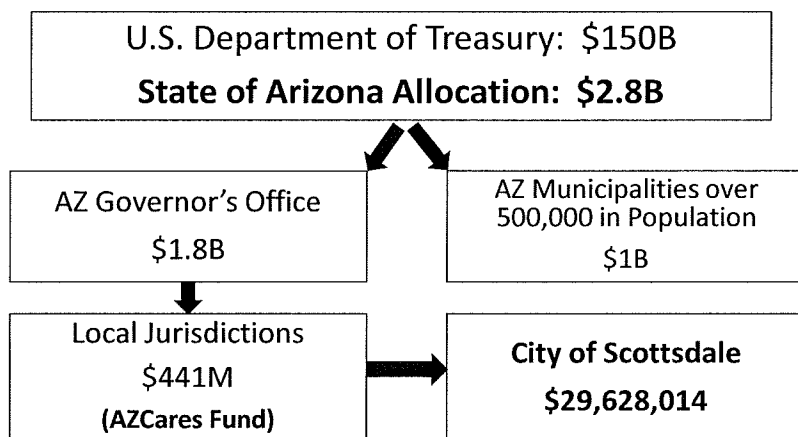
AZCares	\$29,628,014
Federal Aviation Administration Airport	\$157,000
Department of Justice Police	\$94,987
FEMA Assistance to Firefighters	\$100,000
Federal Transit Administration	\$2,248,813
Community Development Block Grant	\$709,218
HUD Section 8 Administrative Grant	\$88,414
EDA Public Works/Economic Assistance Program	Amount Unknown
FEMA Disaster Recovery Assistance	<u>Amount Unknown</u>
	\$33,026,446

CARES Act and AZCares Funding

**City Council Work Study Session
June 16, 2020**

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2

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Direct Federal Funding Recipients

	CARES Funding	Community Investment (Businesses)	Community Investment (Other)	Continuity of Service	Reserve
Phoenix	\$293M	5%	20%	26%	49%
Tucson	\$95M	4%	21%	38%	37%
Mesa	\$90M	22%	14%	61%	3%
Scottsdale	\$30M	20%	28%	34%	18%

Source: City of Chandler, with Scottsdale added, other Valley cities have not decided on allocations

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COVID-19 Available Grant Funding

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