



Legislation Text

File #: 20-1786, **Version:** 1

Subject:

Approve CARES funding certification, including a \$1 million appropriation to the RISE grant program

EXPLANATION AND SUMMARY :

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Securities (CARES) Act to provide support directly to state, local, and tribal governments to address the COVID-19 pandemic. Governments with populations greater than 500,000 could apply for direct federal payment of CARES Act funds. Fairfax County was the only separate jurisdiction in the Commonwealth to receive direct funding. The County passed a proportionate amount of \$2.886 million to the Town, based on its July 1, 2018 U.S. Census population. Funds from Fairfax County were transferred to the Town of Vienna on April 29, 2020.

To comply with federal grant funding requirements and to be consistent with federal government expectation of all jurisdictions receiving CARES funds, the Town must execute a Federal Sub-Award Agreement with Fairfax County. This agreement specifies the amount awarded to the Town and lays out terms of the funding, specific use of funds, reporting requirements, and other procedures and policies required for federal grant awards.

The Town also has been working with Fairfax County to distribute \$1 million of Vienna's CARES funding to Vienna businesses-providing economic grants to small businesses for the purpose of reimbursing business interruption costs caused by closures due to the pandemic. In accordance with Code of Virginia section 15.2-953, towns in Virginia are prohibited from direct contributions to for-profit businesses. After a series of conversations with the county, it was determined that the county could include the Town's \$1 million contribution as part of the Fairfax Relief Initiative to Support Employers (RISE) Grant program. This grant program is designed to provide immediate relief to small businesses and nonprofits impacted by the health crisis. In partnering with the county, the Town has been able to comply with state code and save money on administrative costs to award and distribute funds to businesses.

The Federal Sub-Award Agreement attached includes a paragraph, under the "Use of Funds" section, that details the arrangement for transfer of the Town's \$1 million in CARES funds to the county for distribution to Town businesses through the county's RISE grant. This agreement takes the place of a separate MOU with the county for the RISE grant.

Staff requests that Town Council approve the Federal Sub-Award Grant agreement with Fairfax County to formally accept CARES funds as well as the use of \$1 million in CARES funding to partner with the county and participate in the RISE grant program in an effort to assist Town businesses impacted by the health crisis.

Strategic Plan Initiative: *Vienna is a well-governed community; Vienna is a fiscally responsible community.*

Departmental Recommendation : Recommend approval of Federal Sub-Award Agreement.

Finance Recommendation : Recommend approval of Federal Sub-Award Agreement.

Purchasing Recommendation : N/A

Town Attorney Recommendation : Town Council may approve the proposed Sub-Award Agreement with Fairfax County in its discretion.

Town Manager's Recommendation : I recommend the Town Council approve the Federal Sub-Award Agreement with Fairfax County to accept Cares Act funds, as presented.

Cost and Financing: Receipt of \$2.886 million in CARES funds

Account Number: N/A

Decision Needed by This date: July 6, 2020

PROPOSED/SUGGESTED MOTION

"I move to approve the Federal Sub-Award Agreement with Fairfax County to accept \$2,866,552 in CARES Act funds and to allocate \$1 million in the Town's CARES funding to Fairfax County's RISE grants, specifically to assist Town of Vienna small businesses."

Or

Other action deemed necessary by Council.