ReStart CLE

CLEVELAND CORONAVIRUS STRATEGIC RECOVERY PLAN

MAY 2020

CITY OF CLEVELAND
MAYOR FRANK G. JACKSON
Governor DeWine’s April 27th order creates a framework for the gradual reopening of the State of Ohio and our economy. As we begin to reopen our local economy, it is important to remember that this pandemic is far from over and the risk posed by the coronavirus remains very real. Opening up our economy will increase our interaction with one another, which will increase the probability of infections and fatalities in our community. It is imperative that we, as a community, continue to act responsibly to protect the health of our residents.

If done right, this gradual reopening gives us opportunity to contain the spread of the coronavirus and restart our local economy safely. In order to safely and successfully do this, we must move forward with a thoughtful strategic plan, and faithfully implement and execute its components. If we do this, this recovery will make us stronger as a community – physically, economically, and socially – and the City of Cleveland will be positioned for a better recovery that is sustainable and benefits all residents and businesses.

As we began this recovery planning process, we engaged experts from Cleveland State University and our local medical institutions and made a deliberate choice to build from a health and medical perspective in order to protect those at risk from the coronavirus and then incorporate economic and social support to help the people and businesses who need assistance.

**INTRODUCTION**

To support this approach and the implementation of this plan, we made, and will continue to make, all decisions about programs and policy changes, as well as current and future recovery spending, will be based on three high-level, overriding principles:

- We will minimize the suffering and burden of the people and businesses in our community who have been impacted by the coronavirus;
- We will better position all people and businesses in our community to be ready for and take advantage of the recovery; and
- We will make sure all people and businesses are better off as a result of the recovery efforts we undertake so that we can become a more equitable community.

**OUR STRATEGIC FRAMEWORK**
Based on these principles, we are focusing on two broad categories of tactics designed to meet our residents’ and businesses’ most immediate needs and position them for long-term success:

1. Continuing to implement measures that limit the spread of the coronavirus, and
2. Mitigating the short-term social and economic impacts of the coronavirus.

As we put this into practice, we have multiple programs, policies and efforts to support each one. These involve policy decisions directly under the control of the City of Cleveland, as well as allocation of funds obtained through the initial Coronavirus Aid, Relief, and Economic Security (CARES) Act and other sources. While these represent initial actions, the efforts we are taking represent an infrastructure that can be scaled to meet additional needs and adequately align additional resources in the future.

**CONTINUING TO PREVENT THE SPREAD OF THE CORONAVIRUS**

If our overarching goal is to make Cleveland as safe and healthy as possible, we must, first, accept and acknowledge that simply because our economy is reopening, the pandemic is not over. Now is the time when we have to double-down on the things we are already doing to prevent the spread of the coronavirus. If we do not make this commitment, everything we have put in place to address the economic and social aspects of this pandemic will be a waste of time and money.

The coronavirus has spread in our community quickly. Cleveland’s first case was reported on March 14th. Within a week it had increased to 24. One week later it was 92. Yesterday, we had 770 confirmed cases. Our first fatality happened on March 29th. Yesterday, we had 34. This growth has occurred with stay-at-home orders in place, and as restrictions are removed, it will accelerate if we do not take appropriate measures. Because of this, we have developed a health-first approach to our strategic response that includes extensive public education, multiple prevention activities, and swift intervention when a problem arises. This requires that we build out a multi-faceted approach to protecting people.

**UNDERSTANDING WHERE RISK FOR CONTAGION AND MORTALITY IS HIGH**

Three factors are critically important in understanding where elevated risk exists — age, density, and underlying health issues. These three factors make urban centers, such as Cleveland, particularly susceptible. Recent research combined data from the US Census Bureau and the Centers for Disease Control and
Without universal testing and a vaccine, the coronavirus will continue to be a chronic problem. Governor DeWine recently announced a plan to significantly increase testing across the State over the next several weeks and our local medical institutions will play a significant role in the continued increasing of testing capabilities. The Cleveland Department of Public Health is working with our local medical institutions to develop a plan where, as much as possible, expanded testing initially targets at-risk populations based on the above referenced model. In order to expand on these protective efforts, we will launch several additional initiatives.

1. Public Health Education Campaign – It is imperative that, as the economy reopens, we consistently communicate with residents and businesses that the pandemic is not over. In order to do this, we will build out a public education campaign. This campaign will focus on several key messages, including:
   - The risk from the virus remains very real and individuals can make a difference;
   - How the coronavirus is transmitted;
   - Simple steps residents and businesses can take to protect themselves; and
   - What to do if you have symptoms.

   This campaign will utilize multiple modes of contact to ensure that we are casting as broad a net as possible. It will include:
   - Outreach through our Departments of Public Health, Aging, Community Development, and others;
   - Phone calls;
   - Public Service Announcements;
   - Social media and other digital tools;
   - Print materials; and
   - Other available avenues.

2. Direct Prevention Support with At-Risk Populations – In addition to the educational materials and critical messaging outlined above, there will be expanded prevention support that addresses the unique nature of those at-risk. These activities include, but are not limited to:
   - Identifying and partnering with medical directors of long-term care facilities and hospitals;
   - Reviewing facility specific infection prevention and control plans as requested;
   - Reviewing facility PPE availability and, if inadequate, linking them to resources who can provide it; and
   - Leveraging partnerships with medical institutions to support testing of at-risk populations.
It is important to work with our business community so that, as they reopen in accordance with the Governor’s approach, they ensure customers can access their services safely and their employees can work in a safe fashion so they do not contract the virus and take it home to their families.

CONTINUATION OF PERSONAL PROTECTION ACTIVITIES AND SOCIAL DISTANCING

As stay-at-home orders are lifted, we still need social distancing and preventative measures. This means following rules that are in place to protect yourself and others:

- Stay at home unless it is absolutely necessary to go out;
- If you do have to go out for essential reasons, maintain proper social distancing and wear a mask;
- and Wash your hands regularly.

Additionally, it is important to work with our business community so that, as they reopen in accordance with the Governor’s approach, they ensure customers can access their services safely and their employees can work in a safe fashion so they do not contract the virus and take it home to their families.

ON-GOING INTERVENTION ACTIVITIES

Without a vaccine, with an increase in testing and the reopening of the economy, there will be a surge in infections. This leads to two considerations that must be addressed. The first is continuing to identify methods for isolating individuals who test positive but do not require hospitalization, and the second is how to increase contact tracing capabilities.

Our Department of Public Health is working with our local medical institutions, property owners, and others to identify intervention strategies that will help us mitigate the impact of infections as they are identified, including:

- Continuing initial outreach and contact tracing for all positive cases in the city of Cleveland;
- Working with long-term care facilities to link them with providers of needed medical supplies; and
- Connecting facilities that have infections to ODH training modules on infection prevention and control.
MITIGATING THE SHORT-TERM SOCIAL AND ECONOMIC IMPACTS

People and businesses of Cleveland have been hurt economically and socially by the coronavirus. Primarily, the coronavirus has created two major economic and social problems:

1. Small businesses have been closed or have significantly limited customers resulting in lower than expected revenue; and
2. Many people are unemployed, putting them at risk of not being able to afford their rent, buy food, pay their utilities and any number of other negative effects.

PROVIDING ASSISTANCE/SUPPORT TO BUSINESSES THAT HAVE CLOSED OR ARE AT RISK OF CLOSING

The economic downturn that has resulted from the coronavirus has been swift, and the impact has been felt very quickly by businesses. Many businesses have had to temporarily cease operating or have had to dramatically alter their business operations.

Based on this, we are launching three new programs to support small business operations through the reopening and recovery of the economy. These programs will utilize multiple funding streams and result in over $10 million of investment to support local businesses.

1. Restoration Working Capital Program ($5.5 million) – This program is open to large (more than 30 employees) and small businesses to assist with eligible costs including:
   - Accounts receivable;
   - Rent/mortgage payments;
   - Utilities; and
   - Payroll.

   Businesses can receive low interest loans of:
   - Up to $100,000 for large businesses;
   - Up to $25,000 for small businesses; and
   - Additional resources are available through our EDA Working Capital Loan Program for companies with additional need.

   Eligible businesses must demonstrate impact from the coronavirus on cash flow or revenue. Preference will be given to entities that are unable to access other coronavirus-related capital, able to retain and/or restore pre-coronavirus employment, and that show a substantial negative impact on revenues. Additional criteria and conditions may apply.

2. Emergency Working Capital Program ($3 million) – The City is currently implementing this program which is open to small businesses to assist with working capital needs such as:
   - Rent/mortgage payments;
   - Utilities; and
   - Payroll.
Businesses can receive low interest loans of up to $10,000 with deferred repayment until January 2021. Eligible businesses must demonstrate impact from the coronavirus on cash flow or revenue. Preference will be given to entities that are able to retain and/or restore pre-coronavirus employment, and that show a substantial negative impact on revenues. Additional criteria and conditions may apply.

3. Emergency Working Capital Program – Specially Impacted Businesses ($2 million) – This program is open to restaurants, personal care businesses and storefront retail establishments to assist with working capital needs such as:

- Rent/mortgage payments;
- Utilities;
- Payroll; and
- The purchase of personal protective equipment.

Businesses can receive low interest loans up to $20,000 of which up to 50% ($10,000) is forgivable for costs associated with the purchase of personal protective equipment. Eligible businesses must demonstrate:

- The impact from the coronavirus on cash flow or revenue; and
- They must be a locally-owned small business.

Preference will be given to entities that are unable to access other coronavirus-related capital, able to retain and/or restore pre-coronavirus employment, and that show a substantial negative impact on revenues. Each business will also be required to provide a business sustainability plan which outlines how they anticipate changing and re-orienting their business in response to the changes in operations. Additional criteria and conditions may apply.

**PROVIDING ASSISTANCE/ SUPPORT TO PEOPLE STRUGGLING WITH BASIC NEEDS**

Over the past six weeks, more than 30 million Americans have filed for unemployment. In Ohio, this pattern has held with weekly new claims far exceeding the totals from the peak of the late 2008 financial crisis. Early data from the Bureau of Labor Statistics suggests that this is being acutely felt in service-based jobs, and, anecdotally, this lines up with what we are hearing from local businesses.

These impacts, based on the structure of the labor force in Cleveland, are likely to be more acutely felt here. A disproportionate share of Cleveland residents have jobs where, based on the nature of the work, it is more difficult to practice preventative measures such as working from home and social distancing while at work. This puts these individuals at greater risk for permanent and temporary job loss.

We are already starting to see the effect of these job losses in Cleveland. Based on data from the United Way’s 2-1-1 helpline, there is an immediate need to provide support and services that address our residents’ basic needs, including rental assistance, food, utility assistance, homeless outreach and other referral services. For example, during the first three weeks of the coronavirus crisis, the United Way saw a 250% increase in people requesting rental assistance over the same period last year – a problem that will likely increase as the pandemic continues. As a result, our strategic approach has several programs to meet these challenges. These programs will be funded by the City and administered through partner organizations.
We will use multiple funding streams that result in approximately $18 million of investment to support residents. Because these programs will use HUD funding, we will go through an expedited process that involves public comment on our plan. These programs are:

1. **Rental Assistance ($11.3 million)** – This is the largest category of assistance available to residents because this is where, outside of food assistance which has an established network of providers, we are seeing the largest increase in calls for service.

Rental assistance has the ability to have a significant impact in two ways. First, it will provide immediate relief to individuals on the verge of eviction. Our goal is to prevent residents from becoming homeless as a result of the coronavirus. Cleveland City Council, under the leadership of Council President Kelley, successfully negotiated a moratorium on evictions with the Housing Court. This is an important part of the effort to combat this problem. Second, it will provide assistance to small landlords who have deferred rent payments from tenants during this pandemic. There are three sources of funds available to address the immediate and short-term housing needs of individuals impacted by the coronavirus.

The City will partner with agencies who have experience providing short term emergency rental assistance. The agencies will work with residents to determine how much assistance they require for up to 90 days. This money is targeted to individuals without income. In order to maximize the effect of this money, it will require monthly recertification of individuals who have returned to work or have obtained unemployment benefits.

2. **Basic Needs Assistance ($4.25 million)** – Basic needs support includes funding to assist residents through:

- Food banks,
- Food delivery,
- Utility assistance,
- Senior service;
- Homelessness outreach; and
- Referrals to other services.

We will partner with agencies who have experience running these types of programs, and this will allow us to leverage additional funding and assistance.

3. **Special Needs Assistance ($2.5 million)** – This funding targets individuals who are homeless and those with HIV/AIDS. Cuyahoga County Homeless Service has an effective infrastructure to assist our homeless population. These services, however, have seen immediate cost increases due to the coronavirus and our funding will support their existing efforts. Activities under this category include, but are not limited to:

- Deconcentrating of shelters through the renting of hotel rooms;
- Increases to sanitation costs and port-o-let rentals;
- Increased staffing costs due to hazard pay; and
- Increased costs to quarantine individuals with compromised immune systems.

4. **Broadband Assistance ($500,000)** – With CMSD school buildings closed, students are being asked to complete online learning activities. Nearly two-thirds of CMSD families do not have internet connectivity, which negatively impacts a student’s ability to complete these activities. CMSD is investing over $2.4 million to address this access issue in the near-term. We are working in conjunction with CMSD and DigitalC on a longer term solution by investing $500,000 to reach 1,000 CMSD households. This investment will support the backbone infrastructure, household equipment, and devices necessary for students to access and complete their online learning activities.
KEEPING CLEVELAND SAFE

In closing, our goal is to make Cleveland as safe and healthy as possible, and we want to remind everyone that this pandemic is not over. The risk of infection remains very real. Now is the time when we have to double-down on the things we are already doing to prevent the spread of the coronavirus. As we reopen the economy, it is critical that everyone takes the appropriate precautions to protect themselves, their family, their neighbors, and everyone else they come into contact with. This means:

- Stay at home unless it is absolutely necessary to go out;
- If you have to go out, maintain proper social distancing and wear a mask;
- Wash your hands regularly; and
- If you do test positive or are in close proximity to someone who is positive, follow the directions of the Cleveland Department of Public Health – most importantly stay home.