

DRAFT

City of Grand Rapids

Federal/State Recovery Assistance Information

Governor Whitmer's Executive Orders

- Issued over 30 Executive Orders (EO) beginning with EO 2020-4 declaring a State of Emergency on March 10, 2020. This order was rescinded 4/1/20, when [EO 2020-33](#) declared a State of Disaster for Michigan.
- [Stay Home, Stay Safe](#) or [EO 2020-21](#), effective until at least April 14, 2020, requires all Michiganders to stay in their homes and all business and operations must temporarily suspend in-person operations that are not necessary to sustain or protect life.
- Temporary closure places of public accommodation including restaurants, bars and entertainment venues, [EO 2020-20](#); and temporary prohibition on large assemblages or events, [EO 2020-11](#) both correspond with Stay Home, Stay Safe.
- Suspension of in-person K-12 education for remainder of 2019-2020 school year was ordered in [2020-35](#). Schools will provide remote learning; seniors will graduate and most students will advance to the next grade; teachers and school staff will be paid; schools will receive full funding; 3rd grade reading law will not be enforced this year; and free lunches will continue to be provided.
- Executive Orders and any corresponding FAQs are accessible by [clicking here](#).

Unemployment

- Claims are up over 4,000% with 303,000 Michiganders filing last week alone
- Governor has expanded eligibility to the following:
 - First responders;
 - Sick workers (workers who are sick, quarantined, immunocompromised or family care responsibility including children who can't go to school);
 - Self-employed workers;
 - Independent contractors;
 - Low-wage workers; and
 - Those with a limited work history.
- Governor's actions:
 - Every employee in Michigan who applies for unemployment benefits will receive them, if eligible.

- Impacted employees have 28 days from the date of their work stoppage to apply for benefits.
- Approved claims will be back-dated to reflect the date in which a claimant was laid-off or let go from their job due to COVID-19.
- Benefits have been expanded to 39 weeks; and
- In-person registration and work search requirements are suspended.
- Online Filing Schedule – www.michigan.gov/UIA. [Click here](#) to view Fact Sheet. Workers are encouraged to go online during off-peak times between 8PM-8AM
 - Last names beginning with letters A-L are asked to file claims on Mondays, Wednesdays, Fridays.
 - Last names beginning with letters M-Z are asked to file claims on Sundays, Tuesdays, or Thursdays.
 - Saturdays will be available for anyone to accommodate those who could not file during their allotted window.
- Call Center Filing Schedule - 866-500-0017:
 - Last names beginning with letters A-L are asked to call on Mondays and Wednesdays between 8:00am – 5:00pm.
 - Last names beginning with letters M-Z are asked to call on Tuesdays and Thursdays between 8:00am – 5:00pm.
- Fridays (8:00am – 5:00pm) will be available for anyone to accommodate those who could not file during their allotted window.

Public Assistance

- **Food Assistance** – All eligible households will receive the maximum monthly benefit for the months of March and April. Eligible families do not need to re-apply to receive the additional benefits.
- Below is the maximum allowable benefit based on household size:
 - One person: \$194
 - Two persons: \$355
 - Three persons: \$509
 - Four persons: \$646
 - Five persons: \$768
 - Six persons: \$921
 - Seven persons: \$1,018
 - Eight persons: \$1,164
- 27,000 individuals will be temporarily exempt from federal work requirements
- Individuals who are applying for or receiving public assistance benefits should use www.michigan.gov/MIbridges. Individuals unable to use MI Bridges can call MDHHS

offices or 888-678-8914 to get assistance. Customer service is available 24 hours a day, 7 days a week. Spanish and Arabic service is available. If you are deaf, deafblind or hard of hearing or speech-impaired, call the Michigan Relay Center at 7-1-1. Individual workers will schedule in-person meetings only as needed.

Small Business and Employer Assistance

- **Paycheck Protection Program (PPP) Loans** – 100% federally guaranteed loans to employers who maintain payroll throughout COVID-19 disaster as follows:
 - Forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least 6 months of deferral with maximum deferrals of up to a year.
 - Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15 and June 30, 2020.
 - This program would be retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls.
 - Please visit Mlpaycheckprotection.com for more information.
- **Small Business Debt Relief Program** – Provides immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans as follows:
 - SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.
 - Relief will also be available to new borrowers who take out loans within 6 months of the President signing the bill into law.
 - Please visit The Right Place website by [clicking here](#) for more information on the Michigan Small Business Relief Program.
- **Economic Injury Disaster Loans & Emergency Economic Injury Grants** – These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL) as follows:
 - First apply for an EIDL and then request the advance;
 - The advance does not need to be repaid under any circumstance;
 - Advance may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.
 - Please [click here](#) for more information and to apply for an EIDL from SBA.
- **Small Business Tax Provisions**
 - **Employee Retention Credit** – Available for employers subject to closure or experiencing economic hardship as follows:

- Provides a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis.
 - Available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings.
 - The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis.
 - Wages of employees who are furloughed or face reduced hours as a result of their employer's closure or economic hardship are eligible for the credit.
 - For employers with 100 or fewer full-time employees, all employee wages are eligible, regardless of whether an employee is furloughed.
 - The credit is provided for wages and compensation, including health benefits, and is provided for the first \$10,000 in wages and compensation paid by the employer to an eligible employee.
 - Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).
 - The credit is not available to employers receiving assistance through the Paycheck Protection Program. The credit is provided through December 31, 2020.
- **Delay of Payment of Employer Payroll Taxes** – Allows taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022.
 - Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.
 - Deferral is not provided to employers receiving assistance through the Paycheck Protection Program.

Federal Stimulus Funding and Response – COVID-19 *This section is sourced from the House Fiscal Agency Fiscal Brief published on April 3, 2020 and can be viewed in its entirety with comprehensive details and analysis by [clicking here](#).

Congress has passed and the President has signed 3 federal stimulus packages in response to COVID-19. Below are some highlights from each phase of the response:

1. On March 6, 2020, the Coronavirus Preparedness and Response Supplemental Appropriations Act ([P.L. 116-123](#)) was signed into law, providing at least \$8.0 billion for public health and at least \$1.05 billion for state and local governments.
 - **Centers for Disease Control and Prevention (CDC)**
 - **Michigan** guaranteed at least 90% of FY2019 Public Health Emergency Preparedness (PHEP) award: **\$14.6 million**
 - **Michigan** may receive additional funds, but bill doesn't specify
 - **Small Business Administration**
 - Disaster Loan Administration and Authorization (Total: \$20.0 million) – Supports administrative costs of delivering SBA disaster loans
 - Authorizes \$1.0 billion in small business disaster loans
 - **Other Initiation Funding from CDC**
Surveillance Awards through Epidemiology and Laboratory Capacity for Infectious Diseases (Total: \$10.0 million)
 - Assists states with early surveillance activities
 - **Michigan** award: **\$500,000**
 - Emergency Response Activities through Public Health Crisis Cooperative Agreement (Total: \$25.0 million)
 - Awarded to jurisdictions with largest burden of response and preparedness to date
 - **Michigan** award: **\$250,000**
2. On March 18, 2020, the Families First Coronavirus Response Act ([P.L. 116-127](#)) was signed into law, providing increased Medicaid match rates, enhanced nutrition assistance, unemployment insurance, paid sick and family leave, and diagnostic testing cost coverage
 - Special supplemental nutrition program for Women, Infants and Children (WIC)
 - **Michigan** award: **\$12.5 million**
 - Provides food assistance to low-income pregnant women or mothers with young children
 - Emergency Food Assistance Program
 - **Michigan** award for administration costs associated with food delivery: **\$3.2 million**
 - **Michigan** award for purchase of commodities: **\$9.7 million**

- Funds supplement the diets of low-income Americans by providing food assistance at no cost
 - States provide food through selected agencies (typically food banks) which distribute food to organizations (soup kitchens and food pantries) that directly serve the public
 - Home-Delivered Nutrition Services for the Elderly (Total: \$160.0 million)
 - **Michigan award: \$4.8 million**
 - State matching requirements do not apply
 - Provides healthy meals delivered to home and “safety check” for homebound individuals
 - Operates with volunteers and paid staff
 - Congregate Nutrition Services for the Elderly (Total: \$80.0 million)
 - **Michigan award: \$2.4 million**
 - State matching requirements do not apply
 - Serves healthy meals and presents opportunities for social engagement, health and wellness activities, and volunteer roles
 - Nutrition waivers (WIC, SNAP)
 - Emergency family and medical leave expansion
 - Emergency Unemployment Insurance stabilization and access
 - Emergency paid sick leave
 - Health provisions including providing diagnostic testing and cost of provider visit at no cost to beneficiary for Medicaid, Children’s Health Insurance Program and private insurance plans; and
 - Tax credits for paid sick and paid family and medical leave
- 3. On March 27, 2020, The CARES Act ([P.L. 116-136](#)) was signed into law, providing approximately \$2.0 trillion for state and local grant programs, relief for state and local governments, stimulus checks, unemployment insurance enhancements, and assistance for businesses.
 - Payments to State, Local, and Tribal Governments
 - \$150.0 billion to states and local governments allocated proportionately based on state populations subject to:
 - Funds must be used for costs that meet all the following:
 - Are necessary expenditures incurred from COVID-19
 - Are not accounted for in the most recently approved budget
 - Are incurred between March 1, 2020 and December 30, 2020
 - **Michigan share: \$3.873 billion**
 - **Local share to Kent (\$114M)**

NOTE: Current guidance from the Department of Treasury indicates that these funds cannot be used to backfill state and local revenue losses. The City continues to advocate for a relaxation of the expenditure restrictions included for these funds.

- Direct payments to individuals - \$1200 to qualifying individuals (\$2,400 for individuals filing a joint return) and \$500 per child under the age of 17 (these payments are not taxable).
- Federal Unemployment Insurance expansion
- Education Stabilization Fund
- Emergency Lending Fund for businesses, States and Cities
- Training and supportive services for dislocated workers
- Other/Labor and business support
- Disaster relief fund
- Public health and social services emergency fund
- Other health provisions for Department of Health and Human Services
- Human Services provisions
- Domestic Food Programming
- Transportation-related support
- Election security
- Housing-related programs – **City of Grand Rapids awarded \$2,219,476.00 in CDBG and \$1,120,648.00 in Emergency Solutions Grants (ESG)**
- Agricultural support efforts
- Department of Defense Programming
- Homeland Security and COVID-19 Disaster Relief Efforts
- Department of Justice Programming
- Bureau of Indian Affairs Programming
- Corporation for Public Broadcasting
- Extends Real ID Requirements from October 30, 2020 to September 30, 2021
- Environmental Protection Agency
- National Endowment for the Arts and Humanities

Congress is already working on Phase 4 of the federal stimulus response. Speaker Pelosi and Democrats' top priorities are said to be as follows:

- Infrastructure: water systems, broadband internet, energy grid, rail and transit, electric vehicle chargers, reauthorization of the Highway Trust Fund;
- More cash to state and local governments;
- Education Funding;

- Housing;
- Health care worker protection;
- Pension protections;
- Increasing food assistance benefits by an extra 15%;
- Free testing and doctors' visits;
- More money for Americans on top of the \$1200 from PHASE 3 Stimulus; and
- Additional family and medical leave provisions.

State Funding and Response COVID-19

The Legislature passed and the Governor signed [PA 66 of 2020](#) and [PA 67 of 2020](#) to provide supplemental funding in the current year budget and over \$150 million for the State's COVID-19 response. Nearly \$80 million that was appropriated prior to the COVID-19 crises was vetoed by the Governor in a joint agreement with the majority and minority leaders in the House and Senate. The following summary provides the highlights:

- \$25 million in funding for COVID-19 response efforts;
- \$31 million for court-ordered legal settlements within the Michigan State Police and Department of Corrections;
- \$19 million to pay down liabilities in the Venture Michigan Fund program that save the state at least \$23 million (net \$4 million);
- \$14 million for legally required reimbursement of locals for presidential primaries
- \$48 million (\$7 million General Fund) to boost hospital outpatient rates as they respond to the virus;
- \$4 million to ensure critical oil and gas inspections continue; and
- \$8 million to authorize spending for dedicated federal and restricted funds.

City and Local Recovery Considerations

Economic Recovery

We have been consumed by response activity that has dominated most of the last month. This work is critical and demanding. Response is only one phase of emergency management. Every emergency also includes a recovery phase. The same is true in this case, but recovery looks different. We do not have a flood to clean up or trees to clear. We have an economy to restart – at the right time. It is incumbent on us to be prepared to work as hard on recovery as we have worked on response. It is important to think past the current crisis even as we are in the middle of it to create the path forward.

Economic Recovery takes a least two forms: business recovery and community reactivation.

Experience Grand Rapids, the Grand Rapids Chamber and The Right Place, Inc. convened the coalition aimed at making critical information more accessible to all area businesses and their employees. Coalition members include Asian Pacific American Chamber of Commerce (West MI), City of Grand Rapids, Downtown Grand Rapids, Inc., Grand Rapids Urban League, Kent County, National Business League, Inc., West Michigan Hispanic Chamber and West Michigan Works! The website <https://www.covidwm.org/> was created as a result of the coalition. The Right Place Inc. has also been working with local businesses on retention, retooling manufacturing and reallocating state approved funding to eligible businesses in the 11 County area. Various efforts are also underway to establish local relief funding.

The Mayor and City Manager have convened a diverse group of community leaders to begin thinking broadly about how to reactivate the community once the pandemic has past and the coast is once again clear. Activation could take the form of community events, neighborhood celebrations, times where we celebrate the re-opening of business districts, or honoring first responders and medical personnel. Activation could be large-scale or block by block scale. The focus is on re-energizing the rich civic life that makes Grand Rapids Special.

The City Manager has established an Economic Recovery Work Group section within the Emergency Operations Center to focus the City's recovery efforts under the leadership of the Deputy City Manager and the Assistant City Manager. This work group is tasked to create a fresh start by developing and delivering the City's business recovery and community reactivation outcomes consistent with our values and the strategic plan. Their work to date includes:

1. Collaborating with community economic development partners to develop and deliver information on state and federal assistance.

2. Communicate that information directly to businesses – websites are great, but direct communication with businesses is better. So far, the work group has delivered: a) information on assistance offered by Consumers Energy, and; b) Information on Paycheck Protection and Disaster Loans available through the CARES Act.
3. Initiated development on the potential to advance Brownfield reimbursement to help owners maintain tenants or sustain projects.
4. Consulted with special counsel to aid in development of tools for use in Corridor Improvement Authorities and the DDA. Opportunities that can proceed under current statutory authority are being vetted now.
5. The group is identifying concepts that would require amendments to state law (suspending commercial evictions; expanding the definition of incubation in the DDA/CIA acts) and the work group will engage with legislative work groups;
6. Understanding the gaps in CARES Act and state investment to determine how to fill those voids.
7. Analyzing the City’s supplemental \$2.2 million CDBG allocation to develop impactful business recovery and community reactivation outcomes in the general target area (on-line job/business training; lease payment supports; micro-loans; use for leveraging other investments; community event support; and small business support).
8. Analyzing the City’s supplemental \$1.1 million ESG allocation to develop impactful shelter solutions (homelessness prevention; short term rent support).
9. Understanding how best to assist vulnerable communities with rent, home ownership, utilities, grants/loans etc. (resiliency).
10. Assembling research on community investment funds in Michigan and elsewhere and determining how to create impact in our setting.
11. Recommending repurposing the FY2021 Neighborhood Match Fund applications to focus more on resiliency and recovery.
12. Focusing on events created by neighborhoods for neighborhoods to foster strong social infrastructure; developing supports for events like waiving some fees and costs for a defined period.
13. Learning from the adaptation we have done during the pandemic and delivering services in new and more personal ways.
14. Monitoring the processing of applications for MEDC Grants and Loans through The Right Place that is managing the application and award process for the \$ 1 million allocated to Kent County.
15. Establishing a Grand Rapids Business Investment Team to assist businesses as they seek CARES relief, plan for recovery and reopen. Members include Jono Klooster (lead), Darrell Singleton; Jessica Solis; AJ Hills and Richard App. The Grand Rapids Business

Investment Team can be contacted by calling 311 and asking to be connected to a team member.

16. Working to access Economic Development Administration grant investment to accelerate economic restart.

As this group works, it will continually evaluate the rapidly evolving situation and resources that are becoming available through the state and federal governments. These resources are unprecedented in their scope and scale, especially the resources that the SBA is making available. The work group is already aware of some of the barriers that are being experienced by businesses in our community as they attempt to access these resources. This effort will focus on making sure that programs offered by others (i.e. SBA) can be accessed by everyone in our community, and we have many partners in this work. In addition, we want to make sure any investments that are made with local programs and resources are filling gaps that might exist – not duplicating programs that others are funding.

The work group will continually adapt and course correct as necessary to help fuel our recovery.

The Grand Rapids Business Investment Team can be contacted by calling 311 and asking to be connected to a team member.