City of San Antonio

Legislation Details (With Text)

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	In control: City Council A Session
On agenda:	2/18/2021
Title:	Ordinance amending the Recovery and Resiliency Plan and the City's ongoing COVID-19 emergency response plan and supplemental initiatives to further the objectives of the plan.
Sponsors:	
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Attachments:	1. Staff Presentation, 2. Ordinance 2021-02-18-0105

Date	Ver.	Action By	Action	Result
2/18/2021	1	City Council A Session		

DEPARTMENT: City Manager's Office

DEPARTMENT HEAD: Ana Bradshaw, COVID-19 Financial and Performance Liaison

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendments to the Recovery and Resiliency Plan and the City's ongoing COVID-19 emergency response plan and supplemental initiatives to further the objectives of the plan

SUMMARY:

Amendments to the Recovery and Resiliency Plan and the City's ongoing COVID-19 emergency response plan and supplemental initiatives to further the objectives of the plan

- **Adjustment 1 -** Adjusts Budgets within the Resiliency and Recovery, Emergency, and Health Implementation Plans to reflect adjustments necessary to close out the Corona Virus Relief Fund (CRF).

- **Adjustment 2 -** Realigns budgets within the Resiliency and Recovery Plan that result in a recommended increase of $14 million to the Small Business pillar to provide for direct financial assistance to small businesses in hospitality industry with a heavy focus on food and beverage.

BACKGROUND INFORMATION:

On June 4, the City Council approved a $190.9 million Recovery and Resiliency Plan to aimed help San

Antonio, workers, and businesses recover from the COVID-19 pandemic. The plan was developed around the five Guiding Principles of: 1) Public Health and Safety; 2) Equity; 3) Braided Funding; 4) Community Resiliency; and 5) Well-being.

The work was comprised of four pillars: Workforce Development, Housing Security, Small Business Support, and Digital Inclusion. Each pillar was comprised of multiple initiatives with identified budgets for each initiative.

In addition, City Council approved the plan to fund the City's ongoing emergency response to the pandemic and a Health Implementation Plan. Funds in the amount of $54.5 million were approved for a Health Implementation Plan and $114.6 million were approved for eligible payroll expenses, protective equipment, and supplies for several city departments.

The Recovery and Resiliency Plan, Health Implementation Plan, and the City's emergency response were funded by multiple funding sources, the largest being the City's $270 million Coronavirus Relief Fund allocation of made available through the CARES Act.

Since June the City Council has been provided with financial updates for the COVID-19 Recovery and Resiliency Plan, Emergency Response, and Health Implementation Plan. at "B" Sessions on August 12, September 9, October 7, 2020, November 4, 2020, December 2, 2020, December 17, 2020, and January 21,2021.

Based on ongoing monitoring, staff recommended a series of budget amendments at a City Council "B" session on September 9, 2020 which were subsequently approved by City Council on September 17, 2020. Additional administrative budget adjustments were presented on November 4, 2020 and December 2, 2020 to ensure the timely use of CRF.

As was presented on January 21, 2021 with the December Monthly Financial Report, all CRF funding has been spent. Beginning January 2021, ongoing efforts will be sustained using a combination of General Fund and other federal grant resources totaling $212.7 million. Staff has re-forecasted programmatic budgets and monthly planned amounts for this remaining funding based on actual and projected expenses.

ISSUE:

Adjustment 1: As of December 31, 2021, all CRF funding has been spent. This action will align the program budgets with actual expenses to allow this grant to be closed out. The following table provides an overview of the recommended spending adjustments.

Spending Plan by Program			
Program ($ in Millio	**Current Budget**	**Spending Adjustment**	**Revised Budget**
Recovery and Resilien			
Workforce Developme	$ 75.0	$ 0.0	$ 75.0
Housing Security	120.4	0.38[a]	120.8
Small Business	42.7	(.03)[b]	42.7
Digital Inclusion	27.3	0.0	27.3

Health Implementation	50.8	(3.5)[c]	47.3
Emergency Response	174.1	1.4[d]	175.5
Other	84.4	0.0	84.4
Total	**$574.6**	**$1.7**	**$573.0**

a) Includes adjustments within non-EHAP components of the Housing Security pillar resulting in a net increase to the pillar of $382,121. This includes reallocating unspent CRF from the Financial Recovery Hub ($239,190), Door to Door Engagement ($406,150), Right to Counsel ($65,880), and Resource Recovery Center ($277,602) to cover an overage of $1,370,764 in Homeless Shelter associated with utilizing CRF resources to cover these expenses

b) Includes $27,041 in unspent CRF resources from the business door to door engagement that were reallocated to offset overages in the Housing Security pillar

c) Includes a net reduction $3.5 million in unspent CRF from the Health Implementation Plan with a net reduction of $1.75 in the Fire portion and a net decrease of $1.75 million in the Health portion. This includes $1.1 million in testing savings due to the state continue to cover this cost and $562K in savings in contact tracing due to the agreement with the UT School of Public Health. The remaining unspent CRF is reallocated to offset increased eligible expenses associated with the City's emergency response.

d) Includes a net increase of $1.4 million to offset increased eligible expenses associated with the City's emergency response. This includes an additional $2.4 million for community isolation facilities, $2.7 million for PPE and supplies. These additional expenses are partially offset by redirecting $2.0 million in unspent CRF previously allocated for payroll and employee leave expenses. The remaining amount is offset from remaining savings in the Health Implementation Plan.

Adjustment 2: In addition, based on the reforecasting of remaining funds, staff recommends realigning budgets and monthly planned amounts within the Recovery and Resiliency Plan and Health Implementation Plan. This realignment results in a recommended $14 million increase to the Small Business pillar to provide direct financial assistance to small business in the hospitality industry with a heavy focus on food and beverage. This $14 million adjustment is comprised of $9.8 million of unspent funds set aside for childcare expenses in the Workforce Development pillar and $4.2 million from unallocated on-the-job training dollars budgeted within the Small Business pillar.

The following table provides an overview of the recommended reallocation adjustments.

Revised Program Balances			
Program ($ in Millio	**Unspent Balance as of Jan 2021**	**Reallocation Adjustment**	**Revised Budget**
Recovery and Resilien			
Workforce Developme	$ 59.2	$ (9.8)	$ 49.4
Housing Security	39.5[a]	0.0	39.5
Small Business	5.1	9.8[b]	14.9
Digital Inclusion	25.9	0.0	25.9
Health Implementation	32.5	0.0	32.5
Other	50.5	0.0	50.5
Total	**$ 212.7**	**$ 0.0**	**$ 212.7**

a) Does not include additional funding awarded for Emergency Rental Assistance or COVID-19 vaccines that City Council will consider on February 18, 2021.

b) $9.8 million reallocated from the Workforce Development pillar to the Small Business Pillar, and additional $4.2 million is recommended to be reallocated within the Small Business pillar from On the Job Training to provide additional direct

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assistance to small businesses.

FISCAL IMPACT:

This action adjusts funds within the Recovery and Resiliency Plan, Emergency Response, and Health Implementation Plan. There is no impact to the General Fund.

RECOMMENDATION:

Staff recommends amending the budgets to the Recovery and Resiliency Plan and the City's ongoing COVID-19 emergency response plan and supplemental initiatives to further the objectives of the plan.