



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 9/1/2020  
Agenda Placement: 10A

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Helene Franchi for Minh Tran - County Executive Officer  
County Executive Office  
**REPORT BY:** Mary Booher, Assistant County Executive Officer - 707-253-4153  
**SUBJECT:** Napa County CARES NOFA

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### **RECOMMENDATION**

County Executive Officer requests authorization for issuance of a Notice of Funding Availability (NOFA) to support local programs during the COVID 19 pandemic; and direction to staff to administer the program in a manner that allows for maximum flexibility for community recovery.

### **EXECUTIVE SUMMARY**

In March of 2020, the federal government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which established the Coronavirus Relief Fund (CRF) to provide funding to local governments to support their costs associated with responding to the COVID-19 pandemic. The CARES Act allocated \$9.5 billion in funding to the California state government, and an additional \$5.8 billion directly to the 21 California cities and counties with populations above 500,000. As part of the State's adopted FY 2020-21 budget, approximately \$14.18 million in federal funding was passed from the State to Napa County "to support activities and expenses that promote public health and safety in response to the COVID-19 public health emergency" (State Budget Act of 2020, Section 11.90).

The Board approved an expenditure plan on August 11, 2020, allocating \$2 million of the federal CARES Act to fund external community recovery initiatives across four categories:

1. Economic support for business;
2. Childcare;
3. Social safety net; and
4. Housing.

The expenditure plan also anticipated the use of \$9.6 million of General Fund to support the recovery efforts. Due to restrictions both in terms of time frame and services provided, staff is requesting the Board to allow maximum

flexibility to meet the needs of the local community. This will also allow the services funded under these projects to continue through June 30, 2021.

The attached NOFA, once approved by the Board, will be released to the community to identify community non-profit partners to distribute these funds into the community in the four approved categories.

### **PROCEDURAL REQUIREMENTS**

1. Staff reports.
2. Public comments.
3. Motion, second, discussion and vote on the item.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	CARES Act and General Fund
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The County is blending various funding sources to support the pandemic response.
Is the general fund affected?	Yes
Future fiscal impact:	none
Consequences if not approved:	Critical community needs will not be met.
County Strategic Plan pillar addressed:	Healthy, Safe, and Welcoming Place to Live, Work, and Visit Collaborative and Engaged Community Livable Economy for All Effective and Open Government
Additional Information:	

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

On March 17, 2020 the Board of Supervisors approved Resolution No. 2020-38 ratifying the proclamation of a local emergency due to the imminent and proximate threat of the potential introduction of COVID-19 into Napa County.

Napa County has incurred significant costs associated with the COVID-19 pandemic response, and costs will

continue to be incurred for the foreseeable future.

On March 27, 2020, the federal government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, a \$2 trillion economic relief bill which established the Coronavirus Relief Fund (CRF) to provide funding to local governments to support their costs associated with responding to the COVID-19 pandemic. The CARES Act allocated \$9.5 billion in funding to the California state government, and an additional \$5.8 billion directly to the 21 California cities and counties with populations above 500,000.

On June 29, 2020, Governor Newsom signed into law the Budget Act of 2020, which allocated an additional \$1.3 billion of State CRF monies, including \$14.18 million allocated to Napa County to be distributed over six months, in monthly installments. In addition to allocations to counties, cities were provided separate allocations, including amounts of \$257,277 to American Canyon, \$978,856 to City of Napa, \$66,032 to Calistoga, \$74,984 to St Helena, and \$50,000 to Yountville.

As a requirement of receiving funds, on July 2, 2020 the County Executive Officer completed the Certification for Receipt of Funds pursuant to paragraph (2) or (3) of subdivision (d) of Control Section 11.90 of the Budget Act of 2020 certifying that CRF funds would be expended following certain State and Federal requirements. The certification requirements include those stated in the Budget Act that CRF monies be used to cover only those costs that (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020, for the State or local government; and (3) were incurred during the period that began on March 1, 2020, and ends on December 30, 2020.

Also required as condition of receipt of funds are: adherence to federal and state health guidance and orders; use of funds as stated in Control Section 11.90 of the Budget Act of 2020; submission to the State of various reports on expenditures and return of unspent funds; and retention of records to support eligible expenses. Reports on expenditures should illustrate the ability to expend all funding by December 30, 2020.

Expenditures necessary to mitigate and respond to COVID-19 are expected to exceed the County's total allocation of CRF funds. As such, the plan identifies other funding related to CRF expenditure categories with the expectation that all available funding sources will be leveraged to maximize available new COVID-19 related funding through Federal Emergency Management Agency (FEMA), California Department of Housing and Community Development (HCD), California Department of Public Health (CDPH), and other state and federal sources. Staff have also identified costs that may need to be supported by General Fund, unless additional funding sources become available.

As the pandemic continued into its sixth month, County Executive Office launched a Recovery Task Force to identify strategies to support the fiscal sustainability of the County's continued response and recovery efforts. The Task Force includes staff from CEO, Office of Emergency Services, and the Auditor-Controller.

Given the pandemic's unprecedented and widespread impacts to the health of Napa County businesses, community-based organizations, and residents, staff recommends investing \$2 million in external community recovery initiatives.

## **SUPPORTING DOCUMENTS**

A . Draft Napa County CARES NOFA

CEO Recommendation: Approve

Reviewed By: Susan Kuss