

Ordinance No. 1005-2021

By Council Members Kelley and B. Jones

AN EMERGENCY ORDINANCE

Directing a portion of the City's Coronavirus Local Fiscal Recovery Fund payment to the City's COVID-19 response by authorizing the Director of Community Development to enter into one or more agreements with the Northeast Ohio Neighborhood Health Service (NEON) to assist them with pandemic-related community health programming, including damage recovery costs for the Hough Health Center, to be encumbered during the period beginning March 3, 2021, and ending December 31, 2024.

WHEREAS, Title IX, Subtitle M, Section 9901 of the American Rescue Plan Act, Pub. L. 117-2 [H.R. 1319], signed into law March 11, 2021 ("ARPA"), appropriated Coronavirus Local Fiscal Recovery Fund ("Fund") payments from the U.S. Treasury Secretary to metropolitan cities, non-entitlement units of local government, and counties; and

WHEREAS, the ARPA continues many of the programs started by the CARES Act (2020) and Consolidated Appropriations Act (2021) by adding new phases, new allocations, and new guidance to address issues related to the continuation of the COVID-19 pandemic; and

WHEREAS, pursuant to the ARPA's Fund methodology, the City has been allocated the amount of \$511,721,590.00 ("Fund Payment") to "mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID-19)"; and

WHEREAS, in response to this economic crisis, the Department of the Treasury ("Treasury Department") is providing such relief to state, local, 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; and

WHEREAS, the ARPA and its supporting guidance issued by Treasury Department provide that the Fund Payment may only be used by the City to finance costs that (a) respond to the COVID-19 public health emergency or its negative economic impacts; (b) respond to workers performing essential work; (c) provide government services to the extent of reduction in revenue; and (d) make necessary investments in water, sewer, or broadband infrastructure (collectively, "Criteria"); and

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WHEREAS, so long as the City duly directs its Fund Payment to finance those costs in compliance with the Criteria, the City may use the Fund Payment to offset the City's various fiscal effects from COVID-19 during the period beginning March 3, 2021, and ending December 31, 2024 ("Covered Period"); and

WHEREAS, the City received some or all of the Fund Payment directly from the Treasury Department under the authority of Ordinance No. 303-2021, passed by this Council on May 10, 2021 and which affirms said Fund Payment is to cover only those expenditures consistent with ARPA, including the Criteria, and applicable regulations, and such Fund Payment has been or will be deposited into an appropriate special revenue fund created and maintained by the City; and

WHEREAS, the Treasury Department has published Interim Final Rule (31 CFR 35.1 *et seq.*) and its regularly updated Coronavirus State and Local Fiscal Recovery Funds' Frequently Asked Questions (collectively, "Guidance"), further explaining the Criteria and the proper use of the Fund Payment during the Covered Period; and

WHEREAS, Northeast Ohio Neighborhood Health Services, Inc., an Ohio nonprofit corporation, ("NEON") is a Federally Qualified Health Center network of community health centers that offers accessible, comprehensive primary care services at a reasonable cost, and has provided and continues to provide community health and wellness services and vaccinations to Cleveland residents to address disparities in public health exacerbated by the pandemic; and

WHEREAS, in addition to funding to provide community health and wellness programs, NEON, in partnership with LegalWorks, Inc., also an Ohio nonprofit corporation, provides an Expungement Clinic to, in part, assist individuals who are unemployed due to the pandemic or the resulting recession, or who were already unemployed when the pandemic began and remain so due to the negative economic impacts of the pandemic; and

WHEREAS, NEON needs damage recovery funds to reopen its Hough Health Center, which has served the community since 1967 and is temporarily closed due to recent fire damage, in such amounts to offset the costs to represented by the equipment, building upgrades, and services used to implement COVID-19 mitigation tactics; and

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WHEREAS, the Criteria and Guidance describe such eligible uses of the Fund Payment to include responding to the public health emergency and its negative economic impacts, including providing assistance to nonprofit organizations; and for services to disproportionately impacted communities; and

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department and constitutes an emergency measure providing for the immediate preservation of the public peace, property, health and safety in the timely authorization and the signing of the necessary agreements and documents to expend the Fund Payment; now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That this Council hereby declares that its COVID-19 Response, defined herein, duly authorizes the Director of Community Development to enter into one or more grant agreements with Northeast Ohio Neighborhood Health Service, Inc. for (i) its community health and wellness program (ii) such ARPA-eligible portion of its Expungement Clinic programs and (iii) such ARPA-eligible damage recovery costs for the Hough Health Center. This Council's decision that such expenditures are appropriate by virtue of charging to the City's Fund Payment is based on the following respective considerations: the community health and wellness program addresses disparities in public health exacerbated by the pandemic (particularly as such programming is provided in Qualified Census Tracts in the City); the expungement clinic will serve those who are unemployed due to the pandemic or the resulting recession, or who were already unemployed when the pandemic began and remain so due to the negative economic impacts of the pandemic, and the expungements are intended to make the served individuals employable; and portions of the Hough Health Center's equipment, building upgrades, and services are used to implement COVID-19 mitigation tactics (collectively, the "COVID-19 Response").

Section 2. That the Director of Law is authorized to prepare the agreements and other documents that may be appropriate to complete the transaction.

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Section 3. That the costs of the agreements shall not exceed \$2,000,000 and shall be paid from the fund or funds to which are deposited the Fund Payment and other funds approved by the Director of Finance. (RQS 1501, RLA 2021-79)

Section 4. That the agreements authorized shall be fully executed no later than December 31, 2024 and shall provide that all funds must be encumbered during the Covered Period.

Section 5. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

/jho
11-8-2021
FOR: Councilmembers Kelley, B. Jones

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REPORT
after second Reading

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READ FIRST TIME on NOVEMBER 8, 2021

REPORTS

and referred to DIRECTORS of Community Development, Finance, Law;
COMMITTEES on Development Planning and Sustainability, Finance

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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COMMITTEE ON
DEVELOPMENT, PLANNING AND
SUSTAINABILITY

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