


COUNCIL COMMUNICATION

	Number: 22-315	Meeting: June 27, 2022
	Agenda Item: 39	Roll Call: [_____]
	Submitted by: Nickolas Schaul, Finance Director	

AGENDA HEADING:

Approving American Recovery Plan Act (ARPA) Fund Expenditure Policy.

SYNOPSIS:

As part of the American Recovery Plan Act (ARPA) signed by President Biden in March of 2021, \$350 billion was allocated to State and local governments through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program. The City was allocated and has received \$94,824,614. With the Final Rule regarding uses being confirmed on April 1, 2022, the City is establishing an expenditure policy to direct the use of funds in accordance with community needs and federal guidelines.

The Policy establishes not to exceed amounts in the various categories. Additional contracts and/or subawards to outside city entities would be brought to Council for approval.

Infrastructure Improvements: Not to Exceed \$17.5 million

- Examples: broadband, stormwater and sanitary improvements

Social and Environmental Justice Services/Social Determinants of Health: Not to Exceed \$38.5 million

- Examples: Community centers, Parks improvements, trails, trees, educational support, food insecurity, violence prevention, solar panels, etc.

Economic Development: Not to Exceed \$18.5 million

- Examples: Blitz of Blight expansion, contributions to city partners for housing and commercial projects

Housing and Homelessness: Not to Exceed \$10.5 million

- Examples: Low- to moderate-income housing projects, houseless assistance

One-time budgetary supports due to COVID effects: Not to Exceed \$14.5 million

- Examples: City enterprise funds, community partners effected by COVID, other city facilities

FISCAL IMPACT:

Amount: \$94,824,614

Funding Source: FY 2023 Adopted Budget, Finance Department, Special Revenue and Other Funds, Page 85.

ADDITIONAL INFORMATION:

- ARPA funds must be committed by December 31, 2024 and expended by December 31, 2026.
- Federal Guidance limits expenditures to the following areas: Loss of Public Sector Revenue, Supporting Public Health Response, Water and Sewer Infrastructure, Broadband Infrastructure, and Addressing Negative Impacts of those impacted by COVID-19.
- Funds are currently in special revenue fund with the city. No funds have been expended.
- The City is required to report to the Department of the Treasury on a quarterly basis regarding the commitment/expenditure of funds. Reports will be made available on the City's website.
- Authorizes the use of ARPA funds in the form of transfers to Parking Enterprise Fund and to Capital Improvement Projects (as approved in the CIP Plan 3/21/22).
 - \$3,500,000 to Parking Enterprise fund to recoup lost revenue due to COVID-19
 - \$1,100,000 to Greenhouse relocation CIP project for construction
 - \$2,500,000 to the Northside Community Center CIP project for construction

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Future transfers and agreements will be brought for approval, as needed.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.