

# City Council Agenda Memo

**From:** Erick Rangel, Chief Financial Officer

**Council Meeting:** January 24, 2023 / February 14, 2023

**Subject:** Ordinance 23-002: Budget Amendment No. 1 to the 2023 Budget

**Presenter:** Ashley Rentsch, Senior Finance Manager

## **Summary:**

City of Brookings Staff continually monitors departmental budgets and brings amendments to the City Council as necessary to account for circumstances not anticipated in the originally adopted appropriation ordinance. This ensures compliance with state and local laws and maintains transparency regarding the City's operational needs. This budget amendment increases budget authority by \$2.2 million for the community allocation of American Rescue Plan Act funds. Agreements were made with community stakeholders following the City Council Study Session held July 19, 2022.

## **Background:**

The City of Brookings received just over \$4.4 million in American Rescue Plan Act funding. Approximately half of this total, \$2.2 million, was allocated to community stakeholders based on recommendations resulting from a City Council Work Session held on July 19, 2022. Priorities identified included behavioral health, childcare, and workforce housing, as well as other affordable housing programs.

## **Item Details:**

- **Brookings Behavioral Health & Wellness: The Ivy Center - \$1,200,000**
  - Design and construction for building renovation and expansion
- **Brookings Economic Development Corporation - \$580,000**
  - \$500,000 – Childcare facility plan, business plan, and construction
  - \$80,000 – Work with area childcare providers and increase number of registered and licensed providers.
- **Clark Drew Construction - \$200,000**
  - 7 buildings with a total of 20 units for workforce housing
- **Brookings Area Habitat for Humanity - \$110,000**
  - Construction of one new single-family home
- **Interlakes Community Action Partnership (ICAP) - \$110,000**
  - \$52,500 – Subsidize cost of lots for 7 households

- \$25,000 – Rental assistance/security deposits for 50 households
- \$25,000 – Weatherization deferrals for 12 households
- \$7,500 – Client database management

**Legal Consideration:**

None.

**Strategic Plan Consideration:**

This action supports fiscal responsibility by increasing budget authority for anticipated expenditures and increasing transparency regarding grant funding and transfers of authority.

The initiatives supported by these funding allocations also promote a safe, inclusive, and connected community, as well as economic growth.

**Financial Consideration:**

The \$2.2 million increase in budget authority was allocated in July 2022 based on a total of just over \$4.4 million in funds awarded to the City through the American Rescue Plan Act. The total amount of federal funds claimed for government services payroll in 2022, and the grants to the community stakeholders, bear no federal reporting requirements.

**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 ordinance as presented.

**Supporting Documentation:**

Memo

Ordinance