

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: April 14, 2020

TO: City Commission 

FROM: Mark Washington, City Manager

SUBJECT: Follow-up to the April 7, 2020 City Commission Special Meeting

We have been working with our local, state and federal partners to minimize the impact on public health, public safety and the economic well being of our city during this unprecedented emergency event caused by COVID-19.

Please find attached our responses to follow up issues from the April 7, 2020, City Commission Special Meeting.

Staff Responses to Issues from the April 7, 2020 City Commission Special Meeting

1. ISSUE: Challenges with new benefits for local/small businesses.

Response: We are hearing and learning about the challenges that are being experienced among small businesses in accessing some of the programs. To date, we have heard about the following barriers: language, residency/legal status, technology, business documentation (i.e. sufficient financial statements to meet criteria), information gap, being unbanked. While the programs are being rolled out very quickly, in some instances, it is taking longer than anticipated to fund loans or grants. These are gaps that we will seek to address.

2. ISSUE: A request to develop a team to help with business assistance and recovery.

Response: The GR Business Assistance Team is live and working. Members include Jono Klooster, Alvin Hills IV, Jessica Solis, Darrell Singleton, Richard App (Retail Retention Specialist at the GR Chamber) and Jose Capeles (for inquiries requesting Spanish language response). Businesses that are seeking information on available programs and/or connections to resources that can help, can call 311 or submit a brief online request form for a referral and a member of the GR Business Assistance team will get back to them within 2 business days. The team will stay up to date on local, state and federal support programs and will also be gathering information that will help inform local response as well. This team will serve as a direct City resource but is one part of a larger collaboration among the economic development infrastructure in Grand Rapids. Many organizations in this ecosystem are collaborating on business assistance and recovery.

3. ISSUE: There are concerns about scams in relation to funding and financial support; impacts on elderly and vulnerable populations.

Response: We understand that the elderly and vulnerable populations are more susceptible to phishing and scams. They are often targeted due to their higher wealth, social isolation and other cultural factors. Falling victim to a scam can result in financial, emotional and health consequences. We are referring callers to our specially trained partners at 211 to assist residents in need.

4. Where is information on scams being housed? Is this a 211 function?

Response: The Heart of West Michigan United Way has specially trained call specialists at 211 to assist residents who have been impacted by cybercrime issues such as fraud schemes, hacked accounts and identity theft. It also will assist small businesses with malware attacks, data breaches and website intrusions. The Internal Revenue Service (IRS) is warning individuals to be on the lookout for a surge in calls and phishing attempts about the economic impact payments. IRS related scams can be reported on www.irs.gov.

5. ISSUE: Community Development Block Grant (CDBG) funding related to Neighborhood Associations.

Concerns regarding reporting requirements.

Response: The City is required to continue managing existing contracts and reporting to HUD within normally established timeframes. As a result, requirements for tracking activities, outcomes and staff time must continue even during this time. We will work with Neighborhood Associations and others to ensure that current contract requirement can be fulfilled.

Is there any flexibility for requirements?

Response: CDBG rules and regulations have not changed for the current contract year that ends June 30, 2020. However, this does not mean creativity cannot be used to accomplish planned outcomes. The outcomes framework for Neighborhood Associations can be interpreted broadly with a multitude of approaches used to accomplish them. For example, “The number of people (households) who received training on personal safety” can be interpreted to be any safety issue, including health. Such training can occur with individuals or groups, in person, online or over the phone. The key is tracking what was done. The Community Development Department has regularly scheduled meetings with funded Neighborhood Associations and met with them on April 13, 2020, at their regularly scheduled time. The Community Development Department discussed with them activities they are doing and activities they want to do, and how to fit such activities within their current contracts to the extent feasible. If necessary, contract amendments may occur using established methods to do so. Community Development staff continue to be directly available to respond to questions and provide technical assistance as needed.

6. ISSUE: Are there any Executive Orders focused on consumer protection?

Response: The Michigan Attorney General’s (AG) website has a page dedicated to consumer protection and more information in a press release. The Food and Drug Administration (FDA) has also released a resource warning consumers to beware of fraudulent coronavirus tests, vaccines and treatments. The Better Business Bureau (BBB) is also tracking scams.

AG Consumer Protection Website- <https://www.michigan.gov/ag/0,4534,7-359-97937---,00.html>

AG Press Release- https://www.michigan.gov/ag/0,4534,7-359-92297_47203-523737--,00.html

FDA Consumer Update on Coronavirus- <https://www.fda.gov/consumers/consumer-updates/beware-fraudulent-coronavirus-tests-vaccines-and-treatments>

BBB Coronavirus Website- <https://www.bbb.org/council/coronavirus/>

7. ISSUE: Communicating physical distancing at Parks.

Response: Parks has posted and is maintaining reminders on CDC guidance through our social media channels and web pages. This information is also being printed on warning signs in parks where we have closed park amenities.

8. ISSUE: Questions about the homeless outreach team to include will a social worker?

Response: The Homeless Outreach Team (HOT Team) is in the very formative stages. We will be responding to the issues in the homeless community relating to the pandemic which surround social distancing and group gatherings which exceed recommendations or orders. The intention is to provide education and guidance around the issues which could lead to potential spread in an extremely vulnerable population. A

team of one police officer and one fire fighter is now directly interacting with shelters and social service agencies to provide key assistance during this emergency. In the future this team would ideally become more robust by adding both a social worker partner and a psychiatric services component.

This team will be presenting data based on interactions, complaint responses and making recommendations on actionable items which will create positive changes.

9. ISSUE: Requested for more details on Guiding Light, sheltering operations, and human services at next meeting and in written form.

Response: Report to be provided by Connie Bohatch.

10. ISSUE: What about hand washing stations to provide opportunity for community members to wash hands especially if bathrooms at parks will remain closed.

Response: Parks has a few hand washing stations and will investigate acquiring more. Parks is working with the Homeless Outreach Team (HOT) team in identifying the most appropriate locations for hand washing stations in parks. Consideration will be given to the following park locations:

- Garfield
- Richmond
- Huff
- Heartside
- Pekich
- Rosa Parks Circle
- Riverside
- MLK
- ****may consider other regional and high-use parks****

11. ISSUE: Requested a breakdown of how case information is being displayed at the federal, state, and local level; looking for consistency.

Response: Each agency provides case information and data based on their report out process. Overall, data is being collected at all levels of government. Updates to these dashboards are not occurring at the same time during the day but are being updated daily.

Global Overview: <https://coronavirus.jhu.edu/map.html>; <https://who.sprinklr.com/>

- Johns Hopkins provides a dashboard that shows data for the entire world. This dashboard is flexible and able to show country specific information.
- The World Health Organization (WHO) also has a dashboard providing a global overview of the impacts of COVID-19.

Federal: <https://www.cdc.gov/coronavirus/2019-ncov/cases-updates/cases-in-us.html>

- The CDC provides an in-depth look at the case numbers within the United States and per state.
- Multiple dashboards are available to show hospitalization data, mortality data, etc.

State: https://www.michigan.gov/coronavirus/0,9753,7-406-98163_98173---,00.html

- The State of Michigan has created a page providing COVID-19 case information.

- This dashboard also provides demographic information for cases and deaths.

Kent County: <https://www.accesskent.com/Health/covid-19-data.htm>

- Kent County provides a 3-page dashboard
- Kent County demographic information is provided for the whole county, including the City of Grand Rapids; At this moment, individualized data for the City of Grand Rapids is not available, but has been requested
- This dashboard (on page 1) provides 8 links to multiple trend models, data, and other dashboards

12. ISSUE: Asked if we have engaged with Detroit and sister cities on lessons learned.

Response: We have not made direct contact with Detroit but we are monitoring what is happening in many cities including Detroit, Ann Arbor, Flint, Seattle, Los Angeles, San Francisco, New York among others. We also are using our contacts through the Michigan Municipal League and Urban Metro Mayors and Managers group as information exchanges and unified local responses.

Grand Rapids Sisters Cities has scheduled a video conference with their board on Wednesday, April 15 to discuss next steps and contacting their Sister Cities liaisons.

13. ISSUE: IT Infrastructure discussion of issues with GRPS – looking to align with City efforts.

Response: A meeting is being scheduled. Contact has been made with GRPS staff.

14. ISSUE: Questions about city revenue and impacts of COVID-19 on pension funds.

Response: For income tax we are estimating a revenue loss in the remainder of FY20. Efforts toward court restitution and compliance are on hold, and we continue to watch the impact of unemployment and bankruptcies on payment of estimated taxes and withholding. Current estimation for FY20 is a drop in income tax and revenue of -2% and FY21 as near flat as we determine if the economy is able to stabilize and begin recovery after the COVID pandemic. Examples of other revenues that were also rolled back from pre-pandemic estimates include state revenue sharing, gas and weight taxes and parking. We expect both streams to rebound after the Stay Home, Stay Safe restrictions are lifted.

We are in the early stages of the pandemic and will present a very conservative budget which ensures the maintenance of current City services balanced with our revenue expectations. We will be watching for signs of recovery or further recession and then adjust the City's spending accordingly.

Effects on Pension Funds:

- The team is working on experience studies right now for the periods ending June 30, 2019 and December 31, 2019 so the boards will not be changing any assumptions until after those reports have been presented. Any changes they make as a result of the studies will take effect on June 30, 2020 valuation for General and the December 31, 2020 valuation for Police and Fire.
- The rates for July 1, 2020 are already set. The Grand Rapids Retirement System will be presenting the Police and Fire valuation at the May 20, 2020 board meeting which will set the employer rate for Police and Fire for July 1, 2021.

- We do not anticipate having to amend the FY21 budget submission currently. If the valuations do come in drastically different than what we currently estimate and we decide it can't wait for consideration in formulating the budget for FY22, we will consider doing a midyear budget rollback.

15. E: Looking for an update on how federal funding packages could support and impact cities like the size of GR.

Response: In the House, Speaker Pelosi and Democrats have made this a priority to include in the 4th round of stimulus funding:

- \$150 billion in additional aid for states and cities
- Reversing language that limits funding for DC and cities with 500,000 or fewer residents. National League of Cities and the US Conference of Mayors have also been very involved in pushing for this as a priority.

Speaker Pelosi is also looking at repealing the cap on the state and local tax deduction in favor of high-tax states that are hard hit by the virus.

16. ISSUE: Requested information on mental health services for employees/staff.

Response: Jess Welch (Wellness Coordinator) continues to host daily meditations (2x daily) and a quick noon time workout (10 mins daily) that is available on her "Wellness During COVID-19" webpage. This page is open to all employees regardless if they have city email. She is also going to be sending out "Monday Minute" and "Weekend Wellness" emails to All Users with quick tips on wellness, both physical and mental. In addition, she and Training Manager, Holly Young, will be hosting a live workshop via WebEx on remote working that will cover both productivity and wellness components on Wednesday, April 15 from 11am- Noon. It will be recorded for future replay by those unable to attend. If demand is high, we will repeat the class as needed live.

Jess Welch is a strong proponent of utilizing the EAP program and her Monday Minute for April 13 will remind people of the resource. Jess is also actively doing several individual sessions for City employees and encourages EAP use in those sessions where appropriate. The EAP program will also be promoted in the live class as well as other internal communications from the Organizational Development.

17. ISSUE: Requested for more information to be provided on the CAD 911 data (Fire).

Response: Over all Fire call volume is down due to stay home order. Medical call for service overall are down and it is assumed people are avoiding the hospitals at all costs. Our Covid related responses are up and represent calls due to Symptomatic conditions. Those would be: dry cough, fever, difficulty breathing, flu like symptoms or related anxiety or other issues related to stay at home order like increases in domestic battery.

COVID-19 Emergency Relief Programs		This information is being provided as a general summary of relevant financial support being made available by various government and nonprofit organizations in response to the COVID-19 crisis. Important additional detail on each program is available at the links contained below, or by calling 311 or the relevant administering agency. Funding and program resource information is being updated frequently and this chart will be updated to provide new information as it becomes available. Keep in mind that participation in certain programs may prevent participation in others. For example, if your business is receiving assistance through the Paycheck Protection Program, your business is not also eligible for the Employee Retention Tax Credit. <i>We will do our best to maintain accuracy, but all information is subject to verification with program administrators.</i>				
	Economic Injury Disaster Loan	Paycheck Protection Program	Greater Grand Rapids Chamber Foundation	Employee Retention Tax Credit	Relief for Existing SBA Borrowers	SBA Express Bridge Loans
Uses	Working capital	Payroll and approved operating expenses	Short-term financial support	Refundable tax credit against employment taxes	Short-term relief for businesses with existing SBA debt, and relief for new debt issued prior to Sept 27, 2020	Economic support for businesses with urgent need for cash to support survival of the business.
Eligibility	Small businesses with 500 or fewer employees, sole proprietors & independent contractor, small agricultural coops & aquaculture, private non-profits	All For-profits, sole proprietors & independent contractor, private non-profits	Small for-profit businesses with 5-25 employees based in Kent County. Will be prioritized for businesses that cannot access state or federal relief.	Employers that experience either a full or partial suspension of their trade or business because of government orders due to COVID-19, or a significant decline in gross receipts. If an employer receives a Small Business Interruption Loan under the Paycheck Protection Program, authorized under the CARES Act, then the employer is not eligible. Wages for this credit do not include wages for which the employer received a tax credit for paid sick and family leave under the Families First Coronavirus Response Act. Wages counted for this credit can't be counted for the credit for paid family and medical leave under section 455 of the Internal Revenue Code. Employees are not counted for this credit if the employer is allowed a Work Opportunity Tax Credit under section 51 of the Internal Revenue Code for the employee.	Existing SBA borrower, or new borrower for loans issued prior to Sept 27, 2020	Small business with an existing business relationship with an SBA Express Lender
Loan/Grant Amount	Up to 2 months of operating expenses, not to exceed \$10,000 advance, plus \$15,000 loan as of 4/10/20. (Previously was up to \$2M, and existing loans will be honored)	2.5x average monthly payroll for the prior 12 months - maximum \$10M	\$5,000 - \$10,000 Grant funding. Will also provide technical assistance for cost cutting measures, creditor/obligation review (deferments and loan re-aging), and connections to other resources, six-month cashflow projections and analysis with business consultant	Refundable tax credit against certain employment taxes equal to 50 percent of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021	Applies to new or existing SBA borrowers. Loan amounts on new loans subject to SBA underwriting.	Up to \$25,000
Loan Terms	3.75% for small businesses, 2.75% for non-profits, 30-year fixed rate	1% of unforgiven portion, 2-year fixed income	Funding is in the form of a grant, not a loan	The credit applies to qualified wages (including health plan expenses) paid during any calendar quarter in which operations were suspended	Subject to SBA lender's underwriting.	Determined by lender, up to prime +6.5%, up to 7 year term

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	Economic Injury Disaster Loan	Paycheck Protection Program	Greater Grand Rapids Chamber Foundation	Employee Retention Tax Credit	Relief for Existing SBA Borrowers	SBA Express Bridge Loans	
Loan Forgiveness	100% of up to \$10k EIDL advance (if used for eligible costs)	Up to 100% with approval if employee and compensation levels are maintained for 8 weeks after the loan is made	n/a	n/a	No forgiveness, but SBA will automatically pay principal, interest and fees of current and new SBA 7(a), 504 and microloans for a period of six months.	The SBA Express Bridge Loan Pilot Program is intended to be used as a rapid way to get cash while waiting for funding of an EIDL or PPP loan, and the Express Loan may be required to be repaid with the EIDL or PPP loan.	
Collateral	No collateral on loans under \$25k. Collateral required for loans over \$25k. SBA will take real estate as collateral when available.	No collateral required	n/a	n/a	For new loans, subject to SBA lender underwriting.	Not required	
Deferment	No payments for the first 12 months	No payments for first 6 months	n/a	n/a	SBA will pay the principal, interest and fees of current 7(a), 504 and microloans, and new loans issued prior to Sept 27, 2020.	Not available.	
More Information/Apply	https://covid19relief.sba.gov/#/	SBA approved lender (contact your bank)	contact Dante Villareal at the Grand Rapids Area Chamber of Commerce (dante@grandrapids.org)	https://www.irs.gov/coronavirus/employee-retention-credit	Contact your SBA lender (your bank) and visit this link: www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief	Contact your bank to see whether they are an Express Loan Provider, and visit this link: https://www.sba.gov/document/support-express-bridge-loan-pilot-program-guide	
For Additional Assistance:							
Consumers Energy:	Consumers Energy can provide immediate help by working with you on your utility bill, connecting you to potential sources of state and federal relief, and providing new business opportunities through the Pure Michigan Business Connect Program. Your first step is to call 800-805-0490						
DTE Energy:	DTE Energy is extending shut-off protections, offering billing assistance and sharing energy saving tips to help during the pandemic. Your first step is to call 855-383-4249 for business assistance, or 800-482-8720 for online assistance.						
CLOSED:	MEDC Rapid Relief, which provided grants and loans, and was administered by The Right Place						
CLOSED:	StartGarden 100 Comeback Fund, which provided funding to small entrepreneurial businesses.						

COVID-19
Homeless Shelter and Isolation Update
4/13/2020

Local homeless shelter and housing services providers have been working collaboratively with the City and Kent County Health Department (KCHD) to prepare for and address emerging COVID-19 issues for homeless individuals and families. Efforts have focused on ensuring access to lodging and meals, reducing mobility, and reducing transmission of the disease. The Coalition to End Homelessness coordinates weekly check-in calls with service providers to assist with coordination, planning and communication among providers, the City and the County.

In partnership with the KCHD, shelters have established screening protocols for admittance into facilities. This consists of temperature checks and symptoms screening as recommended by the CDC prior to entering. Guests also are required to wear masks upon entrance and throughout their stay.

Currently, single men and women are being sheltered at Mel Trotter Ministries. Degage Ministries is providing day center services, including meals, but has closed the women's shelter at this time. Community Rebuilders has rehoused guests and closed its emergency shelter, and will continue to support rehousing efforts for individuals and families. Family Promise moved its families out of Mel Trotter into hotel rooms, and will continue to provide hoteling and support shelter diversion.

The City assisted Mel Trotter Ministries with minor structural changes (construction of a temporary wall) to help meet required assemblage limitations and follow the six-foot social distancing guidance. Families were also moved out of the shelter. These changes have increased bed capacity and allowed for separate spaces for various populations, including those who are high-risk with pre-existing health conditions.

City Life Church recently was approved to be used as a temporary shelter to accommodate overnight lodging for up to 49 individuals. City Life and Mel Trotter are working in partnership to open the facility this week. The additional beds will reduce the number of guests at Mel Trotter and continue to improve social distancing.

Even in these early stages of COVID-19 response, strain is evident on the shelter community. Capacity to serve this vulnerable population is diminishing as COVID-positive guest cases begin to appear and staffing levels start to decline. Additionally, concern grows about increased demand for shelter in Kent County, as conditions worsen across Michigan and more jail/prison releases are planned. As a result, the City and KCHD have been working to secure a larger facility to decompress shelter numbers and provide additional shelter capacity. A location has been identified and a site visit for logistics planning will occur on Monday (4/13). More details will be provided as soon as possible.

Reducing mobility of homeless families is necessary to reduce transmission of COVID-19. A systems approach has been developed to ensure those with the greatest risk are prioritized for housing units. Shelter diversion is a top priority. It is critical to keep families who currently are staying in safe environments, including "doubled up" situations, out of the shelter system by providing case management and financial supports. To date, Community Rebuilder has secured five (5) single family housing units with United Way support for family isolation. The City and KCHD are working to assist in securing additional facilities/units for families.

The KCHD has established a holding and isolation unit at Guiding Light Ministries for homeless individuals. The facility has a 9-bed holding area for individuals awaiting test results, and the remainder of the facility serves as an isolation unit for COVID positive cases. The isolation unit has 72 beds comprised of the following:

- 40 beds in a large bunk room for men, or women depending on need
- 18 beds in multiple dorm rooms for women
- 14 beds in multiple dorm rooms for men

The isolation unit is staffed by KCHD nurses and the MABAS Division 3603 EMS Strike Team. The holding area is staffed by KCHD employees (non-nursing) and security is provided by a contractor. A shelter manager is on site for building logistics and volunteers obtained through Kent County Emergency Management assist with cleaning and running supplies from other County facilities to the holding and isolation center. The Salvation Army provides pre-packed meals at lunch and dinner, with a pre-packaged breakfast for the next morning delivered with dinners.