

MIAMI BEACH

OFFICE OF THE CITY MANAGER

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: August 19, 2020

SUBJECT: CARES Act Interlocal Agreement with Miami-Dade County

In March 2020, the United States Congress passed, and President Donald Trump signed into law, H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The CARES Act is a \$2 trillion Federal stimulus package which provided, among other things, a \$150 billion Coronavirus Relief Fund ("CRF") for local governments.

The CARES Act requires that payments to local governments from the CRF only be used to cover expenses (1) that are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 ("COVID-19"); (2) were not included in the budget most recently approved as of March 27, 2020 for the State or local government; and (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The State of Florida was allocated \$8.328 billion from the CRF, of which Miami-Dade County received \$474 million.

At the August 4, 2020 meeting of the Miami-Dade Board of County Commissioners, Resolution R781-20 was approved authorizing the distribution of an amount not-to-exceed \$100,000,000.00 in CARES Act funds to municipalities in the County. The funds were to be allocated as follows: (1) \$75,000,000.00 for reimbursements of FEMA local match (12.5%) eligible expenditures and any CARES Act eligible governmental operations expenditures that are not FEMA reimbursable, and (2) \$25,000,000.00 for programmatic proposals subject to approval by the Miami-Dade Board of County Commissioners.

As required by applicable Treasury Department guidelines, County Resolution 781-20 required each municipality to enter into an interlocal grant agreement with Miami-Dade County in order to receive an allocation and distribution. The County circulated a draft of the interlocal agreement, and City legal and administrative staff provided comments thereon. A revised draft incorporating many of these comments was circulated and a copy is attached hereto. The Administration is seeking authorization to enter into this agreement, subject to any modifications that may be negotiated with the County and are acceptable to the City Manager and City Attorney.

To date, the City of Miami Beach has spent over \$19,000,000.00 in FEMA and CARES Act reimbursable expenditures. We have submitted a spreadsheet setting forth these expenses to the County in such format as they requested. The County has indicated an intention to make these funds available as soon as they receive satisfactory documentation of the expenses and an executed interlocal agreement that has been approved by the legislative body. Approval today will enable the City to move down that path.