

City Council Agenda Memo

From: Paul M. Briseno, City Manager

Council Meeting: August 9, 2022

Subject: ARPA Distribution of Funds

Presenter: Paul M. Briseno, City Manager

Summary:

The distribution of the City's American Rescue Plan Act (ARPA) funds was discussed at the July 19th City Council Study Session. Based on City Council's discussion, staff recommends approval of a resolution that assists multiple partner agencies to address issues identified from surveys. If approved, approximately \$2.2 million will be distributed for the Ivy Center expansion (\$1.2 million), Childcare facility and administration (\$580,000), Habitat for Humanity (\$110,000), ICAP (\$110,000) and City Workforce Housing Project (\$200,000).

Background:

The City of Brookings' allocation from ARPA is \$4.4 million. The City's first deposit of \$2.2 million was received in September 2021, and the second deposit will be received in September 2022. To better understand the community's needs, the City engaged Baker Tilly and Polco to conduct surveys of targeted community stakeholders, business owners, and residents.

Polco administered two (2) surveys on behalf of the City. The top funding priorities for residents were: behavioral healthcare, housing, and healthy childhood environments. The top funding priorities for businesses were: behavioral healthcare, healthy childhood environments, and economic aid to households for housing, food, or other financial hardships.

The Baker Tilly survey targeted key community stakeholders, including non-profits, economic development, and City partners. The stakeholders responded and indicated funding priorities of child care, stormwater, affordable housing, mental health, cybersecurity, and broadband.

At the July 19th Study Session, Council discussed the distribution of \$2.2 million to partner agencies to address needs identified within the surveys. Agencies were given the opportunity to provide insight into specific projects. Staff requested each agency provide an outline of their projects, requests, and outcomes.

Item Details:

Based on the July 19th Study Session, staff recommends the passage of a resolution that distributes ARPA funds based on the following:

Brookings Community

\$1,200,000 Behavioral Health (Ivy Center)

\$ 500,000 Childcare (BEDC)

\$ 80,000 Childcare Coordinator (BEDC)

\$ 110,000 Housing (Habitat)

\$ 110,000 Housing (ICAP)

\$ 200,000 Workforce Housing (City Project)

\$2,200,000 Brookings Community

The ARPA funds can assist partner agencies that serve the community. The survey identified behavioral health, childcare, housing, and infrastructure as the top need within the community. Agencies should adhere to the following:

- Funds should be used for capital or one-time purchases
 - Should not create an ongoing unfunded obligation/liability
- Organization/program must be financially sustainable after city funds expire
- Partner agencies will provide an annual report identifying the impact of stated outcomes to the Council for the next two years beginning August 2023
- All funded projects must adhere to the City's vision and policies

Based on the July 19th Study Session, entities provided a brief outline of each project, request, and outcome. If approved staff will construct agreements for funding distribution based on each project outline.

Legal Consideration:

Funds will be utilized by legislative requirements and guidance.

Strategic Plan Consideration:

Fiscal Responsibility – ARPA funds will be utilized in a manner determined to best benefit and meet the community's needs.

Financial Consideration:

The City of Brookings' American Rescue Plan Act funding allocation is \$4.4 million. Staff recommends utilizing \$2.2 million for infrastructure and COVID needs and focusing the remaining funds on addressing the needs communicated within the surveys.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a Study Session
5. Discuss / take no action / table

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Resolution

Project Outline - Brookings Area Habitat for Humanity

Project Outline - Brookings Behavioral Health & Wellness

Project Outline - Brookings Economic Development Corporation Child Care Coordinator

Project Outline - Brookings Economic Development Corporation Child Care Facility

Project Outline - Clark Drew Construction Workforce Housing Project

Project Outline - Inter-Lakes Community Action Partnership