

ORDINANCE 910-A

AN ORDINANCE OF THE CITY OF TENINO ESTABLISHING THE CITY OF TENINO COVID-19 RECOVERY GRANT PROGRAM

WHEREAS, on February 29, 2020, Governor Jay Inslee proclaimed a State of Emergency for all counties throughout the state of Washington as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States and confirmed person-to-person spread of COVID-19 in Washington State; and

WHEREAS, on March 23, 2020, Governor Inslee imposed a “Stay Home – Stay Healthy” Order throughout Washington State which prohibited all people in Washington State from leaving their homes or participating in social, spiritual, and recreational gatherings of any kind regardless of the number of participant, and all non-essential businesses in Washington State from conducting business, within the limitations provided by Proclamation 20-25; and

WHEREAS, the economic downturn resulting from the state of emergency and resulting “Stay Home – Stay Healthy” Order have had a tremendous adverse economic effect on the Citizens of the City of Tenino and many Businesses located in Tenino; and

WHEREAS, these adverse economic conditions having been caused by the government, citizens and businesses are now looking to the government for economic relief; and

WHEREAS, Article 8, Section 7, Washington State Constitution, provides that “No county, city, town or other municipal corporation shall here-after give any money, or property, or loan its money, or credit to or in aid of any individual, association, company or corporation, except for the necessary support of the poor and infirm; and

WHEREAS, the test used by Washington courts to determine whether there has been a gift of public funds consists of two questions: 1) were the funds expended to carry out a fundamental purpose of the government, and 2) were the funds given with donative intent and what the public received in exchange. If the answer to question #1 is “yes,” then there has been no gift of public funds and the inquiry ceases; and

WHEREAS, in a Memorandum dated March 17, 2020, the Washington Attorney General’s Office issued a memorandum that states: “In general, constitutional restrictions on use of public funds should not be an impediment to state and local efforts to combat COVID-19, because expenditures being made in furtherance of this effort in this time of crisis further fundamental public purposes, such as protecting the public health and welfare; and

WHEREAS, the March 17, 2020, Memorandum also states that “Given the public health crisis our state is facing, there is a strong basis for state and local governments to make expenditures for the primary purpose of protecting and promoting public health which may have an incidental benefit on private citizens and entities;” and

WHEREAS, in a Memorandum dated April 3, 2020, the Washington Attorney General’s Office issued a memorandum that states “Given the unprecedented health crisis that

Washington faces, loans or grants are likely permissible if a local government can establish a clear nexus between such programs and either protecting the local economy or promoting compliance with public health guidelines;” and

WHEREAS, in a Memorandum dated April 6, 2020, the Washington Attorney General’s Office states that under Article VIII, Section 7 of the state constitution, a local government may provide cash assistance to low-income individuals who have lost their jobs or are struggling financially due to COVID-19. Further, the opinion stated a local government “probably, with sufficient safeguards in place” may provide grants or loans to small businesses struggling with the State-ordered closure of their businesses; and

WHEREAS, the City of Tenino, having issued wooden scrip in 1932 as a medium of exchange under conditions similar to the conditions caused by the “Stay Home – Stay Healthy” Order, has a precedent from which to draw upon for the relief of individual Citizens; and

WHEREAS, the wooden scrip under consideration would only be made available to those Citizens who have established residency within the City of Tenino; and

WHEREAS, only those Citizens who can demonstrate the need for City assistance is directly related to the COVID-19 emergency; and

WHEREAS, the wooden scrip under consideration would only be able to be redeemed once, and then only by businesses located within the Tenino City Limits; and

WHEREAS, the City Council of the City of Tenino finds that the issuance of wooden scrip to Citizens of the City in need of financial assistance, and redemption of such scrip by businesses within the City serves the fundamental purpose of protecting the public welfare by ensuring continuity of commerce and is necessary for the support of the poor and infirm, who are those hardest hit by both COVID-19 and the response to it.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TENINO, WASHINGTON, that the City of Tenino will fund the issuance of wooden scrip in an amount not to exceed \$10,000.00 (exclusive of the costs of producing such scrip and the administrative costs of managing the program) as follows:

Section 1. This Ordinance repeals and replaces Ordinance 910, adopted on April 28, 2020.

Section 2. The specifications for the manufacture of the scrip and program guidance for grant implementation are spelled out at Exhibit I, attached hereto, made part hereof, and incorporated herein by reference.

Section 3. The Clerk/Treasurer is hereby directed to amend the City’s 2020 Municipal Budget to include this \$10,000.00 grant and may, at his discretion, utilize monies from the General Fund (Fund 001) or Contingency Fund (Fund 109) for this purpose.

Section 4. Due to the emergent nature of this action, a second reading of this ordinance is not required.

Section 5. This ordinance will be in effect five days after publication as required by law.

ADOPTED by the City Council of the City of Tenino, Washington, and **APPROVED** by its Mayor, at a Special open public meeting thereof this 20th day of May, 2020.

Wayne Fournier, Mayor

Attest:

John Millard, City Clerk-Treasurer

Approved as to form:

Richard L. Hughes, City Attorney