RESOLUTION NO. 20-785

A RESOLUTION of the City of Federal Way, Washington, authorizing up to $300,000.00 in general funds from the 2019 excess Fund Balance for emergency social services funding including the immediate use of $88,500.00.

WHEREAS, the outbreak of the novel coronavirus (COVID-19) and its rapid progression in Washington state continues to threaten the life and health of its people as well as the economy of the state; and

WHEREAS, on February 29, 2020, the Governor of the State of Washington proclaimed a State of Emergency due to COVID-19; and

WHEREAS, on March 9, 2020, Mayor Ferrell issued a Proclamation of Emergency No. 20-01 in response to COVID-19; and

WHEREAS, the COVID-19 pandemic is expected to cause continued layoffs and reduced hours for a significant percentage of our workforce due to substantial reductions in business activity impacting commercial sectors that support our state’s economic vitality; and

WHEREAS, the economic hardship residents will experience as a result of lost wages may cause an inability to pay for basic household expenses, including rent and food; and

WHEREAS, it is the public health recommendation to continue to operate services for people experiencing homelessness; and

WHEREAS, COVID-19 may increase stress and anxiety and the measures implemented to slow the spread of the virus may result in further isolation and social support resulting in increased need for mental health services; and
WHEREAS, the City Council of the City of Federal Way has determined that it is in the best interest of the City to provide emergency funding to nonprofits providing food, housing, homeless, and/or mental health services; and

WHEREAS, the Finance Department identified the 2019 excess Fund Balance as City resources that may be used to fund the emergency social services; and

WHEREAS, the City Council finds that the use of the 2019 excess Fund Balance to fund emergency social services is appropriate

WHEREAS, it is the intent of City Council that the City be reimbursed with Community Development Block Grant (“CDBG”) funds should such funds become available, the funded projects are determined to be eligible for CDBG funds, and the projects are subsequently included in a City Council and U.S. Department of Housing and Urban Development approved amendment to the CDBG 2020-2024 Consolidated Plan and/or 2020 Annual Action Plan, if required; and

WHEREAS, 2 C.F.R. §200.320 allows for noncompetitive procurement under certain circumstances including when the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation and/or the item is available only from a single source.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, RESOLVES AS FOLLOWS:

Section 1. $88,500.00 out of a total of $300,000.00 from the 2019 excess Fund Balance is appropriated and authorized to be immediately used to fund the Multi-Service Center Food Bank, the Federal Way Senior Center Food Bank, and Catholic Community Services for overnight and day shelter services. The City shall, to the extent possible, seek reimbursement from the Community Development Block Grant program should services be determined to be eligible and are subsequently

Resolution No. 20-785

Page 2 of 4
approved as part of CDBG plan amendment(s). Staff is directed to recoup as much cost as is lawful under state and federal programs.

Section 2. Up to $300,000.00 from the 2019 excess Fund Balance, including the $88,500.00 in Section 1, is appropriated for the purpose of emergency social services funding. Staff is directed to identify the most effective use of these funds to accomplish the goal of assisting citizens suffering financial hardship due to this crisis. The City shall, to the extent possible, seek reimbursement from the Community Development Block Grant program should services be determined to be eligible and are subsequently approved as part of CDBG plan amendment(s). Staff is directed to recoup as much cost as is lawful under state and federal programs.

Section 3. Severability. If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this resolution.

Section 4. Corrections. The City Clerk and the codifiers of this resolution are authorized to make necessary corrections to this resolution including, but not limited to, the correction of scrivener/clerical errors, references, resolution numbering, section/subsection numbers and any references thereto.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this resolution is hereby ratified and affirmed.

Section 6. Effective Date. This resolution shall be effective immediately upon passage by the Federal Way City Council.
RESOLVED BY THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON this 7th day of April, 2020.

CITY OF FEDERAL WAY:

[signature]
JIM FERRELL, MAYOR

ATTEST:

[signature]
STEPHANIE COURTNEY, CMC, CITY CLERK

APPROVED AS TO FORM:

[signature]
J. RYAN CALL, CITY ATTORNEY

FILED WITH THE CITY CLERK: 04/02/2020
PASSED BY THE CITY COUNCIL: 04/07/2020
RESOLUTION NO.: 20-785
CITY OF FEDERAL WAY
MEMORANDUM

DATE: March 31, 2020

TO: City Council Members

VIA: Jim Ferrell, Mayor

FROM: Sarah Bridgeford, Community Services Manager

SUBJECT: Resolution authorizing up to a total of $300,000.00 from the 2019 excess Fund Balance for emergency social services funding including the immediate use of $88,500.00

A resolution is proposed for a General Fund allocation of $300,000.00 to address some of the immediate needs that exist in the community due to COVID-19. To address the physical and emotional well-being of citizens, the funding would be allocated to nonprofits to assist individuals, seniors, families, and other vulnerable City of Federal Way residents who are isolated or impacted by measures implemented to prevent the spread of COVID-19.

While there will be ongoing impacts and social services needed, the initial funding will support only immediate services designed to help people meet and maintain basic needs during the implementation of social distancing measures and the stay-at-home order.

Financial Impacts:

The cost to the City for Emergency Social Services Funding in the amount of $300,000.00 was not included within the approved budget. As proposed, it will be funded by the General Fund through the 2019 Excess Fund balance. The City anticipates experiencing significant revenue shortfall and higher expenditures in 2020. The $300,000.00 being requested is not currently in the budget and will necessarily preclude the use of this money for other items.

To offset cost to the City to the extent possible, staff will structure grant support in such a way that alternate funding sources may be used for reimbursement, such as Community Development Block Grant (CDBG) funds, should they become available and should the services be eligible for such funding. An amendment to the CDBG 2020-2024 Consolidated Plan and 2020 Annual Action Plan will be presented for public comment and City Council consideration as funds are available. Any allocations to CDBG eligible services that approved this evening will be included in a future amendment.

Upon completion of the projects funded by the Emergency Social Services Funding, there will be no future costs, unless City Council takes action to allocate additional resources for social services for sustained support of community members throughout the recovery.
Background Information:

The request is for funding for nonprofits to assist individuals, seniors, families, and other vulnerable City of Federal Way residents who are isolated or impacted by measures to prevent the spread of COVID-19.

COVID-19 has halted schools, businesses, social lives, and livelihoods. The impact of COVID-19 is unknown. It will put many individuals and families who have never needed support in a position where they need assistance now and into the future. The pandemic will also impact people who are already struggling economically and will have a disproportionate impact on low- and moderate-income households. Households with lower incomes are more likely to be living paycheck to paycheck and already struggle to pay bills and meet basic needs. They are less likely to have the room in their budgets to make adjustments if they lose a job or have a reduction in income. Further, lower paying jobs are less likely to accommodate telecommuting, meaning these workers are more likely to have a loss in wages.

While we do not know the impact of layoffs or a reduction in hours on City of Federal Way residents, we do know that just over 30% of residents work in retail trade or arts, entertainment, and accommodation sectors; these employment sectors are particularly hard hit due to social distancing measures necessary to slow the spread of COVID-19. City of Federal Way residents are already feeling the impacts as the Stay Home order has been implemented and many businesses have closed or reduced operation and staffing. Indicators such as unemployment claims and food bank access already illustrate significant loss of income and the need for assistance in meeting basic needs.

Intermediate and longer-term needs should be planned for and addressed. These needs include employment, ensuring businesses are supported, plans for sustained assistance to meet food and housing needs, and more. However, during the immediate health crisis and in the interest of keeping residents safe and healthy, it is recommended that the emergency funding be focused on making sure people have basic needs met including housing, food, and health.

Food Security

Ensuring access to food is critically important and as incomes have changed, food insecurity is more common. The Multi-Service Center Food Bank reports a 25% increase in access since mid-March. While some food resources are continuing, many rely heavily on volunteers. Federal Way Public Schools is implementing a sack lunch and breakfast program to get food to students, but not all students who may need the food are able to access this resource.

Homeless Services

People experiencing homelessness often have serious and/or complex health issues that may put them at higher risk of complications due to COVID-19. Additionally, they are unable to self-isolate or practice social distancing, which makes it difficult to prevent the spread of
COVID-19. They are not able to implement the sanitation and hygiene practices that may reduce the likelihood of contracting COVID-19, especially as many places where they may have gone in the past are now closed. Access to services allows professionals to continue to provide information to individuals experiencing homelessness on how to keep themselves and others as safe as possible during COVID-19. Continuing and expanding services reduces community-based interactions of our unsheltered community members and can help them practice more social distancing in alignment with housed residents.

Mental Health

COVID-19 may increase stress and anxiety. Some people may have more stress response than others. Those at higher risk include older people and people at higher risk for complications due to COVID-19, children and teens, essential workers, and people who have mental health conditions. People worry about their health and the health of family and friends, job and income security, and more. The Stay Home order and social distancing measures implemented to slow the spread of COVID-19, result in more isolation and less social support.

Housing

Ensuring housing stability during the COVID-19 is an essential measure to reduce the spread of the virus as people must practice social distancing. The loss or reduction of income places many people’s housing in jeopardy. Governor Inslee issued Proclamation 20-19 suspending evictions for 30-days. This is an important measure for stopping the spread of COVID-19. It does not reduce or eliminate rent owed and will leave many people facing eviction once the stay-at-home order ends.

Uses of Funds:

The Emergency Social Services Funding will be used to support a range of services, including food security, crisis and helplines, emotional and mental health counseling, housing including shelter, and other identified community concerns.

Eligible Services:

For services to be eligible, they must address the physical and social well-being of residents affected by COVID-19 and the measures implemented to limit the spread of the virus. Those impacted may include seniors, individuals with chronic medical conditions, caregivers, families with children, and individuals with limited access to support. Services should align with one or more of the following funding priorities:

- Provide support to help people meet basic needs including food and housing or shelter.
- Help people maintain independence, build resiliency, and strengthen their ability to cope during the COVID-19 pandemic.
Examples of eligible services:

- Services to allow individuals, seniors, and families who are isolated to have their home needs met. Examples include transportation or delivery of goods such as groceries or prescriptions.
- Provide alternate ways of supporting individuals and families so people can function within this new environment. Examples include: telephone mentoring, counseling/emotional mental health supports to help address economic, and food security needs.
- Provide direct basic needs such as food, housing, and utilities.
- Provide services for people experiencing homelessness.

**Funding Request and Immediate Allocations:**

The requested allocation is $300,000.00.

Only a portion of this is recommended for allocation immediately. There are multiple reasons for this including the following:

- New funding sources are becoming available on an ongoing basis. As they have specific focus areas, the City will want to ensure its limited resources are being used in a fiscally responsible manner and focus on unfunded services addressing critical needs.
- As the past month has shown, the environment is constantly changing and we expect it to continue to do so. Provided that Council approves the focuses and types of services, this can provide critical flexibility for Mayor Ferrell to be able to respond and adapt to changes, within the scope of his authority and the Council’s policy parameters.
- When time permits or the cost exceeds $20,000, all allocations will come to City Council for consideration.

Included in initial allocation:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Program</th>
<th>Request</th>
<th>Prior Award</th>
<th>Total Emergency Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-Service Center</td>
<td>Food Bank</td>
<td>$30,000</td>
<td>$15,000</td>
<td>$45,000</td>
</tr>
<tr>
<td>Federal Way Senior Center</td>
<td>Food Bank</td>
<td>$18,000</td>
<td></td>
<td>$18,000</td>
</tr>
<tr>
<td>Catholic Community Services</td>
<td>Reach Out</td>
<td>$13,500</td>
<td>$13,500*</td>
<td>$13,500</td>
</tr>
<tr>
<td>Catholic Community Services</td>
<td>Day Center</td>
<td>$12,000</td>
<td>$12,000*</td>
<td>$12,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$88,500</strong></td>
</tr>
</tbody>
</table>

*Not funded with the emergency social services funding, though it may be reimbursed with CDBG should funding be available and the activity is eligible.
Included for Council Consideration:

Food Resources:
- Multi-Service Center: $30,000 in addition to the $15,000 already provided
  - In 2019, the Food Bank had 21,295 visits by Federal Way households and served a total of 4,464 households comprised of 11,671 people.
  - In March of 2020, MSC reported a 25% increase in the two-week period following the implementation of social distancing measures.
  - The food bank relies heavily on volunteers, many of whom are older adults and have seen a decrease in volunteer hours as volunteers appropriately needed to implement measures to keep themselves safe.
  - Funding would allow for the purchase of food at discounted rates to fill gaps created by increased demand and to hire additional staff to ensure operation of the food bank and increase access points. Funding will also support operation and admin costs to keep the food bank open.

- Federal Way Senior Center: $18,000
  - In 2019, the Food Bank served 526 households with 1,613 individuals. The Senior Center measures visits by individuals within the household for 17,908 duplicated people served. Based on an average household size of 3 people, this equates to 5,967 household visits.
  - Same as with MSC, volunteers are all of the age to be at higher risk for complications due to COVID-19.
  - The Federal Way Senior Center food bank shut down during the week of March 23, 2020.
  - Funding will allow them to reopen the food bank by hiring temporary staff and purchasing discounted pre-made box or bagged food to better implement social distancing while still distributing food. Funding will support utilities and other basic operating costs to keep the food bank operational.

Homeless Services:
- Catholic Community Services Reach Out: $13,500 in addition to the $13,500 already allocated.
  - Typically, Reach Out operates October through March, providing overnight shelter during the colder months of the year.
  - It is the recommendation of public health officials to keep homeless services operating. To do this for the month of April, Mayor Ferrell authorized $13,500 as the commitment was needed prior to this Council meeting.
  - It is anticipated that social distancing measures will be in place into May based on the modelling for COVID’19’s progression in Washington State.
The next Council meeting would allow only one and a half weeks for planning shelter in May, which is insufficient.

- Clients from Federal Way who are currently engaged in services such as Reach Out will continue to have access to shelter through May. Funding will support staffing and other operational needs of providing shelter.

- Catholic Community Services Federal Way Day Center: $12,000 in addition to the $12,000 already allocated.
  - The Federal Way Day Center typically operates from 10 am to 3 pm. As other locations where persons experiencing homelessness go throughout the day and evening are closed, it is essential to provide more opportunity to access hygiene and sanitation as well as critical services and information on COVID-19.
  - It is the recommendation of public health officials to keep homeless services operating and keep social distancing and sanitation measures in place. To do this for the last week of March and the month of April, Mayor Ferrell authorized $12,000 as the commitment was needed prior to this Council meeting.
  - It is anticipated that social distancing measures will be in place into May based on the modelling for COVID’19’s progression in Washington State. The next Council meeting would allow only one and a half weeks for planning shelter in May, which is insufficient.
  - Funding will be used to extend hours open through May. Hours will be Monday through Friday from 9 am to 6 pm. Funds will be used for staffing and other operational needs of the Day Center.