1 **CITY OF HOMER** 2 HOMER, ALASKA 3 Aderhold 4 **RESOLUTION 20-046** 5 6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA 7 ADDRESSING THE IMPACTS COVID-19 HAS ON CITY FINANCES. 8 REQUESTING ADDITIONAL FINANCIAL SUPPORT TO RESTORE 9 SHORTFALLS IN ANTICIPATED 2020 REVENUES FROM THE STATE 10 OF ALASKA AND FEDERAL GOVERNMENT, AND THANKING STATE AND FEDERAL OFFICIALS FOR THEIR RESPONSE TO THE 11 12 PANDEMIC. 13 14 WHEREAS, In response to the COVID-19 Pandemic the following actions have been taken by the City of Homer: 15 16 17 The City of Homer Emergency Center was activated on March 16, 2020. An emergency was declared for the City of Homer by the Mayor on March 18, 2020. 18 Homer City Council ratified the emergency declaration and extended it by 90 days with 19 20 the adoption of Resolution 20-029 on March 23, 2020. The Kenai Peninsula Borough and State Division of Homeland Security were notified of 21 22 these actions in accordance with the City of Homer Emergency Operations Plan (EOP). A Point of Dispensing Plan was adopted as part of the EOP by Resolution 20-027 on 23 March 23, 2020. 24 City of Homer Personnel Regulations were amended to address policies related to 25 emergency declarations by Resolution 20-028 on March 23, 2020. 26 Measures providing increased time for certain payments during the COVID-19 27 Emergency were affirmed with the adoption of Resolution 20-037 on April 13, 2020 and 28 Resolution 20-041 on April 27, 2020; and 29 30 31 WHEREAS, On March 24, 2020, Homer City Council appropriated \$50,000 from the General Fund Fund Balance for the Purpose of COVID-19 Preparation and Response for 32 materials and services; and 33 34 WHEREAS, This appropriation does not include the regular and overtime wages or legal 35 expenses already incurred while addressing the pandemic; and 36 37 WHEREAS, In addition to following recommendations outlined by the Center for 38 39 Disease Control (CDC), the City abides by mandates issued by the Honorable Governor of 40 Alaska, which has required the City to repurpose staff, purchase supplies, and secure services such as legal counsel in order to meet the requirements of the mandates and CDC 41

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recommendations; and

 WHEREAS, The Kenai Peninsula Economic Development District (KPEDD) is conducting the Kenai Peninsula COVID-19 Economic Impact Surveys. The first survey period was March 20th through the 27th and was completed by 721 businesses across the Borough. The responses identified negative impacts in the areas of disruption of business, decline in revenue, impacts to supply chains, risk of closures, and borderline impacts to employment; and

WHEREAS, The State of Alaska mandates have required individuals, businesses, and the City to operate at a limited capacity, which reduces the sales tax and user fees that supply revenue to City operations; and

WHEREAS, Restrictions on travel in order to protect public health and safety significantly impact the City and community in revenue generated by the tourism industry through reduced sales tax and user fees; and

WHEREAS, The State of Alaska's community distribution of the funds provided through the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") lists Homer receiving \$7,886,013 in total community assistance plus COVID relief; and

WHEREAS, The Alaska State Legislature is still working with the Governor on the authority of the state and municipalities to spend this funding, therefore the City cannot count on this funding until it is disbursed; and

WHEREAS, The CARES Act comes with restrictions and the Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments guidance document released by the Federal Treasury Department on April 22, 2020 states funds made available through the passage of the CARES Act "may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments"; and

WHEREAS, There are efforts to secure other financing opportunities through the Alaska State Legislature and an additional stimulus package from Congress to address lost revenues for local governments; and

WHEREAS, The City is anticipating significant revenue shortfalls to occur for 2020 and financial support is needed from the State of Alaska and federal government to assist the City in providing services to residents and visitors; and

WHEREAS, The City thanks the state and federal officials diligently working together to reopen the country and keep Americans safe while providing support to local municipalities trying to do the same.

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NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, requests additional financial support to restore revenue shortfalls in anticipated 2020 revenues from the State of Alaska and federal government and thanks state and federal officials for their response to the pandemic.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 11th day of May, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

102 Fiscal Note: N/A