

# MEMORANDUM

Agenda Item No. 11(A)(8)

---

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** December 1, 2021

**FROM:** Geri Bonzon-Keenan  
County Attorney

**SUBJECT:** Resolution rescinding the \$25,000,000.00 of 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds granted to the Dade County Federal Credit Union (DCFCU) pursuant to Resolution No. R-557-20 to develop and implement a revolving loan program to assist local micro-businesses impacted by the Coronavirus Disease 2019 (COVID-19) pandemic and replacing the rescinded funds with an amount not-to-exceed \$25,000,000.00 from the County's general fund; directing the County Mayor to perform a budgetary adjustment to the fiscal year 2020-21 Countywide general fund budget to (1) allocate the CARES Act funds previously allocated to DCFCU by the Board in Resolution No. R-557-20 to Miami-Dade Police Department's budget (Fund G1001) to offset the Department's eligible COVID-19 related expenses, and (2) allocate \$25,000,000.00 of general funds from the Miami-Dade Police Department's budget (Fund G1001) to DCFCU for a revolving loan program to assist local micro-businesses impacted by COVID-19; amending Resolution No. R-557-20 to remove any references to CARES Act and any related CARES Act restrictions; authorizing and directing the County Mayor to amend, negotiate and execute any documents necessary to effectuate the purposes of this resolution; and requiring a report

---

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Eileen Higgins and Co-Sponsor Commissioner Joe A. Martinez.



---

Geri Bonzon-Keenan  
County Attorney

GBK/jp



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** December 1, 2021

**FROM:**   
Gen Bonzon-Keenan  
County Attorney

**SUBJECT:** Agenda Item No. 11(A)(8)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present \_\_\_\_, 2/3 membership \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 11(A)(8)  
12-1-21

RESOLUTION NO. \_\_\_\_\_

RESOLUTION RESCINDING THE \$25,000,000.00 OF 2020 CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT) FUNDS GRANTED TO THE DADE COUNTY FEDERAL CREDIT UNION (DCFCU) PURSUANT TO RESOLUTION NO. R-557-20 TO DEVELOP AND IMPLEMENT A REVOLVING LOAN PROGRAM TO ASSIST LOCAL MICRO-BUSINESSES IMPACTED BY THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC AND REPLACING THE RESCINDED FUNDS WITH AN AMOUNT NOT-TO-EXCEED \$25,000,000.00 FROM THE COUNTY'S GENERAL FUND; DIRECTING THE COUNTY MAYOR OR MAYOR'S DESIGNEE TO PERFORM A BUDGETARY ADJUSTMENT TO THE FISCAL YEAR 2020-21 COUNTYWIDE GENERAL FUND BUDGET TO (1) ALLOCATE THE CARES ACT FUNDS PREVIOUSLY ALLOCATED TO DCFCU BY THE BOARD IN RESOLUTION NO. R-557-20 TO MIAMI-DADE POLICE DEPARTMENT'S BUDGET (FUND G1001) TO OFFSET THE DEPARTMENT'S ELIGIBLE COVID-19 RELATED EXPENSES, AND (2) ALLOCATE \$25,000,000.00 OF GENERAL FUNDS FROM THE MIAMI-DADE POLICE DEPARTMENT'S BUDGET (FUND G1001) TO DCFCU FOR A REVOLVING LOAN PROGRAM TO ASSIST LOCAL MICRO-BUSINESSES IMPACTED BY COVID-19; AMENDING RESOLUTION NO. R-557-20 TO REMOVE ANY REFERENCES TO CARES ACT AND ANY RELATED CARES ACT RESTRICTIONS; AUTHORIZING AND DIRECTING THE COUNTY MAYOR OR MAYOR'S DESIGNEE TO AMEND, NEGOTIATE AND EXECUTE ANY DOCUMENTS NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; AND REQUIRING A REPORT

**WHEREAS**, on March 11, 2020, the World Health Organization officially declared Coronavirus Disease 2019 (COVID-19) a pandemic; and

**WHEREAS**, since that time, the COVID-19 pandemic has continued to have a devastating impact on individuals, communities, and small businesses both locally and globally; and

**WHEREAS**, to help address the public health emergency and economic downturn set in motion by the COVID-19 pandemic, the United States Congress passed, and on March 27, 2020 President Donald Trump signed into law, H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”); and

**WHEREAS**, the CARES Act is a \$2 trillion stimulus package which provided, among other things:

- one-time checks of \$1,200 to Americans earning a certain income;
- \$349 billion in loans to small businesses;
- \$17 billion of assistance to companies deemed crucial to national security;
- grants of \$25 billion for passenger air carriers, \$4 billion for air-cargo carriers, and \$3 billion for certain contractors; and
- a \$150 billion Coronavirus Relief Fund (“CRF”) for state, tribal, and local governments; and

**WHEREAS**, the CARES Act requires that the payments to local governments from the CRF only be used to cover expenses that:

- are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
- were not included in the budget most recently approved as of March 27, 2020 for the state or local government; and
- were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021; and

**WHEREAS**, provided that the expenditure deadline is not extended, any CRF funds not used by December 31, 2021 must be returned to the U.S. Treasury Department (the “Treasury”); and

**WHEREAS**, the CARES Act also established the Paycheck Protection Program (“PPP”), which provided small businesses with funds to cover business expenses suffering losses from the COVID-19 pandemic; and

**WHEREAS**, over 80 percent of Miami-Dade County businesses are small and micro businesses, with less than ten employees; and

**WHEREAS**, small and micro businesses across Miami-Dade County and across the nation struggled to access PPP and other relief programs because they lacked the technical expertise to apply or because bigger businesses leveraged pre-existing relationships with banking institutions; and

**WHEREAS**, on June 2, 2020, this Board adopted Resolution No. R-557-20 directing the County Mayor or Mayor’s designee to negotiate and execute a grant agreement with the Dade County Federal Credit Union (“DCFCU”) in an amount not to exceed \$25 million in CRF funds to develop and implement a revolving loan program to assist micro-businesses throughout the County impacted by the COVID-19 pandemic to be called the Re-Investing in our Small Business Economy Fund (“RISE Miami-Dade Fund”); and

**WHEREAS**, the RISE Miami-Dade Fund was designed to be a revolving loan fund in partnership with local community development finance institutions (“CDFI”) where recipients would receive financial as well as technical assistance, creating a sustainable and long-term revolving loan fund, and strengthening the small business infrastructure in the County; and

**WHEREAS**, DCFCU partnered with Ascendus (formerly Accion East), the Black Business Investment Fund, and the Miami Bayside Foundation as its CDFI partners; and

**WHEREAS**, the RISE Miami-Dade Fund was subsequently established using \$25 million in CRF funds, and has been successfully administered by DCFCU to provide key financial assistance in the form of low interest rate loans to small businesses struggling to survive in the wake of the economic downturn caused by the COVID-19 pandemic; and

**WHEREAS**, the program prioritized a low barrier to entry through a simplified application process, individualized support provided by the CDFI partners, and a low interest rate of 3.25 percent, a multiyear repayment period, and a 12-month grace period; and

**WHEREAS**, the RISE Miami-Dade Fund has been extremely successful, providing loans to 900 small businesses, as well as connecting them with CDFIs who can provide technical assistance and guidance on issues including budgeting, marketing, business planning, and more; and

**WHEREAS**, the program achieved the equitable distribution of funds countywide, as prioritized by the Board of County Commissioners, through the data mapping of business clusters and door-to-door outreach; and

**WHEREAS**, the RISE Miami-Dade Fund also accomplished its goal of reaching businesses that exist outside the traditional financial system, as evidenced by the fact that 88 percent of loan recipients had not previously accessed technical assistance; and

**WHEREAS**, many businesses in Miami-Dade County are so small that they do not have access to traditional resources that could help them during these challenging times, and so the RISE Miami-Dade Fund has become a crucial lifeline for many such businesses; and

**WHEREAS**, by bringing together the County, a credit union, local CDFIs, the business community and crucial federal funds, the RISE Miami-Dade Fund created a collaborative program to bolster the resiliency of its small, Hispanic and Black owned businesses; and

**WHEREAS**, in September 2020, the Treasury updated its guidance to specify that, with respect to any CRF funds used to provide loans: (1) any amounts repaid by the borrower before December 31, 2021, must be either returned to the Treasury upon receipt by the unit of government providing the loan or used for another eligible expense under the CARES Act, and (2) any amounts not repaid by the borrower until after December 31, 2021 must be returned to the Treasury upon receipt by the unit of government lending the funds; and

**WHEREAS**, this updated guidance would frustrate the purpose of the RISE Miami-Dade Fund by not allowing a revolving fund; and

**WHEREAS**, in order not to return funds to the Treasury for loans made prior to December 31, 2021 which repayments thereof are received after December 31, 2021, the County could convert the loans to grants but would lose the strategic use of federal funds beyond a one-time grant, as well as a valuable opportunity to build the County's small business infrastructure and the ability to track and perform data analysis on the opportunities and challenges for the County's most important driver of jobs; and

**WHEREAS**, the County has communicated regularly with the Treasury requesting an amendment to the guidance to allow for a revolving loan fund, but has not been successful; and

**WHEREAS**, although the revised Treasury CRF guidance prohibits repayments from the RISE Miami-Dade Fund to be loaned out after December 31, 2021, these same CRF funds could be used by the County to cover other allowable expenses that have already been incurred; and

**WHEREAS**, the County’s administrative staff, in close consultation with the County’s CRF consultant and adviser, have reviewed expenditures by the Miami-Dade Police Department (“MDPD”) from Fiscal Year 2020-2021 and have determined that there are \$25 million of such expenditures that would be eligible to be funded from CRF funds; and

**WHEREAS**, replacing the original CRF funds allocated to DCFCU with general funds from MDPD’s budget and then allocating such CRF funds to MDPD’s budget to offset MDPD’s eligible COVID-19 expenditures will achieve the original purpose of the RISE Miami-Dade Fund of establishing a low interest rate loan fund for the County’s smallest businesses long into the future; and

**WHEREAS**, as the County has still not presented its end of year budget amendment and adjustment for fiscal year 2020-2021 to this Board for approval, this Board may adjust the fiscal year 2020-2021 budget at this time and have this adjustment reflected in the end of year budget amendment; and

**WHEREAS**, these adjustments would not have any cash impact on the County’s budget—and specifically MDPD’s budget—and would put the County in compliance with all CRF guidance,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that:

**Section 1.** The foregoing recitals are adopted as if fully set forth herein.

**Section 2.** This Board rescinds the \$25,000,000.00 of CARES Act CRF funds granted to DCFCU pursuant to Resolution No. R-557-20 to develop and implement a revolving loan program to assist local micro-businesses impacted by the COVID-19 pandemic and replaces the rescinded funds with an amount not-to-exceed \$25,000,000.00 from the County’s general fund.



**Section 3.** This Board directs the County Mayor or Mayor’s designee to perform a budgetary adjustment to the fiscal year 2020-2021 Countywide general fund budget to: (1) allocate the CARES Act CRF funds previously allocated to DCFCU by the Board in Resolution No. R-557-20 to MDPD’s budget (Fund G1001) to offset MDPD’s eligible COVID-19 related expenses; and (2) allocate \$25,000,000.00 of general funds from MDPD’s budget (Fund G1001) to DCFCU for the revolving loan program to assist local micro-businesses impacted by the COVID-19 pandemic.

**Section 4.** This Board amends Resolution No. R-557-20 to remove any references to CARES Act and any related CARES Act restrictions. All other provisions of Resolution No. R-557-20 shall remain in full force and effect.

**Section 5.** This Board authorizes and directs the County Mayor or Mayor’s designee to negotiate, amend and execute any documents necessary to effectuate the purposes of this resolution, following approval of same by the County Attorney’s Office for form and legal sufficiency.

**Section 6.** This Board directs the County Mayor or Mayor’s designee to provide a written report to this Board within 30 days on the status of the actions taken pursuant to this resolution. The completed report(s) shall be placed on an agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Eileen Higgins and the Co-Sponsor is Commissioner Joe A. Martinez. It was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Jose "Pepe" Diaz, Chairman

Oliver G. Gilbert, III, Vice-Chairman

Sen. René García

Sally A. Heyman

Eileen Higgins

Kionne L. McGhee

Raquel A. Regalado

Sen. Javier D. Souto

Keon Hardemon

Danielle Cohen Higgins

Joe A. Martinez

Jean Monestime

Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 1<sup>st</sup> day of December, 2021. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

Michael J. Mastrucci  
Juliette R. Antoine