

Ramp Down of the Coronavirus Relief Fund

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) became law on March 27, 2020 —the third in a series of legislative packages approved by Congress in response to the COVID-19 pandemic. The CARES Act provided financial assistance and resources to assist various sectors, including small businesses and workers, as well as other programs critical to the COVID-19 response. The CARES Act also provided direct financial aid to states and local governments through the Coronavirus Relief Fund (CARES CRF). The County received approximately \$1.22 billion from the CARES CRF, comprised of \$1.057 billion directly from the U.S. Treasury and \$163.4 million through the State of California.

This Board previously approved various spending plans for allocation of the CARES CRF on July 21, 2020, September 15, 2020, and November 10, 2020. On December 27, 2020, the federal government passed the Consolidated Appropriations Act (Act) which amended the CARES Act to extend the CRF covered period through December 31, 2021. On March 11, 2021, the American Rescue Plan Act of 2021

MOTION

MITCHELL _____

KUEHL _____

HAHN _____

BARGER _____

SOLIS _____

(American Rescue Plan) became law providing \$350 billion dollars in emergency funding for state, local, territorial and Tribal governments to enable them to continue to support the public health response and lay the foundation for a strong and equitable economic recovery.

As profiled fully in the Chief Executive Officer's (CEO) report issued on March 11, 2021, entitled "Report on Impact of CARES Act CORONAVIRUS Relief Fund in Los Angeles County and Lessons Learned for a New Stimulus Package", more than 65 programs across multiple departments are financed with CARES CRF. These programs include core public health programming such as contact tracing and testing, as well as support for people experiencing homelessness, food distribution programs, and direct financial assistance to business owners and nonprofits, among many others.

The CEO has thoroughly engaged with departments to monitor and determine programs with either an underspend or overspend primarily based on the subscription of participation in the programs. On April 9, 2021, the CEO submitted a report indicating that it has now received and analyzed sufficient expenditure data to project programs ending as well as programs continuing. In the report, the CEO identified \$102.1 million in savings resulting from the availability of other funding sources, such as FEMA. These savings did not result in a reduction in services. Based on current needs, the CEO recommends repurposing the approximate \$102.1 million in projected CARES CRF savings as supplemental or bridge funding for other critical programs and to pay for the costs incurred as part of the County's pandemic response until approximately \$950 million is received from the American Rescue Plan in May 2021. The CEO recommendations are: 1) Providing an additional \$71.0 million to cover Disaster Service Workers (DSWs)

and other expenses and costs incurred by the County to combat the pandemic; 2) Allocating an additional \$23.0 million to allow the Los Angeles County Development Authority (LACDA) to provide relief to the remaining applicants in the Los Angeles County Rent Relief Program and close out the program, as the State has launched its complementary rent relief program supporting County residents; 3) Providing an additional \$1.0 million to supplement funding for the LA Regional Foodbank to continue the program through June of 2021; 4) Providing \$1.5 million for the CEO and Auditor-Controller to ensure compliance with the CARES Act monitoring requirements; and 5) Providing \$5.6 million in bridge funding to address programming needs until the American Rescue Plan funding is received in May 2021.

This Board must now take action and provide additional authority and appropriation, as needed, to allow the CEO and departments to close out the remaining CARES CRF.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Adopt the CEO's recommended CARES CRF reallocations as specified in the CEO's April 9, 2021 report to the Board.
2. Approve the attached appropriation adjustment that reflects an increase of \$23 million in appropriation in the Affordable Housing budget unit offset by a corresponding increase in federal revenue that supplements funding for the Los Angeles County Rent Relief Program administered by the LACDA.
3. Authorize, delegate authority, and reaffirm prior delegations of authority to the CEO, or her designee(s) which includes County departments, in consultation with

County Counsel, to enter into, execute, terminate, or amend, new or existing subrecipient agreements or any related agreements, including sole-source, when necessary, with any community-based organizations and public agencies, including but not limited to nonprofit, joint powers authorities, cities, and contractors necessary to implement the above directives.

I FURTHER MOVE that the Board of Supervisors, acting as the Board of Commissioners of the Los Angeles County Development Authority:

1. Authorize and delegate authority, as well as reaffirm prior delegations of authority, to the Executive Director, or his designee, in consultation with County Counsel, to execute, terminate, or amend, new or existing subrecipient agreements or any related agreements, including sole-source, when necessary, with any community-based organizations and public agencies, including but not limited to nonprofit, joint powers authorities, cities, and contractors necessary to implement the above directives, not to exceed Twenty-Three Million (\$23,000,000) for the Los Angeles County Rent Relief Program.

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BOARD OF SUPERVISORS
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May 04, 2021

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

FY 2020-21

4 - VOTES

SOURCES

USES

AFFORDABLE HOUSING
A01-AM-90-90W1-10160
FEDERAL-COVID3-THE CARES ACT
INCREASE REVENUE

23,000,000

AFFORDABLE HOUSING
A01-AM-5500-10160
OTHER CHARGES
INCREASE APPROPRIATION

23,000,000

SOURCES TOTAL

\$ 23,000,000

USES TOTAL

\$ 23,000,000

JUSTIFICATION

Reflects an appropriation increase of \$23.0 million in the Affordable Housing budget unit, offset by a corresponding increase in federal revenue from the Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund (CRF) to fund the final rent relief applications for the Los Angeles County Rent Relief Program.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
71-A MAY 4 2021

Allison E. Clark

Digitally signed by Allison E. Clark
DN: cn=Allison E. Clark, o=CEO, ou=CEO,
email=allison.clark@ceo.lacounty.gov, c=US
Date: 2021.04.29 14:39:26 -0700

AUTHORIZED SIGNATURE

ALLISON CLARK, SENIOR MANAGER, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

CELIA ZAVALA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

APPROVED AS REQUESTED

APPROVED AS REVISED

AUDITOR-CONTROLLER

BY *L. Landa*

CHIEF EXECUTIVE OFFICER *Matthew Mc...*

B.A. NO. 250

DATE April 29, 2021

DATE April 29, 2021