



Legislation Text

File #: RES 20-1230, **Version:** 1

Authorizing the City of Saint Paul to transfer \$3,546,442 of the Coronavirus Relief Fund aid to specific accounts for the guaranteed income pilot program and the Bridge Fund program.

WHEREAS, the CARES Act established the Coronavirus Relief Fund (CRF) and the Department of Treasury has distributed \$150 billion in aid to eligible units of government, including the State of Minnesota; and

WHEREAS, on July 7, 2020 the State of Minnesota allocated \$23,582,254 of CRF funds to the City of Saint Paul and the Council accepted and amended the budget in RES PH 20-173; and

WHEREAS, according to the CARES Act and the State of Minnesota, the CRF funds may be used for expenses that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019, were not accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the period that begins on March 1, 2020, and ends on November 15, 2020; and

WHEREAS, according to guidance from the U.S. Department of the Treasury, local governments are authorized to expend CRF funds to provide emergency financial assistance to businesses, individuals, and families directly impacted by a loss of income due to the COVID-19 public health emergency; and

WHEREAS, in March 2020 the Mayor announced the Saint Paul Bridge Fund to provide emergency relief for families and small businesses most vulnerable to the economic impacts of the COVID-19 pandemic and the program was funded in part through \$3,252,850 from the Saint Paul Housing and Redevelopment Authority; and

WHEREAS, in August 2020 the Mayor announced a pilot program to provide guaranteed income of \$500 per month to as many as 150 randomly selected Saint Paul residents that demonstrate a COVID-19 related adverse financial impact, at a cost of \$293,592 for the first three months of the program; and

WHEREAS, to demonstrate a COVID-19 related adverse financial impact, eligibility determinations for the guaranteed income program may include that a resident:

- lives in a neighborhood disproportionately impacted by COVID-19 as defined by unemployment insurance claims and cost-burdened households,
- is diagnosed with the virus SARS-CoV-2 or with COVID-19 by a test approved by the Centers for Disease Control and Prevention;
- has a spouse or dependent diagnosed with SARS-CoV-2 or with COVID-19 by a test approved by the Centers for Disease Control and Prevention;
- experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off, or having work hours reduced due to SARS-CoV-2 or COVID-19;
- experiences adverse financial consequences as a result of being unable to work due to lack of childcare due to SARS-CoV-2 or COVID-19; or
- experiences adverse financial consequences as a result of closing or reducing hours of a business owned or operated due to SARS-CoV-2 or COVID-19; and

WHEREAS, consistent with the authority granted to the Mayor in Section 10.07.04 of the City Charter to transfer unencumbered appropriations between departments and consistent with the City's plan to shift CRF

funds to project-specific accounts for spending; therefore, be it

RESOLVED, that the City Council of Saint Paul does hereby authorize the City to transfer \$3,546,442 from the CRF holding account to project-specific accounts for the Guaranteed Income program and the Bridge Fund program as outlined in the attached financial analysis.