

August 25, 2020

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

**PROPOSED STATE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT
(CARES ACT) CORONAVIRUS RELIEF FUND (CRF) ALLOCATION UTILIZATION PLAN,
REQUEST FOR APPROVAL OF ASSOCIATED BUDGETARY AND ACCOUNTING
TRANSACTIONS AND REQUEST FOR AUTHORIZATION TO ESTABLISH A RENTAL AND
MORTGAGE ASSISTANCE PROGRAM IN RESPONSE TO
COVID-19 PUBLIC HEALTH EMERGENCY**

Fiscal Impact: \$21,115,000; State/CARES; Not Budgeted; Discretionary

The State of California's adopted budget for fiscal year 2020-2021 includes the allocation of \$1,289,065,000, in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Coronavirus Relief Funds (CRF) received by the State from the federal government, to counties to address the public health and public safety impacts of COVID-19, including homelessness. Of this total amount, the County of Kern is expecting to receive \$21,115,000. Although this comes from the same federal source, this funding is distinct from the \$157 million in CRF funds the County received directly from the federal government and was not included in the utilization plan the Board approved for that \$157 million. As a result, staff has prepared a separate utilization plan for the \$21 million of State allocated CRF funds which is attached hereto and recommended for your approval. This plan allocates \$5 million for a rental and mortgage assistance program, \$1 million to fund additional costs of the County Coroner, and \$15 million for first responder costs incurred in the County's fire department.

Just as with the directly received CRF payments, the State allocated CRF payments must meet the same federal guidelines and may only be used to cover costs that:

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act).
3. Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

As discussed above, the recommended utilization plan for the \$21 million of State allocated CRF funds to be received by the county includes \$5 million for a rental and mortgage assistance program. Although program guidelines are still being developed, it is expected that this program would provide assistance for individuals with income at or below 80% of area median income that have been financially impacted by COVID-19, and as a result have fallen behind on their rental or mortgage payments. This program would provide up to \$5,000 per family and must result in the avoidance of eviction or foreclosure.

Recently, the City of Bakersfield announced a rental and mortgage assistance program using a portion of their State allocated CRF funds. This County program is planned to work in conjunction with the City's program with both programs being administered by the Housing Authority of the County of Kern. Both programs plan to use the same program guidelines, with the City's program funding applicants within the

GROUND  BOUNDLESS

City limits and the County's program funding applications outside of the Bakersfield City limits but including the other Cities within the County along with the unincorporated areas. Once finalized, an agreement with the Housing Authority of the County of Kern for the administration of this program will be brought back to your Board for final approval.

The State allocation was not included in the County's FY 2020-21 Budget; therefore, in order to set up the appropriate budgetary and accounting transactions it is necessary to recognize unanticipated revenue in the Special Revenue Fund 22016-CARES Funding, Budget Unit 1117, Revenue Key 4069-CARES Act in the amount of \$21,115,000, with appropriation in Expenditure Key 8851-Operating Transfer Out and 7692-Special Departmental Expense/COVID-19.

Therefore, IT IS RECOMMENDED that your Board approve Kern County's State Coronavirus Aid, Relief and Economic Security Act (CARES Act) Coronavirus Relief Fund (CRF) allocation utilization plan, authorize the Auditor-Controller to process the specified budgetary adjustments and accounting transactions, authorize the establishments of a rental and mortgage assistance program in response to the COVID-19 public health emergency, and authorize the Chief Administrative Officer to implement.

Sincerely,



Ryan J. Alsop
Chief Administrative Officer

Attachment

cc: County Counsel

Total Allocation \$ 21,115,000

Category	Amount (millions)	Description
Local Government Support		
	16.11	
• First Responders costs related to COVID-19	15.11	First Responders costs related to COVID-19 and related public health precautions; Fire Department
• Coroner Cost	1.00	Costs related to pathologist and transportation.
Economic Support		
	5.00	
• Rental Assistance Program	5.00	Rental Assistant for individuals at risk of homelessness as a result of economic impacts related to COVID-19.
Total State Coronavirus Relief Funds:	21.11	

SEQUENCE: 744617

COUNTY OF KERN

BT:
JV:

FISCAL YEAR: 20-21

BUDGET TRANSFER

TOTAL: \$42,230,000.00
DESCRIPTION: BUDGET TRANSFER

TRANS CODE	FUND	FUND NAME	DEPT	DIV	REV/EXP	PY	AMOUNT	DOCUMENT/REF NO
From:								
3401	22016	CARES FUNDING	1117		4069		\$21,115,000.00	FEDERAL-CARES ACT
To:								
1901	22016	CARES FUNDING	1117		7692		\$5,000,000.00	SDE/COVID19
1901	22016	CARES FUNDING	1117		8851		\$16,115,000.00	

EXPLANATION OF PURPOSE AND AUTHORITY THEREFOR:

To recognize unanticipated revenue from the State CRF Allocation

REFERENCE:

CAO COMMENTS:

This transfer is recommended for the reason stated above and pending Board approval of Item # on the 01/01/0001 agenda.

REVENUE CODES:

APPROVALS:

DEPARTMENT:

CAO ANALYST:

CAO SUPERVISOR:

CAO FINANCE:

CAO CLERK:

CLERK OF THE BOARD: (BOARD APPROVAL DATE:)

AUDITOR:

PREPARED BY: ELSA MARTINEZ

DEPT: 1020

DATE: 08/20/2020

PROCESSED DATE: