



# CITY COUNCIL AGENDA STATEMENT



July 14, 2020

File ID: 20-0268

## **TITLE**

Resolution of the City Council of the City of Chula Vista Approving a \$1.5 Million Small Business Grant Program (Chula Vista CARES) to Reimburse the Costs of Business Interruption Caused by Required Closures due to the COVID-19 Pandemic.

## **RECOMMENDED ACTION**

Council adopt the resolution.

## **SUMMARY**

On March 27, 2020, the President signed into law the Coronavirus Aid, Relief and Economic Security Act, more commonly known as the CARES Act, which authorizes \$2.1 trillion in federal relief. Included in the CARES Act is the Coronavirus Relief Fund (CRF) that provided \$150 billion to states and those local municipalities with populations greater than 500,000 based on a specific formula. Regionally, the County of San Diego received \$334 million and the City of San Diego approximately \$249 million. Cities and Counties with populations fewer than 500,000, including the City of Chula Vista, did not directly receive CARES Act CRF funding from the federal government. On May 19, 2020 the County Board of Supervisors approved allocation of \$25 million in CARES Act CRF monies to 17 cities in San Diego County, not including the City of San Diego. The allocation of this \$25 million was determined based on a population formula. Based on the City's population, the City of Chula Vista received \$4,842,695 in CARES Act CRF funds through the County of San Diego.

On June 23, 2020, the City Council appropriated \$4,842,695 in CARES Act CRF monies to the General Fund. As part of this action, the City Council approved \$1.5 million to Economic Development Recovery Grants for Small Businesses to provide economic relief and assist at-risk businesses in rebounding from the economic impacts of COVID-19.

Staff has prepared a "Program Summary" and "Eligibility Requirements" for a small business grant program to deploy \$1.5 million dollars to businesses with ten or fewer employees that experienced business interruption and were forced to remain closed for periods extending beyond 60 days.

## **ENVIRONMENTAL REVIEW**

The proposed activity has been reviewed for compliance with the California Environmental Quality Act (CEQA) and it has been determined that the activity is not a "Project" as defined under Section 15378 of the state CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant

to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Notwithstanding the foregoing, it has also been determined that the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no environmental review is required.

#### **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

#### **DISCUSSION**

On March 27, 2020, the President signed into law the Coronavirus Aid, Relief and Economic Security Act, more commonly known as the CARES Act, which authorizes \$2.1 trillion in federal relief. Included in the CARES Act is the Coronavirus Relief Fund (CRF) that provided \$150 billion to states and those local municipalities with populations greater than 500,000 based on a specific formula. Regionally, the County of San Diego received \$334 million and the City of San Diego approximately \$249 million. Cities and Counties with populations fewer than 500,000, including the City of Chula Vista, did not directly receive CARES Act CRF funding from the federal government. On May 19, 2020 the County Board of Supervisors approved allocation of \$25 million in CARES Act CRF monies to 17 cities in San Diego County, not including the City of San Diego. The allocation of this \$25 million was determined based on a population formula. Based on the City's population, the City of Chula Vista received \$4,842,695 in CARES Act CRF funds through the County of San Diego.

On May 5, 2020, in response to the ongoing COVID-19 pandemic, the City Council unanimously passed the City's COVID-19 90-Day Economic Recovery Plan. One tenet of this plan is a direct financial assistance program for small businesses. Small businesses in Chula Vista are defined as those with ten or fewer employees. Of the 16,022 active business licenses in the City, 15,231, or 95% are small businesses with 7,554 being home-based businesses. Small businesses have been particularly impacted by business interruption caused by forced or mandatory closures resulting from COVID-19, which began on March 19, 2020 when the Governor issued Executive Order N-33-20, also known as the Stay at Home Order.

On June 23, 2020, the City Council appropriated \$4,842,695 in CARES Act CRF monies to the General Fund. As part of this action, the City Council approved \$1.5 million to Economic Development Recovery Grants for Small Businesses to provide economic relief and assist at-risk businesses in rebounding from the economic impacts of COVID-19.

Some of the businesses most negatively impacted by COVID-19 are those that experienced business interruption by closing beyond 60 days. These include dine-in restaurants and personal services such as nail salons, barber shops facial salons, body art and massage therapy. Many of these businesses have operating reserves to sustain themselves for weeks, not months. The proposed grant program was developed to provide economic relief to these small businesses, which have experienced the greatest financial hardship as a result of business interruption caused by the COVID-19 pandemic.

Ninety-five percent of Chula Vista businesses are designated as small businesses with 10 or fewer employees. These businesses have experienced unprecedented financial challenges as a result of the business interruption caused by the COVID-19 pandemic, which in turn resulted in operational restrictions imposed by Governor Newsom's Statewide Stay-at-Home Order which went into effect on March 19, 2020. Since that date, select businesses have been able to reopen incrementally with appropriate social distancing and sanitation protocols in place. The sequencing of business re-openings and their related closure durations are outlined as follows:

*Re-opening allowed May 8, 2020 (50-day closure):*

- Retail
- Manufacturing
- Offices (where teleworking was not possible)
- Outdoor museums

*Re-opening allowed May 27, 2020 (69-day closure):*

- Dine-in restaurants (previously only take-out and delivery allowed)
- Hair salons and barbershops

*Re-opening allowed June 12, 2020 (85-day closure):*

- Movie theaters and family entertainment centers
- Restaurants, wineries and bars
- Zoos and museums
- Gyms and fitness centers
- Hotels (for tourism and individual travel)
- Cardrooms and racetracks
- Family entertainment facilities (bowling alleys, batting cages, etc.)
- Film and television production

*Re-opening allowed June 19, 2020 (92-day closure):*

- Nail salons
- Facial salons
- Cosmetology
- Body art including tattoos and body piercings
- Massage therapy in non-healthcare settings

*The following businesses are still not permitted to re-open in San Diego County or statewide:*

- Indoor playgrounds
- Live theater
- Saunas and steam rooms
- Nightclubs
- Concert venues
- Festivals
- Theme parks

- Higher education (in-person)

In light of COVID-19, a number of funding programs have been made available to businesses to assist in their recovery. These include federal programs such as the Economic Injury Disaster Loan Program and the Payroll Protection Program. On a local level, the South County Economic Development Council administered an Emergency Business Loan Program, which made available \$5,000 no-interest loans to food-serving establishments that remained open and continued to serve meals. Additionally, the City of San Diego administered a Small Business Revolving Loan Fund which made \$2.1 million available to small businesses located either in the City of San Diego or the City of Chula Vista. In order to qualify for loans up to \$20,000, businesses must have been able to demonstrate that they maintained a full-time equivalent employee on payroll during the pandemic that was not an owner of the business. As a result of this eligibility requirement, many businesses that were “non-essential” and closed, did not qualify for the loan program.

In developing a grant program using CARES Act CRF funding, staff focused on doing so from an inclusive economic development lens targeting businesses that were left out of other grant and loan programs to offset existing inequities. As a result, staff recommends making the grant funding available to businesses that are part of the “missing middle” and did not qualify for other funding programs that were made available at the regional, state and federal level. Out of the approximately 16,000 business licenses, staff estimates that there are over 4,000 businesses in Chula Vista, that would qualify for financial assistance under the proposed eligibility requirements. The \$1.5 million in CARES funding is estimated to be able to assist approximately ten percent of those businesses that experienced business interruption and were required to close for two to three months. In order to deploy these funds to meet the timing requirement of the County which requires all funds to be spent by September 30, 2020, staff proposes a streamlined process to directly reimburse business interruption costs. All businesses have rent to pay, and whether they paid these expenses while they were closed or were unable to pay, staff proposes these limited grant funds be applied to rent. The qualification process would require the applicant to simply submit their current lease/rental agreement. Covering rent will provide each business with working capital to cover other expenses like payroll and operational supplies. Staff recommends approval of a grant program based on the following “Program Summary” and “Eligibility Requirements.” Staff recognizes that the maximum grant amount may not be sufficient to cover two months of rent, but the maximum award was developed to balance providing enough meaningful resources to help, while also try to support the greatest number of businesses.

Program Summary:

- Lottery-based with all applications collected during a one-week application period and randomly selected.
- Maximum grant amount = \$6,000 per business.
- Amount granted will be equivalent to two months’ rent not to exceed the maximum grant amount.

Eligibility Requirements:

- Ten (10) or fewer full-time equivalent, (two part-time employees each working twenty hours per week equal one full-time employee).
- Not an essential business or business providing essential activities pursuant to any one of the Order(s) of the Health Officer and Emergency Regulations issued by the County’s Public Health

Officer in response to COVID-19 or Essential Workforce pursuant to Governor's Executive Order N-33-20 (Attachment 1).

- Must be a for-profit business located within the City of Chula Vista city limits.
- Must be a legally operating business located in a commercial or industrial space (home-based businesses are ineligible).
- Must have a valid City of Chula Vista business license at time the application is made.
- Must have submitted online a City of Chula Vista Social Distancing and Sanitation Protocol.
- Must be independently owned and operated, with the principal office located within the City of Chula Vista city limits (publicly traded companies, chains and franchised businesses are ineligible)

#### Program Launch and Grant Award:

Following the City Council's approval of the grant program, staff will broadly market and promote the grant opportunity via emails to businesses in the City's business license database, as well as through social media outreach to small businesses through Facebook and Instagram. City staff will also coordinate marketing and promotion of the grant opportunity through the City's partners (i.e.: South County Economic Development Council, Chula Vista Chamber of Commerce and Third Avenue Village Association). Additionally, marketing materials and the online application will be made available in both English and Spanish. Complete applications will be accepted online from 7 a.m., Monday, July 20 through 7 p.m., Friday, July 24, 2020. The one-week application period and subsequent lottery award is intentional to avoid a first-come, first-served competition of applications and to ensure a more equitable distribution of funds. Staff learned while participating with the City of San Diego and South County Economic Development Corporation loan programs that small businesses do not have the time or resources to monitor available funding opportunities, then compete to submit applications. The lottery will provide the most fair and equitable means of deploying these funds in an expedited manner.

Economic Development staff will work in close coordination with Finance Department staff to award eligible businesses with grant funds. The funding will be distributed directly to businesses via check. As such, businesses will directly receive the funds within 3-5 business days following official notification of their award. Additionally, staff will require completion of a diagnostic survey by applicants to collect data aimed to guide the City's future economic efforts.

#### **DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

#### **CURRENT-YEAR FISCAL IMPACT**

On June 23, 2020, the City Council approved the City of Chula Vista CARES Act Allocation Plan, which specifically earmarks \$1.5 million to fund this direct financial assistance program. The implementation of the grant program will impact the resources of staff currently budgeted in the General Fund for both the Finance and Economic Development Departments. Implementation costs for Economic Development staff were

included in the CARES Act funding from the County in support of this program. Staff will look to recover costs for Finance Department support of this action with future CARES Act funding.

**ONGOING FISCAL IMPACT**

Staff does not anticipate ongoing fiscal impact to the General Fund.

**ATTACHMENTS**

1. Essential Workforce Described by Governor’s Executive Order

*Staff Contact: Kevin Pointer, Senior Economic Development Specialist  
Eric Crockett, Deputy City Manager*

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A \$1.5 MILLION SMALL BUSINESS GRANT PROGRAM (CHULA VISTA CARES) TO REIMBURSE THE COSTS OF BUSINESS INTERRUPTION CAUSED BY REQUIRED CLOSURES DUE TO THE COVID-19 PANDEMIC**

**WHEREAS**, in January 2020, as a result of the COVID-19 virus, the World Health Organization (“WHO”) declared a Public Health Emergency of International Concern and the United States Secretary of Health and Human Services declared a Public Health Emergency; and

**WHEREAS**, on February 14, 2020, the San Diego County Health Officer declared a Local Health Emergency as a result of the COVID-19 virus, which was subsequently ratified by the Board of Supervisors on February 19, 2020; and

**WHEREAS**, on March 4, 2020, as the number of confirmed cases and deaths related to COVID-19 continued to rise, California Governor Gavin Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State prepare for a broader spread of COVID-19; and

**WHEREAS**, on March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 virus; and

**WHEREAS**, on March 13, 2020, due to the escalating number of COVID-19 virus cases nationwide and within California, the City of Chula Vista Director of Emergency Services issued a Proclamation declaring a Local Emergency, as authorized by Government Code section 8630 and Chula Vista Municipal Code section 2.14.080(a), which was subsequently ratified and adopted by the Chula Vista City Council on March 17, 2020; and

**WHEREAS**, the Centers for Disease Control and Prevention, the California Department of Public Health, and the San Diego County Department of Public Health have all issued recommendations and orders, including, but not limited to, social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

**WHEREAS**, pursuant to California Health and Safety Code sections 101040, 120175, and 120175.5 (b) the Health Officer of the County of San Diego (“Health Officer”) has issued multiple Orders of the Health Officer and Emergency Regulations (the “County Orders”) mandating and prohibiting certain activities, including the following, with certain limited exceptions: the requirement that all persons stay at home; the prohibition of all public and private “gatherings” of more than one person; the closure of all non-essential businesses; the cessation of classes and other school activities; cloth face covering requirements; and social distancing protocols; and

**WHEREAS**, on March 27, 2020 the President of the United States signed into law the Coronavirus Aid Relief and Economic Security Act, more commonly known as the CARES Act, which authorizes \$2.1 trillion in federal relief; and

**WHEREAS**, included in the CARES Act is the Coronavirus Relief Fund (CRF) that provided \$150 billion to states and those local municipalities with populations greater than 500,000 based on a specific formula; and

**WHEREAS**, the County of San Diego received \$334 million in CARES Act CRF monies; and

**WHEREAS**, on May 19, 2020 the County of San Diego approved the allocation of \$4,842,695 in CARES Act CRF monies to the City of Chula Vista; and

**WHEREAS**, on June 23, 2020 the City Council appropriated \$4,842,695 in CARES Act CRF monies to the General Fund. As part of this action, the City Council approved \$1.5 million to Economic Development Recovery Grants for Small Businesses to provide economic relief and assist at-risk businesses in rebounding from the economic impacts of COVID-19.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Chula Vista, that it approves a \$1.5 million Small Business Grant Program (Chula Vista CARES) to reimburse the costs of business interruption caused by required closures due to the COVID-19 Pandemic, as described in the Agenda Statement accompanying this Resolution (File ID: 20-0268), on file with the Office of the City Clerk, with such minor modifications as may be approved by the City Manager and City Attorney.

Presented by

Approved as to form by

\_\_\_\_\_  
Eric Crockett  
Deputy City Manager

\_\_\_\_\_  
Glen R. Googins  
City Attorney

On March 19, 2020, Governor Newsom issued Executive Order N-33-20 directing all residents immediately to heed current State public health directives to stay home, except as needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as the State Public Health Officer may designate as critical to protect health and well-being of all Californians.

In accordance with this order, the State Public Health Officer has designated the following list of “Essential Critical Infrastructure Workers” to help state, local, tribal, and industry partners as they work to protect communities, while ensuring continuity of functions critical to public health and safety, as well as economic and national security.

## **HEALTHCARE / PUBLIC HEALTH**

### **Sector Profile**

The Healthcare and Public Health (HPH) Sector is large, diverse, and open, spanning both the public and private sectors. It includes publicly accessible healthcare facilities, research centers, suppliers, manufacturers, and other physical assets and vast, complex public-private information technology systems required for care delivery and to support the rapid, secure transmission and storage of large amounts of HPH data.

### **Essential Workforce**

- Workers providing COVID-19 testing; Workers that perform critical clinical research needed for COVID-19 response.
- Health care providers and caregivers (e.g., physicians, dentists, psychologists, mid-level practitioners, nurses and assistants, infection control and quality assurance personnel, pharmacists, physical and occupational therapists and assistants, social workers, speech pathologists and diagnostic and therapeutic technicians and technologists).
- Hospital and laboratory personnel (including accounting, administrative, admitting and discharge, engineering, epidemiological, source plasma and blood donation, food service, housekeeping, medical records, information technology and operational technology, nutritionists, sanitarians, respiratory therapists, etc.).
- Workers in other medical facilities (including Ambulatory Health and Surgical, Blood Banks, Clinics, Community Mental Health, Comprehensive Outpatient rehabilitation, End Stage Renal Disease, Health Departments, Home Health care, Hospices, Hospitals, Long Term Care, Organ Pharmacies, Procurement Organizations, Psychiatric, Residential, Rural Health Clinics and Federally Qualified Health Centers, cannabis retailers).
- Manufacturers, technicians, logistics and warehouse operators, and distributors of medical equipment, personal protective equipment (PPE), medical gases, pharmaceuticals, blood and blood products, vaccines, testing materials, laboratory supplies, cleaning, sanitizing, disinfecting or sterilization supplies, [personal care/hygiene products](#), and tissue and paper towel products.

- Public health / community health workers, including those who compile, model, analyze and communicate public health information.
- Behavioral health workers (including mental and substance use disorder) responsible for coordination, outreach, engagement, and treatment to individuals in need of mental health and/or substance use disorder services.
- Blood and plasma donors and the employees of the organizations that operate and manage related activities.
- Workers that manage health plans, billing, and health information, who cannot practically work remotely.
- Workers who conduct community-based public health functions, conducting epidemiologic surveillance, compiling, analyzing and communicating public health information, who cannot practically work remotely.
- Workers who provide support to vulnerable populations to ensure their health and well-being including family care providers
- Workers performing cybersecurity functions at healthcare and public health facilities, who cannot practically work remotely.
- Workers conducting research critical to COVID-19 response.
- Workers performing security, incident management, and emergency operations functions at or on behalf of healthcare entities including healthcare coalitions, who cannot practically work remotely.
- Workers who support food, shelter, and social services, and other necessities of life for economically disadvantaged or otherwise needy individuals, such as those residing in shelters.
- Pharmacy employees necessary for filling prescriptions.
- Workers performing mortuary services, including funeral homes, crematoriums, and cemetery workers.
- Workers who coordinate with other organizations to ensure the proper recovery, handling, identification, transportation, tracking, storage, and disposal of human remains and personal effects; certify cause of death; and facilitate access to behavioral health services to the family members, responders, and survivors of an incident.
- Workers supporting veterinary hospitals and clinics

## **EMERGENCY SERVICES SECTOR**

### **Sector Profile**

The Emergency Services Sector (ESS) is a community of highly-skilled, trained personnel, along with the physical and cyber resources, that provide a wide range of prevention, preparedness, response, and recovery services during both day-to-day operations and incident response. The ESS includes geographically distributed facilities and equipment in both paid and volunteer capacities organized primarily at the federal, state, local, tribal, and territorial levels of government, such as city police departments and fire stations, county sheriff's offices, Department of Defense police and fire departments, and town public works departments. The ESS also includes private sector resources, such

as industrial fire departments, private security organizations, and private emergency medical services providers.

### **Essential Workforce - Law Enforcement, Public Safety and First Responders**

- Including front line and management, personnel include emergency management, law enforcement, Emergency Management Systems, fire, and corrections, search and rescue, tactical teams including maritime, aviation, and canine units.
- Emergency Medical Technicians
- Public Safety Answering Points and 911 call center employees
- Fusion Center employees
- Fire Mitigation Activities
- Hazardous material responders and hazardous devices teams, from government and the private sector.
- Workers – including contracted vendors -- who maintain digital systems infrastructure supporting law enforcement and emergency service operations.
- Private security, private fire departments, and private emergency medical services personnel.
- County workers responding to abuse and neglect of children, elders and dependent adults.
- [Animal control officers and humane officers](#)

### **Essential Workforce - Public Works**

- Workers who support the operation, inspection, and maintenance of essential dams, locks and levees
- Workers who support the operation, inspection, and maintenance of essential public works facilities and operations, including bridges, water and sewer main breaks, fleet maintenance personnel, construction of critical or strategic infrastructure, [construction material suppliers](#), traffic signal maintenance, emergency location services for buried utilities, maintenance of digital systems infrastructure supporting public works operations, and other emergent issues
- Workers such as plumbers, electricians, exterminators, and other service providers who provide services that are necessary to maintaining the safety, sanitation, and essential operation of residences.
- Support, such as road and line clearing, to ensure the availability of needed facilities, transportation, energy and communications Support to ensure the effective removal, storage, and disposal of residential and commercial solid waste and hazardous waste.

## **FOOD AND AGRICULTURE**

### **Sector Profile**

The Food and Agricultural (FA) Sector is composed of complex production, processing, and delivery systems and has the capacity to feed people and animals both within and beyond the boundaries of the United States. Beyond domestic food production, the FA Sector also imports many ingredients and finished products, leading to a complex web of growers, processors, suppliers, transporters, distributors, and consumers. This sectors is critical to maintaining and securing our food supply.

### **Essential Workforce**

- Workers supporting groceries, pharmacies, and other retail that sells food and beverage products, including but not limited to Grocery stores, Corner stores and convenience stores, including liquor stores that sell food, Farmers' markets, Food banks, Farm and produce stands, Supermarkets, Similar food retail establishments, Big box stores that sell groceries and essentials
- Restaurant carry-out and quick serve food operations – including food preparation, carry-out and delivery food employees
- Food manufacturer employees and their supplier employees—to include those employed in food processing (packers, meat processing, cheese plants, milk plants, produce, etc.) facilities; livestock, poultry, seafood slaughter facilities; pet and animal feed processing facilities; human food facilities producing by-products for animal food; beverage production facilities; and the production of food packaging
- Farm workers to include those employed in animal food, feed, and ingredient production, packaging, and distribution; manufacturing, packaging, and distribution of veterinary drugs; truck delivery and transport; farm and fishery labor needed to produce our food supply domestically
- Farm workers and support service workers to include those who field crops; commodity inspection; fuel ethanol facilities; storage facilities; and other agricultural inputs
- Employees and firms supporting food, feed, and beverage distribution (including curbside distribution and deliveries), including warehouse workers, vendor-managed inventory controllers, blockchain managers, distribution
- Workers supporting the sanitation of all food manufacturing processes and operations from wholesale to retail
- Company cafeterias - in-plant cafeterias used to feed employees
- Workers in food testing labs in private industries and in institutions of higher education
- Workers essential for assistance programs and government payments
- Workers supporting cannabis retail and dietary supplement retail
- Employees of companies engaged in the production of chemicals, medicines, vaccines, and other substances used by the food and agriculture industry, including pesticides, herbicides, fertilizers, minerals, enrichments, and other agricultural production aids
- Animal agriculture workers to include those employed in veterinary health; manufacturing and distribution of animal medical materials, animal vaccines, animal drugs, feed ingredients, feed, and bedding, etc.; transportation of live animals, animal medical materials; transportation of deceased animals for disposal; raising of animals for food; animal production operations; slaughter and packing plants and associated regulatory and government workforce
- Workers who support the manufacture and distribution of forest products, including, but not limited to timber, paper, and other wood products

- Employees engaged in the manufacture and maintenance of equipment and other infrastructure necessary to agricultural production and distribution

## **ENERGY**

### **Sector Profile**

The Energy Sector consists of widely-diverse and geographically-dispersed critical assets and systems that are often interdependent of one another. This critical infrastructure is divided into three interrelated segments or subsectors—electricity, oil, and natural gas—to include the production, refining, storage, and distribution of oil, gas, and electric power, except for hydroelectric and commercial nuclear power facilities and pipelines. The Energy Sector supplies fuels to the transportation industry, electricity to households and businesses, and other sources of energy that are integral to growth and production across the Nation. In turn, it depends on the Nation’s transportation, information technology, communications, finance, water, and government infrastructures.

### **Essential Workforce - Electricity industry:**

- Workers who maintain, ensure, or restore the generation, transmission, and distribution of electric power, including call centers, utility workers, reliability engineers and fleet maintenance technicians
- Workers needed for safe and secure operations at nuclear generation
- Workers at generation, transmission, and electric blackstart facilities
- Workers at Reliability Coordinator (RC), Balancing Authorities (BA), and primary and backup Control Centers (CC), including but not limited to independent system operators, regional transmission organizations, and balancing authorities
- Mutual assistance personnel
- IT and OT technology staff – for EMS (Energy Management Systems) and Supervisory Control and Data
- Acquisition (SCADA) systems, and utility data centers; Cybersecurity engineers; cybersecurity risk management
- Vegetation management crews and traffic workers who support
- Environmental remediation/monitoring technicians
- Instrumentation, protection, and control technicians

### **Essential Workforce - Petroleum workers:**

- Petroleum product storage, pipeline, marine transport, terminals, rail transport, road transport
- Crude oil storage facilities, pipeline, and marine transport
- Petroleum refinery facilities
- Petroleum security operations center employees and workers who support emergency response services

- Petroleum operations control rooms/centers
- Petroleum drilling, extraction, production, processing, refining, terminal operations, transporting, and retail for use as end-use fuels or feedstocks for chemical manufacturing
- Onshore and offshore operations for maintenance and emergency response
- Retail fuel centers such as gas stations and truck stops, and the distribution systems that support them.

**Essential Workforce - Natural and propane gas workers:**

- Natural gas transmission and distribution pipelines, including compressor stations
- Underground storage of natural gas
- Natural gas processing plants, and those that deal with natural gas liquids
- Liquefied Natural Gas (LNG) facilities
- Natural gas security operations center, natural gas operations dispatch and control rooms/centers natural gas emergency response and customer emergencies, including natural gas leak calls
- Drilling, production, processing, refining, and transporting natural gas for use as end-use fuels, feedstocks for chemical manufacturing, or use in electricity generation
- Propane gas dispatch and control rooms and emergency response and customer emergencies, including propane leak calls
- Propane gas service maintenance and restoration, including call centers
- Processing, refining, and transporting natural liquids, including propane gas, for use as end-use fuels or feedstocks for chemical manufacturing
- Propane gas storage, transmission, and distribution centers

## **WATER AND WASTEWATER**

### **Sector Profile**

The Water and Wastewater Sector is a complex sector composed of drinking water and wastewater infrastructure of varying sizes and ownership types. Multiple governing authorities pertaining to the Water and Wastewater Sector provide for public health, environmental protection, and security measures, among others.

### **Essential Workforce**

Employees needed to operate and maintain drinking water and wastewater/drainage infrastructure, including:

- Operational staff at water authorities
- Operational staff at community water systems
- Operational staff at wastewater treatment facilities
- Workers repairing water and wastewater conveyances and performing required sampling or monitoring

- Operational staff for water distribution and testing
- Operational staff at wastewater collection facilities
- Operational staff and technical support for SCADA Control systems
- Chemical disinfectant suppliers for wastewater and personnel protection
- Workers that maintain digital systems infrastructure supporting water and wastewater operations

## **TRANSPORTATION AND LOGISTICS**

### **Sector Profile**

The Transportation Systems Sector consists of seven key subsectors, or modes:

- Aviation includes aircraft, air traffic control systems, and airports, heliports, and landing strips. Commercial aviation services at civil and joint-use military airports, heliports, and sea plane bases. In addition, the aviation mode includes commercial and recreational aircraft (manned and unmanned) and a wide-variety of support services, such as aircraft repair stations, fueling facilities, navigation aids, and flight schools.
- Highway and Motor Carrier encompasses roadway, bridges, and tunnels. Vehicles include trucks, including those carrying hazardous materials; other commercial vehicles, including commercial motorcoaches and school buses; vehicle and driver licensing systems; taxis, transportation services including Transportation Network Companies, and delivery services including Delivery Network Companies; traffic management systems; AND cyber systems used for operational management.
- Maritime Transportation System consists of coastline, ports, waterways, and intermodal landside connections that allow the various modes of transportation to move people and goods to, from, and on the water.
- Mass Transit and Passenger Rail includes terminals, operational systems, and supporting infrastructure for passenger services by transit buses, trolleybuses, monorail, heavy rail—also known as subways or metros—light rail, passenger rail, and vanpool/rideshare.
- Pipeline Systems consist of pipelines carrying natural gas hazardous liquids, as well as various chemicals. Above-ground assets, such as compressor stations and pumping stations, are also included.
- Freight Rail consists of major carriers, smaller railroads, active railroad, freight cars, and locomotives.
- Postal and Shipping includes large integrated carriers, regional and local courier services, mail services, mail management firms, and chartered and delivery services.

### **Essential Workforce**

- Employees supporting or enabling transportation functions, including dispatchers, maintenance and repair technicians, warehouse workers, truck stop and rest area workers, and workers that maintain and inspect infrastructure (including those that require cross-border travel)
- Employees of firms providing services that enable logistics operations, including cooling, storing, packaging, and distributing products for wholesale or retail sale or use.
- Mass transit workers
- Taxis, transportation services including Transportation Network Companies, and delivery services including Delivery Network Companies
- Workers responsible for operating dispatching passenger, commuter and freight trains and maintaining rail infrastructure and equipment
- Maritime transportation workers - port workers, mariners, equipment operators
- Truck drivers who haul hazardous and waste materials to support critical infrastructure, capabilities, functions, and services
- Automotive repair and maintenance facilities
- Manufacturers and distributors (to include service centers and related operations) of packaging materials, pallets, crates, containers, and other supplies needed to support manufacturing, packaging staging and distribution operations
- Postal and shipping workers, to include private companies
- Employees who repair and maintain vehicles, aircraft, rail equipment, marine vessels, and the equipment and infrastructure that enables operations that encompass movement of cargo and passengers
- Air transportation employees, including air traffic controllers, ramp personnel, aviation security, and aviation management
- Workers who support the maintenance and operation of cargo by air transportation, including flight crews, maintenance, airport operations, and other on- and off- airport facilities workers

## **COMMUNICATIONS AND INFORMATION TECHNOLOGY**

### **Sector Profile**

The Communications Sector provides products and services that support the efficient operation of today's global information-based society. Communication networks enable people around the world to contact one another, access information instantly, and communicate from remote areas. This involves creating a link between a sender (including voice signals) and one or more recipients using technology (e.g., a telephone system or the Internet) to transmit information from one location to another. Technologies are changing at a rapid pace, increasing the number of products, services, service providers, and communication options. The national communications architecture is a complex collection of networks that are owned and operated by individual service providers. Many of this sector's products and services are foundational or necessary for the operations and services provided by other critical infrastructure sectors. The nature of communication networks involve both physical infrastructure (buildings, switches, towers, antennas, etc.) and cyber infrastructure (routing and

switching software, operational support systems, user applications, etc.), representing a holistic challenge to address the entire physical-cyber infrastructure.

The IT Sector provides products and services that support the efficient operation of today's global information-based society and are integral to the operations and services provided by other critical infrastructure Sectors. The IT Sector is comprised of small and medium businesses, as well as large multinational companies. Unlike many critical infrastructure Sectors composed of finite and easily identifiable physical assets, the IT Sector is a functions-based Sector that comprises not only physical assets but also virtual systems and networks that enable key capabilities and services in both the public and private sectors.

**Essential Workforce - Communications:**

- Maintenance of communications infrastructure- including privately owned and maintained communication systems- supported by technicians, operators, call-centers, wireline and wireless providers, cable service providers, satellite operations, undersea cable landing stations, Internet Exchange Points, and manufacturers and distributors of communications equipment
- Workers who support radio, television, and media service, including, but not limited to front line news reporters, studio, and technicians for newsgathering and reporting
- Workers at Independent System Operators and Regional Transmission Organizations, and Network Operations staff, engineers and/or technicians to manage the network or operate facilities
- Engineers, technicians and associated personnel responsible for infrastructure construction and restoration, including contractors for construction and engineering of fiber optic cables
- Installation, maintenance and repair technicians that establish, support or repair service as needed
- Central office personnel to maintain and operate central office, data centers, and other network office facilities
- Customer service and support staff, including managed and professional services as well as remote providers of support to transitioning employees to set up and maintain home offices, who interface with customers to manage or support service environments and security issues, including payroll, billing, fraud, and troubleshooting
- Dispatchers involved with service repair and restoration

**Essential Workforce - Information Technology:**

- Workers who support command centers, including, but not limited to Network Operations Command Center, Broadcast Operations Control Center and Security Operations Command Center
- Data center operators, including system administrators, HVAC & electrical engineers, security personnel, IT managers, data transfer solutions engineers, software and hardware engineers, and database administrators
- Client service centers, field engineers, and other technicians supporting critical infrastructure, as well as manufacturers and supply chain vendors that provide hardware and software, and

information technology equipment (to include microelectronics and semiconductors) for critical infrastructure

- Workers responding to cyber incidents involving critical infrastructure, including medical facilities, SLTT governments and federal facilities, energy and utilities, and banks and financial institutions, and other critical infrastructure categories and personnel
- Workers supporting the provision of essential global, national and local infrastructure for computing services (incl. cloud computing services), business infrastructure, web-based services, and critical manufacturing
- Workers supporting communications systems and information technology used by law enforcement, public safety, medical, energy and other critical industries
- Support required for continuity of services, including janitorial/cleaning personnel

## **OTHER COMMUNITY-BASED GOVERNMENT OPERATIONS AND ESSENTIAL FUNCTIONS**

### **Essential Workforce**

- Critical government workers, as defined by the employer and consistent with Continuity of Operations Plans and Continuity of Government plans.
- County workers responsible for determining eligibility for safety net benefits
- The Courts, consistent with [guidance](#) released by the California Chief Justice
- Workers to ensure continuity of building functions
- Security staff to maintain building access control and physical security measures
- Elections personnel
- Federal, State, and Local, Tribal, and Territorial employees who support Mission Essential Functions and communications networks
- Trade Officials (FTA negotiators; international data flow administrators)
- Weather forecasters
- Workers that maintain digital systems infrastructure supporting other critical government operations
- Workers at operations centers necessary to maintain other essential functions
- Workers who support necessary credentialing, vetting and licensing operations for transportation workers
- Workers who are critical to facilitating trade in support of the national, state, and local emergency response supply chain
- Workers supporting public and private childcare establishments, pre-K establishments, K-12 schools, colleges, and universities for purposes of distance learning, provision of school meals, or care and supervision of minors to support essential workforce across all sectors

- Workers and instructors supporting academies and training facilities and courses for the purpose of graduating students and cadets that comprise the essential workforce for all identified critical sectors
- Hotel Workers where hotels are used for COVID-19 mitigation and containment measures, including measures to protect homeless populations.
- Construction Workers who support the construction, operation, inspection, and maintenance of construction sites and construction projects (including housing construction)
- Workers such as plumbers, electricians, exterminators, and other service providers who provide services that are necessary to maintaining the safety, sanitation, [construction material sources](#), and essential operation of construction sites and construction projects (including those that support such projects to ensure the availability of needed facilities, transportation, energy and communications; and support to ensure the effective removal, storage, and disposal of solid waste and hazardous waste)
- Commercial Retail Stores, that supply essential sectors, including convenience stores, pet supply stores, auto supplies and repair, hardware and home improvement, and home appliance retailers
- Workers supporting the entertainment industries, studios, and other related establishments, provided they follow covid-19 public health guidance around social distancing.
- Workers critical to operating Rental Car companies that facilitate continuity of operations for essential workforces, and other essential travel
- Workers that provide or determine eligibility for food, shelter, in-home supportive services, child welfare, adult protective services and social services, and other necessities of life for economically disadvantaged or otherwise needy individuals (including family members)
- Professional services, such as legal or accounting services, when necessary to assist in compliance with legally mandated activities and critical sector services
- Faith based services that are provided through streaming or other technology
- Laundromats and laundry services
- [Workers at animal care facilities that provide food, shelter, veterinary and/or routine care and other necessities of life for animals.](#)

## CRITICAL MANUFACTURING

### Sector Profile

The Critical Manufacturing Sector identifies several industries to serve as the core of the sector: Primary Metals Manufacturing, Machinery Manufacturing, Electrical Equipment, Appliance, and Component Manufacturing, Transportation Equipment Manufacturing Products made by these manufacturing industries are essential to many other critical infrastructure sectors.

### Essential Workforce

- Workers necessary for the manufacturing of materials and products needed for medical supply chains, transportation, energy, communications, food and agriculture, chemical manufacturing, nuclear facilities, the operation of dams, water and wastewater treatment, emergency services, and the defense industrial base.

## **HAZARDOUS MATERIALS**

### **Essential Workforce**

- Workers at nuclear facilities, workers managing medical waste, workers managing waste from pharmaceuticals and medical material production, and workers at laboratories processing test kits
- Workers who support hazardous materials response and cleanup
- Workers who maintain digital systems infrastructure supporting hazardous materials management operations

## **FINANCIAL SERVICES**

### **Sector Profile**

The Financial Services Sector includes thousands of depository institutions, providers of investment products, insurance companies, other credit and financing organizations, and the providers of the critical financial utilities and services that support these functions. Financial institutions vary widely in size and presence, ranging from some of the world's largest global companies with thousands of employees and many billions of dollars in assets, to community banks and credit unions with a small number of employees serving individual communities. Whether an individual savings account, financial derivatives, credit extended to a large organization, or investments made to a foreign country, these products allow customers to: Deposit funds and make payments to other parties; Provide credit and liquidity to customers; Invest funds for both long and short periods; Transfer financial risks between customers.

### **Essential Workforce**

- Workers who are needed to process and maintain systems for processing financial transactions and services (e.g., payment, clearing, and settlement; wholesale funding; insurance services; and capital markets activities)
- Workers who are needed to provide consumer access to banking and lending services, including ATMs, and to move currency and payments (e.g., armored cash carriers)
- Workers who support financial operations, such as those staffing data and security operations centers

## **CHEMICAL**

### **Sector Profile**

The Chemical Sector—composed of a complex, global supply chain—converts various raw materials into diverse products that are essential to modern life. Based on the end product produced, the sector can be divided into five main segments, each of which has distinct characteristics, growth dynamics, markets, new developments, and issues: Basic chemicals; Specialty chemicals; Agricultural chemicals; Pharmaceuticals; Consumer products

### **Essential Workforce**

- Workers supporting the chemical and industrial gas supply chains, including workers at chemical manufacturing plants, workers in laboratories, workers at distribution facilities, workers who transport basic raw chemical materials to the producers of industrial and consumer goods, including hand sanitizers, food and food additives, pharmaceuticals, textiles, and paper products.
- Workers supporting the safe transportation of chemicals, including those supporting tank truck cleaning facilities and workers who manufacture packaging items
- Workers supporting the production of protective cleaning and medical solutions, personal protective equipment, and packaging that prevents the contamination of food, water, medicine, among others essential products
- Workers supporting the operation and maintenance of facilities (particularly those with high risk chemicals and/ or sites that cannot be shut down) whose work cannot be done remotely and requires the presence of highly trained personnel to ensure safe operations, including plant contract workers who provide inspections
- Workers who support the production and transportation of chlorine and alkali manufacturing, single-use plastics, and packaging that prevents the contamination or supports the continued manufacture of food, water, medicine, and other essential products, including glass container manufacturing

## **DEFENSE INDUSTRIAL BASE**

### **Sector Profile**

The Defense Industrial Base Sector is the worldwide industrial complex that enables research and development, as well as design, production, delivery, and maintenance of military weapons systems, subsystems, and components or parts, to meet U.S. military requirements. The Defense Industrial Base partnership consists of Department of Defense components, Defense Industrial Base companies and their subcontractors who perform under contract to the Department of Defense, companies providing

incidental materials and services to the Department of Defense, and government-owned/contractor-operated and government-owned/government-operated facilities. Defense Industrial Base companies include domestic and foreign entities, with production assets located in many countries. The sector provides products and services that are essential to mobilize, deploy, and sustain military operations.

### **Essential Workforce**

- Workers who support the essential services required to meet national security commitments to the federal government and U.S. Military. These individuals, include but are not limited to, aerospace; mechanical and software engineers, manufacturing/production workers; IT support; security staff; security personnel; intelligence support, aircraft and weapon system mechanics and maintainers
- Personnel working for companies, and their subcontractors, who perform under contract to the Department of Defense providing materials and services to the Department of Defense, and government-owned/contractor-operated and government-owned/government-operated facilities