

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	November 16, 2020
Action:	Approval
Presenter:	Chris Cullinan, Director of Finance
Staff Contacts:	Kaki Dimock, Director of Human Services Chris Cullinan, Director of Finance
Title:	Allocation of \$100,000 of CARES Contingency Reserve to Provide Assistance to Employees Laid Off During Pandemic

Background:

During its regularly scheduled meeting on October 5, 2020, City Council established a CARES Contingency Reserve of \$625,000. On October 19, 2020, City Council allocated a significant amount of this reserve to specific COVID-related expenses, in accordance with staff recommendations relating to requests received from various entities. On November 2, 2020, City Council allocated an additional \$54,750 to The Bridge Ministry.

\$155,000 remains in the CARES Round 2 Contingency Reserve.

Due to a difficult and necessary reduction in force required by the COVID-19 pandemic, 228 staff were laid off for lack of work activities. City Council and City leadership have expressed concerns for these employees in several council meetings. Staff request approval to use \$100,000 of the remaining CARES Contingency Reserve funds to support these former employees.

Discussion:

At the city manager's request, staff have developed a model for financial assistance for employees laid off by the city's reduction in force due to COVID-19. Eligibility and amount of financial assistance will be determined as follows:

- Human Resources sends notice of potential eligibility for financial assistance to designated 228 staff members

- Employee seeking assistance contacts designated Human Services staff person for screening
- Employee is identified as one of the 228 staff laid off due to COVID-19 by the Human Resources department
- Employee annual income information is collected and determines amount of assistance:
 - Employees with household income below 50% Area Median Income may receive up to \$750
 - Employees with household income below 30% Area Median Income may receive up to \$1000
- A list of approved assistance payments is provided to Finance Department to process

As always, current and former employees that qualify are welcome to seek emergency financial assistance through the Pathways fund or Virginia's Rent and Mortgage Relief Program.

Alignment with Council Vision Areas and Strategic Plan:

This action aligns with the Council's Vision of Economic Stability and as a Great Place to Live for All of Our Citizens. It also aligns with the City Council's Strategic Plan Goals.

Budgetary Impact:

There is no direct impact on the City's budget. A second round of CARES funds in the amount of \$4,123,776 has been received from the Commonwealth, of which City Council appropriated \$625,000 for a Contingency Reserve (approximately 15%). Sufficient funds remain in the Contingency Reserve.

All funds are subject to conditions established by the U.S. Treasury and the Commonwealth and must be expended for eligible expenditures incurred between March 1, 2020 and December 30, 2020. Any unused funds must be returned.

Recommendation:

Staff recommends approval to use remaining CARES Contingency Reserve Funds in the amount of \$100,000 to provide financial assistance to city employees laid off due to the reduction in force made necessary by the COVID-19 pandemic.