

City receives \$3 million in CARES Act funding

Written by By Cody Begaye Sun Correspondent
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Plans for small business help, COVID response costs

The City of Gallup was recently awarded two grants from CARES Act funds by the State of New Mexico as part of the federal act that was passed earlier this year.

City Manager Maryann Ustick presented the two awards for acceptance and approval by the Gallup City Council during their Sept. 8 meeting.

The first award is for funding to local small businesses of \$2,130,000. The city will allocate up to five percent or \$106,500, for administrative expenses. Ustick said the city may use these funds for staff overtime and to help eligible businesses file their applications to receive part of these funds.

The item states the limit per business is \$10,000 and the city will offer the funds on a first come, first served basis until all available funds have been awarded.

Ustick did note the amount the city received was less than they had requested.

“There was \$50 million available statewide [in CARES funds], and we asked for about \$4 million, so we got half of what we asked for,” Ustick said.

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The second award was a grant for \$918,581 for reimbursement of costs to the city for its COVID-19 response. The city originally asked for \$1.7 million, Ustick noted.

“The expenses include the emergency manager salary, fire marshall staff with education and training, detox funding and lockdown staffing by the police, public safety officers who transported COVID-positive patients,” Ustick said. “Then there are (sic) also personal protective equipment, other safety supplies and equipment and technology for remote learning.”

Ustick said because the city did not receive all the funding it requested, combined with already sheltering COVID-positive patients in certain facilities, it is unable to fully cover the costs of providing shelter for homeless people as fall arrives and the weather turns colder. As a result, the city will continue to look elsewhere for other funding opportunities, she said.

“We also were not able to fund a \$25,000 partnership with Catholic charities to do eviction prevention, which would have helped people who lost their job[s],” Ustick continued. “It is unfortunate, but we are going to seek other avenues for those funds.”

Ustick said because the grants are federal funds, the city will have to make sure its expenses are documented thoroughly and covered in the time frame from March 1 through Dec. 31.

The council voted to approve and accept both grants with a 5-0 vote.

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