



CITY OF SOMERVILLE, MASSACHUSETTS
JOSEPH A. CURTATONE
MAYOR

To: Honorable City Council

Re: Request for Consideration – COVID Financial Items - COVID Stabilization Fund (1st Quarter - 2021)

Date: December 15, 2020

This memo accompanies the request for consideration of items necessary to continue City services related to its response to the COVID-19 pandemic after CARES Act funding expires on December 30th, 2020. This expiration is a direct consequence of the lack of action on the part of the federal government to extend the provisions and deadlines of the CARES Act.

These appropriations and authorizations will allow the City to maintain COVID-19 services and operations from January 1 through March 31, 2021. One or more subsequent appropriation(s) may be submitted to address the remainder of fiscal year 2021 as conditions and needs develop.

In summary, the appropriations and authorizations comprise four distinct goals:

1. Fund school department COVID-19 related costs.
2. Maintain continuity of City services directly related to COVID-19 response after January 1.
3. Fund the City cost share for items submitted to the Federal Emergency Management Agency (FEMA).
4. Backstop funding for school building HVAC improvements after federal funding expires.

This requested funding will ensure that programs implemented since the City initiated its response to the pandemic in March of 2020 will continue uninterrupted, including:

- Housing stabilization,
- Immigrant services and outreach,
- Supporting a safe return to school,
- Direct public health responses,
- Business and artist support,
- COVID-related city operations, including community testing and contact tracing,
- Public outreach and information campaigns.

CITY HALL • 93 HIGHLAND AVENUE • SOMERVILLE, MASSACHUSETTS 02143
(617) 625-6600, EXT. 2100 • TTY: (866) 808-4851 • FAX: (617) 625- 3434 • www.somervillema.gov
E-MAIL: mayor@somervillema.gov



CARES Act Funds & FEMA Public Assistance:

1. CARES Act

The Coronavirus Relief Fund-Municipal Program – CARES Act fund, being administered by the Commonwealth’s Administration & Finance Office, on behalf of the U.S. Treasury (Treasury) – can only be used for expenses that meet the following three statutory requirements:

- a. Expenses incurred between March 1, 2020 and December 30, 2020.
- b. Expenses unbudgeted as of March 27, 2020;
- c. Expenses directly incurred due to the public health emergency;

For a “use” to satisfy the Treasury’s CARES eligibility requirement, Treasury deems a certain “use” eligible, recipients must receive said “beneficial use” of the good or service by December 30 – goods must be delivered and in use, or services rendered, by this date. Funds cannot be used for any items purchased or services rendered after this date.

As with other cities and towns, the last 10 months have necessitated a financial balancing and juggling act in an incredibly uncertain fiscal climate. This position is not unique to Somerville. Despite cities and towns across the region repeatedly indicating to state and federal administrators the pressing need for an extension for these funds, this remains unaddressed both federally and at the state level.

Further, the utilization of CARES Act municipal funds has been constrained by additional State initial or interim determinations. For example, while the Treasury’s guidance states that business/artists supports programs are eligible uses, the Commonwealth does not deem eligible.

2. FEMA Public Assistance Program:

The COVID-19 FEMA PA is a federally administered reimbursement program for expenditures due to work that is a “direct result of the COVID-19 emergency”. The submission and eligibility requirements differ widely from those of the CARES Act, and localities are responsible for 25% of approved costs.

The City’s financial planning and budgeting balancing act is further complicated by the fact that all requests for FEMA PA reimbursement have to be submitted at once. At the time of the submission, the City does not have a guarantee that all submitted reimbursement requests will receive a final eligibility determination. We have also seen a significant departure from springtime guidance and cost eligibility determinations on certain springtime costs about which we, along with other cities and towns, are seeking clarification.

This uncertain financial environment requires us to be flexible and shift funds to and from the city’s FEMA PA program to the CARES Act fund based on fragmented, inconsistent, and ever-evolving slate of information. Additionally, because the City will be responsible for a 25% cost-share of expenses reimbursed by FEMA’s PA program, the city’s ability to ascertain the total amount of the 25% cost-share is contingent on FEMA’s final eligibility determination of all costs submitted by the City, and outcomes of any appeals that the City may pursue creates significant

variables in the City's ability to project and recoup costs. This process can take months from start to finish.

City's COVID-19 Response

Each turn in the ever-changing course of the pandemic and subsequent public policies bears new responsibilities for staff. These responsibilities do not necessarily displace pre-existing duties, nor give way to proportional decreases in public health response or economic recovery efforts. Between waves, public health response efforts grew to include economic recovery even as preparations were underway for a potential second surge.

Although employees are largely working remotely and city-sponsored in-person events are cancelled, staff output has not ceased. Instead, staff have had to learn and adapt to new, virtual systems. Staff developed and implemented new processes to conduct core and day-to-day business and services to the best of their abilities. Over time, certain activities have resumed and pandemic fatigue has increased among the general public. This has led to a natural increase in everyday business duties for staff.

More than 150 staff members built a robust virtual Incident Command System ("ICS"). In a review of the City's emergency response operations, ReadyZone HQ consultants noted many accomplishments, including:

- Rapid and proactive implementation of sustained, reinforced non-pharmaceutical interventions and procedures, such as the universal face covering order, isolation and quarantine support, free community testing, issuance of health and safety guidelines for congregate living assets, and Shared Streets initiative.
- Development of planning products and procedures, such as a Food Access Plan, to facilitate coordination and support objectives.
- Development of identification, tracking, and visualization tools and procedures to highlight and analyze relevant local data.
- Rapid expansion of services and sustained communication of timely, useful, and critical information to community members in multiple languages through multiple outreach methods.
- Establishment of sites to distribute food and personal protective equipment ("PPE") to vulnerable populations and residents in quarantine/isolation.
- Acquisition, monitoring, and distribution of PPE to support operations and residents.
- Rapid development of procedures to provide mass care.
- Implemented consistent use of thorough sanitation procedures.
- Procedures to register, verify, engage, and deploy volunteers were implemented. Training for risk-specific responders was also implemented.
- Developed and implemented legally compliant virtual meeting infrastructures for critical and necessary municipal government and community processes including City Council meetings, School Committee meetings, town halls, and public hearings.

While the overarching goal of the Incident Command System is to save lives, how we get there is dependent on many variables, from vaccine distribution, to a safe return to school, and supporting the most vulnerable residents and businesses, while attempting to be one step ahead of the virus.

Data points below from March through September 2020 aim to demonstrate demand for services and staffing resources:

- Constituent Services 311 call center experienced month after month record-breaking call volumes up to 40% higher than normal.
- The City website, with 150 new web pages dedicated to COVID-19, has experienced a 76% increase in users year-over-year.
- The Emergency Food Pantry distributed food to more than 7,400 households.
- Economic Development has provided technical assistance and loans to hundreds of small businesses.
- The City helped raise over a half million dollars to benefit the Somerville Cares Fund.
- The City has held dozens of Town Halls, ranging from school reopening to the phased reopening process. Several were held in languages other than English, including Portuguese and Haitian-Creole.

A recent survey asked ICS team members if they “have experienced anxiety, fatigue, or burn-out as a result of COVID-19 response efforts.” Out of 60 respondents, only seven disagreed or strongly disagreed. Even still, 100% of respondents were “proud of the work that the City of Somerville has done to respond to COVID-19.”

COVID-19 Funding Requests

Brief explanations of funding requests are outlined below with additional detail to follow:

Funding school department costs - \$180,000

Based on current estimates from School Department and City Staff, it is anticipated that students could safely begin to return to the High School (including modular units), Capuano, and Argenziano schools as early as mid-January. Requested appropriations from the COVID Stabilization fund at this time include communications support, testing resources, staffing support, and interim remote learning technology.

Maintain continuity of City services directly related to COVID-19 response after January 1 - \$TBD

City departments were asked to submit anticipated costs for the January 1-March 31st timeline that were essential, unbudgeted, and related to COVID response. These costs primarily fall into the categories of support for the City’s Immigrant Services Unit, expanded capacity for the 311 call center, housing stabilization services, Parks & Recreation programming for youth, testing and contract tracing efforts, resident information campaigns and outreach, and overtime for Public Works and Public Safety employees. Included with a final submission will be additional information about appropriation amounts for these categories.

Fund the City cost share for FEMA-eligible expenditures - \$100,000

City staff have been working with a contract specialist to submit eligible costs to FEMA for reimbursement under the Public Assistance Fund. At current estimates, the outstanding portion of the City’s 25% share of eligible costs is approximately \$100,000.

Backstop funding for school building HVAC improvements after January 1 - \$2.5M

As the school reopening plan evolves, it is unlikely that the City will incur \$3M in expenses on the school ventilation project by the December 30 2020 CARES funding deadline as originally planned. Therefore as

a backstop to continue work past January 1, 2021 the project requires an additional authorization from the Council to:

Borrow up to \$2.5M in a bond for the purposes of retrofitting and improving air handling systems in existing municipally-owned buildings to increase ventilation rates, improve air filtration, add in-line ultraviolet disinfection units, add humidification, and complete ancillary building modifications for the purposes of improving indoor air quality and reducing viral transmission rates.

City contractors are actively working to complete as much CARES-eligible work before the submission deadline however to avoid disruption to work timelines, a bonding authorization of up to \$2.5M is sought to maintain progress. This estimated cost of work is conservative and City staff are hopeful that not all of the authorization will be required.

Mayor Curtatone, Incident Command Lead Omar Boukili, Finance Director Ed Bean, Director of IAM Rich Raiche, along with other staff will be in attendance at the December 17th special meeting of the City Council to answer questions related to this request.