

# Update on the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF)

FINANCE COMMITTEE | MARCH 25, 2024



# Agenda

- ARPA Expenditures through 2023
- Project Updates
  - Sustainability (Housing)
  - Community Development Division (Housing, Emerging Needs & Violence Prevention)
  - Economic Development Division
  - Public Health (Environmental Health, Violence Prevention)

# Overview of ARPA Funding

American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) provides direct support to municipalities to address the negative economic impacts of the COVID-19 pandemic.

## **\$47.2m = Total City allocation**

- Funds must be obligated (committed through a purchase order or contract) by December 2024 and fully expended by December 2026

## **\$22.8m = Community Investments**

- Intended to address community priorities and ongoing impacts of pandemic
- Funding strategy focuses on one-time costs, not ongoing operating expenses

## **\$24.4m = Government Services**

- Used to balance General Fund budget across multiple years and stabilize Monona Terrace and Room Tax Fund

# Program and Expenditure Reports

ARPA Reporting Available Online: <https://www.cityofmadison.com/finance/budget/arpa>

## Quarterly Program and Expenditure Reports

- 9 quarterly reports posted, from March 2021 through December 2023
- Next report is due April 2024 for all expenditures through the 1<sup>st</sup> quarter (January – March) of 2024
- Following graphs do not include 2024 Q1 expenditures

## Annual Recovery Plan

- In addition to quarterly reports, City will submit an annual Recovery Plan, which include more detailed reporting on output and outcome measures
- Recovery Plans are due to U.S. Treasury July of each year, reflecting activities from July 1 through June 30

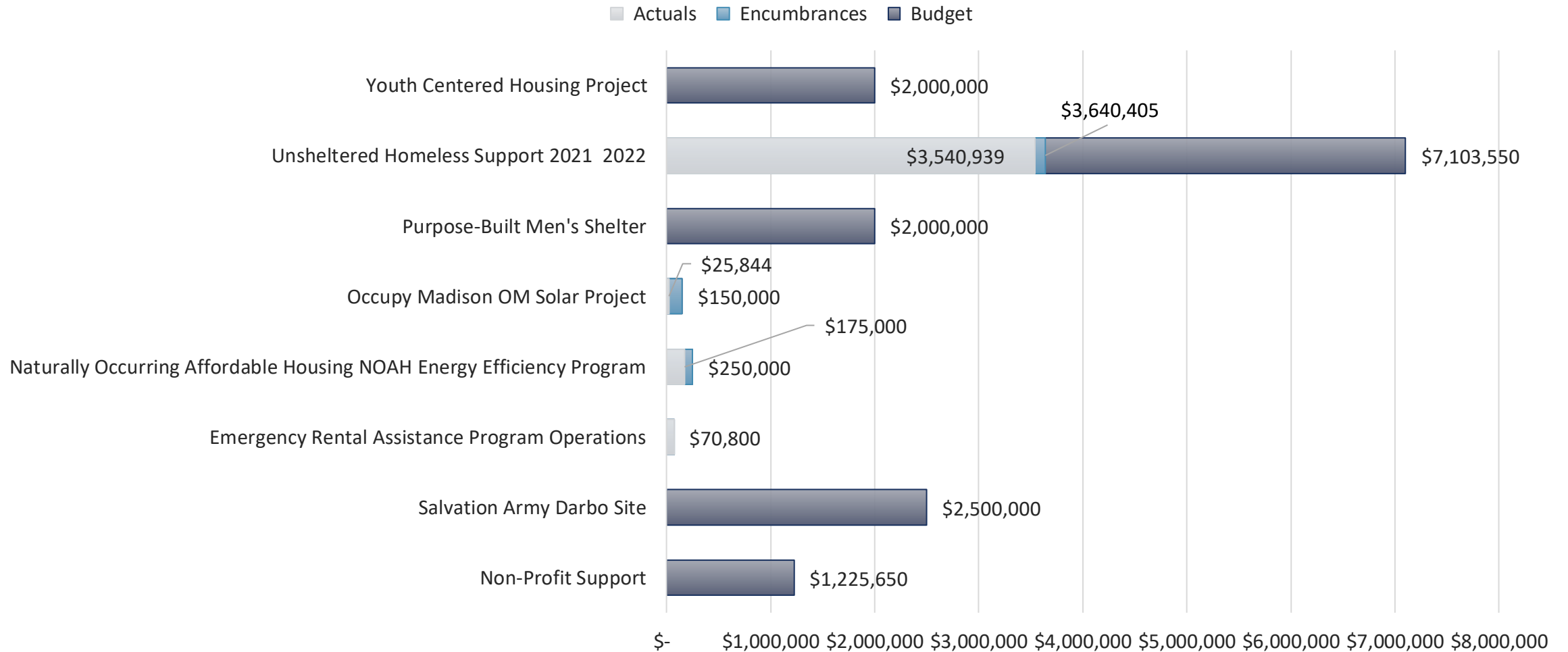
# Program and Expenditure Report as of 12/31/23

- As of December 31, 2023, fifteen (15) ARPA SLFRF projects have encumbered \$10.3m and expended \$9.3m in ARPA funds for Community Investments
- \$20.0m of the \$24.4m of the Revenue Replacement Funds were used to balance General Fund budget and stabilize Monona Terrace and Room Tax Fund since 2021; Remaining \$4.4 million used to balance 2024 budget

Priority Area	Total Budget	Total Obligations & Expenditures	Total Expenditures
Violence Prevention and Youth Engagement	\$ 2,585,000	\$ 2,117,202	\$ 1,821,547
Homelessness Support	\$ 11,753,550	\$ 3,790,405	\$ 3,566,783
Affordable Housing	\$ 2,320,800	\$ 320,824	\$ 245,824
Emerging Needs	\$ 1,000,000	\$ 954,188	\$ 847,242
Neighborhood and Small Business Revitalization	\$ 5,140,650	\$ 3,071,711	\$ 2,858,671
Revenue Replacement	\$ 24,397,155	\$ 19,975,000	\$ 19,975,000
<b>Total</b>	<b>\$ 47,197,155</b>	<b>\$ 30,229,330</b>	<b>\$ 29,315,067</b>

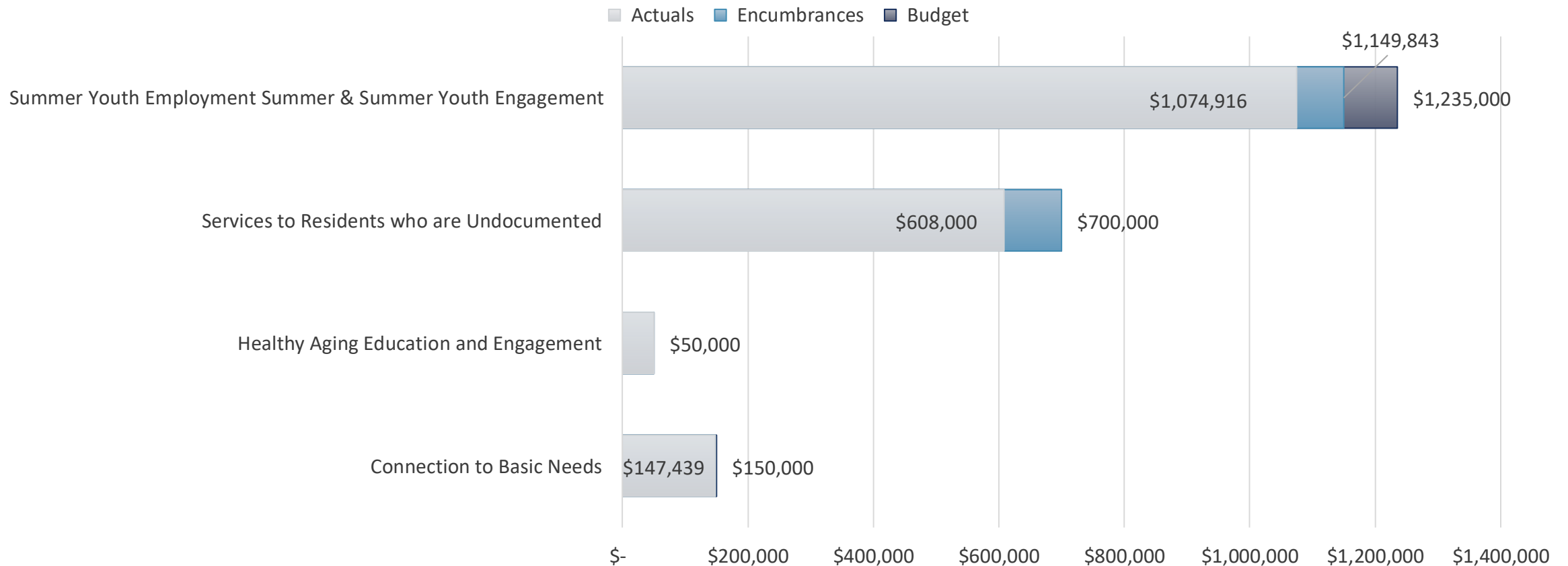
# Budget / Encumbrances / Actuals

## Community Development (Housing & Sustainability)



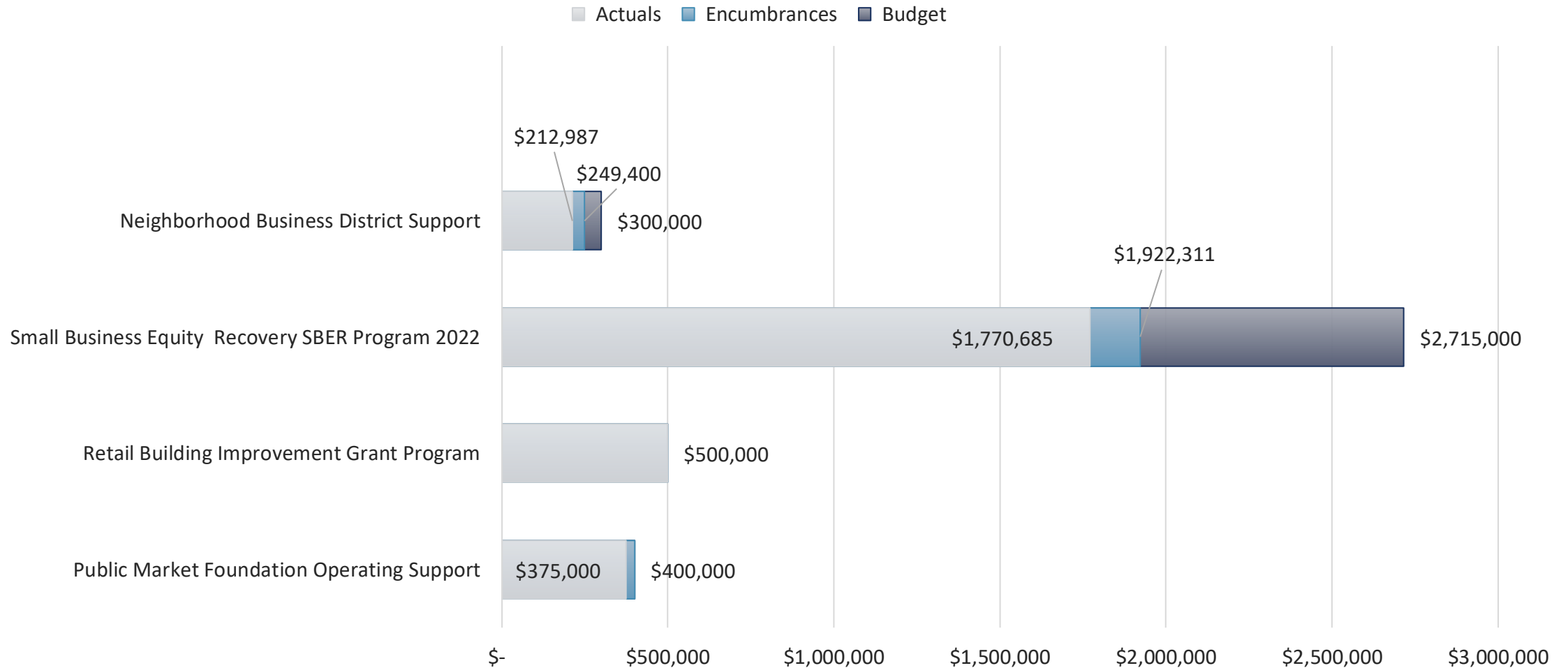
# Budget / Encumbrances / Actuals

## Community Development (Emerging Needs and Violence Prevention)



# Budget / Encumbrances / Actuals

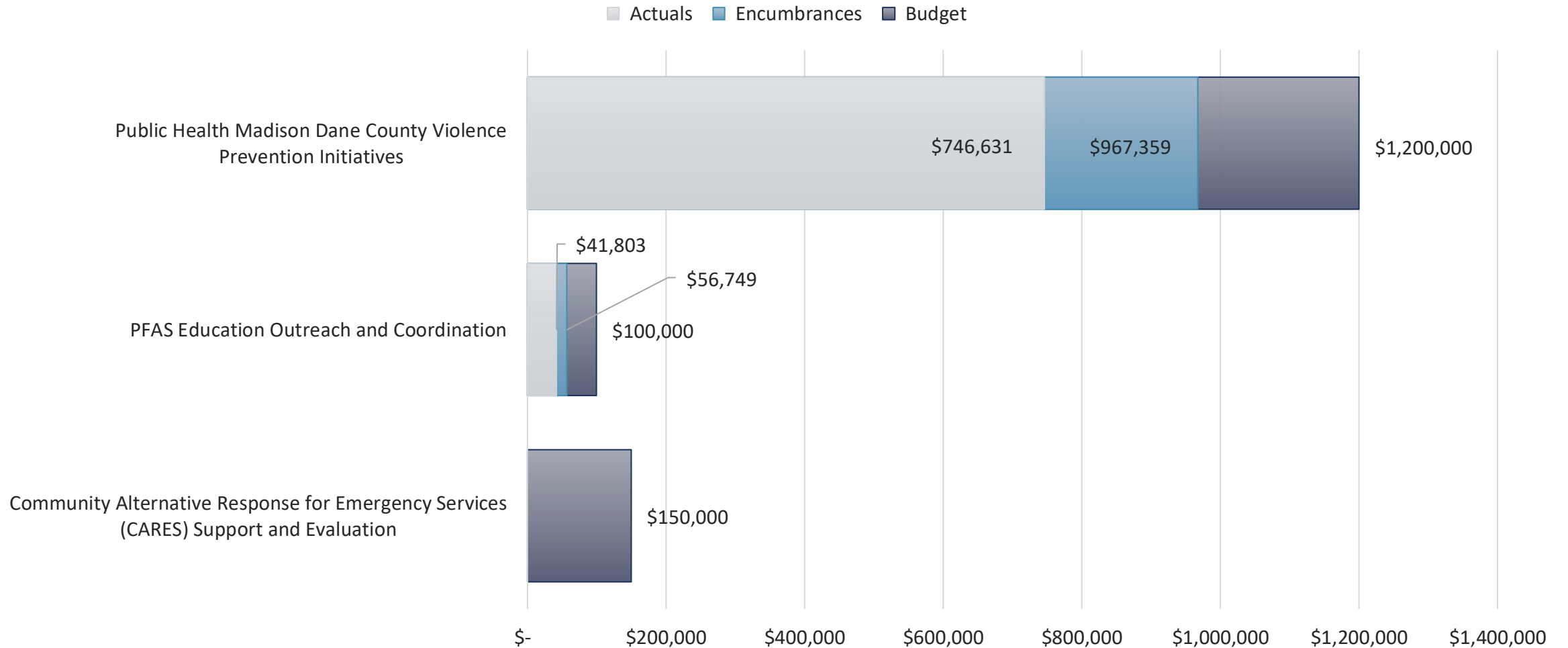
## Economic Development





# Budget / Encumbrances / Actuals

## Public Health (Environmental Health, Violence Prevention)





# Agency Updates on ARPA Projects



# Update on ARPA Projects: Sustainability and Resilience Program

- **Naturally Occurring Affordable Housing (NOAH) Energy Efficiency Program**
  - Project Status – In Progress
  - Providing energy efficiency and healthy home upgrades
    - 2 buildings with 18 units are complete
    - 3 buildings with 12 units in progress
    - 8 other buildings under initial assessment
    - Implemented by Sustain Dane and Elevate Energy
  - Upgrades include weatherization, ASHP, insulation, boiler and water heater replacement, electric stoves
  - Reduce energy bills by \$635/yr on average, some >\$1000/yr



# Update on ARPA Projects: Community Development Division

## Affordable Housing and Homelessness

- **Salvation Army Darbo Site-** City staff are working with the Salvation Army to develop purchase and lease terms.
- **Emergency Rental Assistance-** CDD hired an LTE employee to help administer Dane CORE 2.0. That cost was later shifted to other Federal (Emergency Rental Assistance) funds.
- **Youth Centered Housing-** CDD has selected a development partner and proposal through an RFP process to develop affordable housing that will support youth aging out of the foster care system. This project is currently seeking low-income housing tax credits (LIHTC) and permanent financing.
- **Occupy Madison Solar Project-** Completion expected by fall 2024.
- **Unsheltered Homeless Support-** Funds continue to be used to support operations of a temporary men's homeless shelter at Zeier Road and a City campground facility at Dairy Drive.

# Update on ARPA Projects: Community Development Division

## Emerging Needs

- **Services to Residents who are Undocumented-** 8 organizations were selected in 2022 to offer support to immigrants in Madison not eligible for other public benefits. These contracts all completed in 2023 and final reporting will be in quarter 1 of 2024.
- **Healthy Aging and Engagement-** EQT by Design finished their engagement and has shared results with both the Mayor and Committee on Aging. CDD staff is working to incorporate this feedback into an upcoming RFP for Older Adult Services as well as through programming and services at the Madison Senior Center.

## Violence Prevention and Youth Engagement

- **2022 Youth Employment-** Funding was provided to partner agencies to engage youth through expanded employment, internship, and training opportunities, and to enhance social cohesion through community-building events like Parks Alive. These contracts have been completed.
- **2023 Youth Violence Prevention-** 11 agencies were selected to implement youth-focused violence prevention summer and fall programming. Funds allowed agencies to expand employment and paid internship opportunities offered to youth and young adults, and support other efforts that furthered restorative justice and social and emotional learning. This project completed in quarter 1 of 2024

## Update on ARPA Projects: EDD

- **Small Business Equity and Recovery Programs (SBER)**
- **Retail Building Improvement Program (Building Improvement Grant-BIG)**
- **Public Market Foundation**
- **Neighborhood Business District Support (Business District Support-BDS)**

# Update on ARPA Projects: EDD

- **Small Business Equity and Recovery (SBER Programs)**
  - Commercial Ownership Assistance (COA) Program-in process
    - We have 3 closed (Dane County Acupuncture, Isthmus Wellness and Smart Cleaning Solutions )
    - In 2024 we have 1 that will close in March (Golden Vibes Counseling Center)
  - Business Ready Program- in process
    - Review panel selected MadREP as the administrator
    - Resolution for Common Council approval on April 16<sup>th</sup>
    - Applications will open this summer
  - Facade Improvement Grant- in process
    - 8 approved (Diamond's Café, Fortune Favors, Za's Exotic Snacks, Michelangelo's, Majestic, I'm Board!, Parthenon, Marveliz Cutz)
    - Remaining \$32K in funds will be encumbered by the end of 2024

# Update on ARPA Projects: EDD

- **Small Business Equity and Recovery (SBER Programs)**
  - KIVA Program-in process
    - ARPA funded administration will conclude at the end of 2024
  - Pop-Up Shop Program- in process
    - Program will end in the fall
  - Building Improvement Grant-ARPA Funded portion is completed
    - 32 Grants approved= \$1,295,000



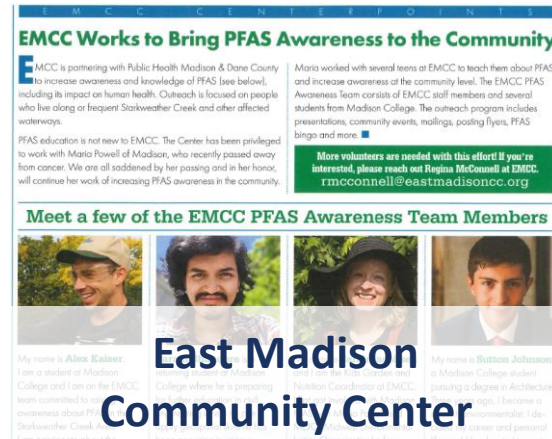
# Update on ARPA Projects: EDD

- **Madison Public Market**
  - Funding was for Madison Public Market Foundation support
  - Construction is underway
- **Business District Support**
  - Project status - in progress
  - 9 organizations approved=\$249,000 (obligated funds)

# Update on ARPA Projects: Public Health Madison and Dane County



The Hmong Institute



Kennedy Heights Community Center



Catholic Multicultural Center & WI EcoLatinos

## Community Engagement - PFAS

- Fall 2023: four community groups awarded \$32,054 to help us with PFAS community engagement
- All started activities in 2024
- Working towards a second release of funds (\$30,000) to continue work through 2024.
- Accomplishing our goal of becoming a trusted source of information for the community.

# Violence Prevention Grant Program Updates

- Three RFP's have been developed and released
- Priorities were selected by the Madison and Dane county Violence Prevention Coalition
- 15 organizations have been funded (The orgs listed below are in addition to the original list)
  - Seein' is Believin'
  - Irwin A. & Robert D. Goodman Community Center, Inc.
  - Freedom, Inc.
- We have invested over \$800,000 in the work these organizations are doing in order to advance roadmap priorities and reduce rates of violence in our community
- Funding also supported an incorporation of software to support awardee's in reporting deliverables

## Violence Prevention and Intervention Infrastructure Update

- Developed training opportunities for Violence Intervention Team
- Supported ~15 individuals and families with our violence intervention programming. Examples include:
  - Relocation support
  - Offering alternatives to violence
  - Conflict mediation