



BOARD OF COUNTY COMMISSIONERS
PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

July 1, 2020

Honorable Governor Kate Brown
c/o/Jennifer Andrew
900 Court St NE, Suite 254
Salem, OR 97301-4047

Re: CARES Act Funding and Reduced Restrictions

Dear Governor Brown:

We need your help to ensure Clackamas County is able to continue saving lives and protecting our businesses during the COVID-10 pandemic. As a result of being tethered to Washington and Multnomah Counties for phased reopening during the pandemic, we respectfully request your immediate attention to distribute \$45 million to Clackamas County and to remove reimbursement restrictions to allow our county to respond to the coronavirus proportionally with our metro area neighbors.

Roughly \$247 million has been issued into the metro area from the U.S. Treasury Department from the CARES Act, and remains unrestricted beyond the guidance issued by the Treasury Department. With just under \$6 million reimbursed to-date from the state, and potentially \$12 million set aside for additional reimbursements through the remainder of the year, Clackamas County is left on the outside looking in.

This discrepancy in budgets is untenable, and Oregonians and businesses in Clackamas County are put at risk and left behind because of it.

Clackamas County is requesting \$45 million from the CARES Act for the period between May 16 and December 31, 2020. This amount accounts for monthly need to purchase adequate PPE for vulnerable and underserved populations, perform daily contact tracing, testing, outbreak response, and other public health activities for the period described above. It also includes the proportional response to economic recovery grants, housing vouchers and shelter assistance, and future outbreak planning that is happening in Washington and Multnomah County – but not in Clackamas County. In particular, Clackamas County businesses will lose out on roughly \$7-10 million that could be provided if we had a proportional share of funding and budget certainty.

Clackamas County also struggles under the state's unnecessary reimbursement model, which is increasingly burdensome when tethered to a region where other counties have no restrictions on their use of CARES Act funding and are already in possession of the funds. While Washington and Multnomah Counties can thoughtfully plan their response to the pandemic with a collective \$247 million, Clackamas County has to risk investments from its own diminishing budget with no certainty that the State will reimburse its funding and no clarity on when those reimbursements will occur.

One example that models the strain created by the state's reimbursement restriction is that Clackamas County has already dipped into reserve funding to meet phased reopening criteria established by the state. We were fortunate to partner with Washington County, who had dedicated resources, and to reduce the burden on our own budget and provide isolation facilities to our community. While this expense should be refundable, there is no date provided by the state on when these dollars will come back to Clackamas County or even when we'll be allowed to apply for reimbursement. If this financial burden is needed for required actions, there is no conceivable way Clackamas County can take similar financial risks on programs that support economic recovery and other preemptive spending now seen in our neighboring counties. Our community would not condone additional financial risk taking, but they do have the increased need created by the pandemic and our tethering to a region that has significant and dedicated funding to adequately respond to the pandemic.

Such financial resourcing and use of reserve funds for COVID-19 also leaves Clackamas County vulnerable to other, more annually based emergency events such as wildfire, flooding, and landslides.

In addition to the restrictions imposed by the reimbursement model, federal dollars to Clackamas County are also delayed by the unilateral imposition of onerous terms and conditions contained in the State Department of Administrative Services (DAS) grant funding agreement No. 1020. County staff have conveyed those concerns to the DAS and the Department of Justice.

Like the state, Clackamas County is doing its best to adequately respond to this pandemic, and are equally hopeful that future federal dollars will be provided to safeguard our communities, businesses, and budgets dedicated to serving Oregonians. Until that relief arrives, we are reliant upon the state to use existing dollars now to meet the need in Oregon. We understand that over \$400 million remains from the CARES Act that could be distributed to local governments, as guided by the US Treasury and intended by Congress. Our request falls well within those means, and feels quite adequate as a public health and economic support provider to over 10% of the state's population and as the only county with restricted financing in the tri-county metropolitan region.

We know this decision does not rest solely in your office; but it begins there. We urge your thoughtful consideration of our unique circumstance in Oregon's phasing and geographical tethering to initiate this change. A successful pandemic response in Clackamas County is required for a successful response in the metro area, and also for Oregon.

Thank you for considering this important and timely request.

Sincerely,



Jim Bernard, Chair
On behalf of the Clackamas County Board of Commissioners

CC:
Clackamas Congressional Delegation
Clackamas State Legislative Delegation
Cities of Clackamas County