

RESOLUTION 21-25

TO ADOPT A COMMUNITY INVESTMENT PLAN DETAILING THE USE OF FUNDING PROVIDED UNDER THE AMERICAN RESCUE PLAN ACT TO SUPPORT THE CITY OF BLOOMINGTON'S RECOVERY FROM THE COVID-19 PANDEMIC

WHEREAS, the American Rescue Plan Act of 2021 ("ARPA") was enacted by Congress on March 11, 2021; and

WHEREAS, the ARPA will provide an estimated \$350 billion in emergency funding directly to state and local governments for the purpose of supporting their recovery from the ravages of the COVID-19 pandemic; and

WHEREAS, the City of Bloomington ("City") will receive approximately \$22.1 million under the ARPA ("ARPA Funds"), which will be distributed in two tranches of fifty percent (50%), one each in 2021 and 2022; and

WHEREAS, the ARPA Funds must be obligated by 2024 and ultimately spent by 2026; and

WHEREAS, the U.S. Department of the Treasury issued an Interim Final Rule providing guidance on allowable expenditures of the ARPA Funds; and

WHEREAS, the Indiana State Board of Accounts provided additional guidance to Indiana governmental units on accounting for use of ARPA funding in a Memorandum dated May 12, 2021 (RE "Accounting Processes for ARPA Subtitle M-Coronavirus State and Local Fiscal Recovery Funds"), which mandates that a recipient establish a separate fund by ordinance for its ARPA Funds; and

WHEREAS, Ordinance 21-25 was adopted by the Common Council on June 16, 2021 and signed by the Mayor on June 25, 2021; and

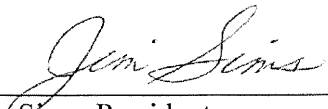
WHEREAS, Ordinance 21-25 established the ARP Coronavirus Local Fiscal Recovery Fund, listed the purpose of the fund and its permitted uses, and stated that the Common Council shall adopt a plan to provide details for the use of the ARPA Funds;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The Common Council adopts the attached document entitled *American Rescue Plan Act Community Investment Plan* ("Plan") (dated July 16, 2021) (Version 1.0) to provide details for the use of ARPA Funds. The Plan Version 1.0 shall remain in effect until amended or supplemented in accordance with appropriation ordinances adopted by the Council.


SECTION 2. This resolution shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 21 day of July, 2021.



Jim Sims, President
Bloomington Common Council

ATTEST:



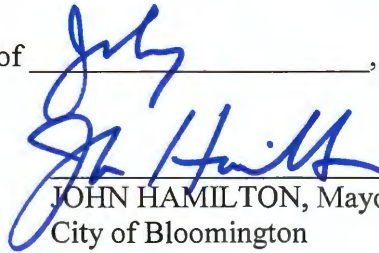
NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this
22 day of July, 2021.



NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 23rd day of July, 2021.



JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution adopts a Community Investment Plan to provide details for the use of funds received by the City of Bloomington under the American Rescue Plan Act.

Note: This resolution was revised after distribution in the Legislative Packet but before introduction at the July 21, 2021 Regular Session to correctly state the approximate amount of funds (\$22.1 million) the city expects to receive under the American Rescue Plan Act

Distributed to: Clerk, Council Attorney, Legal, Mayor, Controller, Utilities, HAND, Economic & Sustainable Development, Public Works

AMERICAN RESCUE PLAN ACT CITY OF BLOOMINGTON, INDIANA COMMUNITY INVESTMENT PLAN

as of July 16, 2021

Introduction

On March 11, 2021, the American Rescue Plan Act of 2021 (“ARPA”) was signed into law by President Joe Biden. ARPA establishes the Coronavirus Local Fiscal Recovery Fund (“ARP Fund”) to provide resources to local governments to assist with recovery efforts related to the COVID-19 public health emergency. The City of Bloomington (“City”) will receive a total of approximately \$22.1 million in ARPA funds under this program, and received a first allocation of \$11.1 million on May 20, 2021.

On March 18, 2021, the Indiana State Board of Accounts issued a memorandum requiring each recipient to establish a local fund for the grant money, to identify the eligible uses for which the recipient intends to use the grant money, and to establish a plan detailing the use of the funds that may be amended over time. The City Council established this fund by action (Ordinance 21-25) on June 16, 2021.

This document shall serve as the City’s plan, to be updated as appropriations from the ARPA grant fund are approved by the City Council. The U.S. Department of Treasury has issued specific guidance defining the use categories for which grant funds may be used, but two caveats inform the City’s plan, including timing and program choices: 1) new or additional guidance may be issued in the future which could affect eligible uses, and 2) new or additional funding sources have been or may be made available from federal or state sources to support similar uses.

Community Vision

The COVID-19 pandemic has affected the lives of all Bloomington residents, and disproportionately impacted individuals and communities that have been historically disadvantaged.

We believe that all potential ARPA investments should be reviewed through the lenses of sustainability and of equity. The City should use these one-time investments in order to advance Bloomington toward a more sustainable, equitable future. Based on conversations with city staff, members of the City Council, as well as community feedback through a citizen survey and input from civic organizations, the City has identified four major categories of need and many potential components within the categories:

1. Revenue replacement, in order to assist city government in recovering from the fiscal impact of the pandemic.

2. Housing insecurity, in order to address both the need for more rental and ownership housing more affordable to more people, and the need for services for those experiencing or at risk of homelessness.
3. Economic recovery, in order to help the individuals and enterprises (nonprofit and for-profit) of our community recover from the pandemic and expand access to high-quality job opportunities and educational or workforce training.
4. Public infrastructure, to strengthen the resiliency of Bloomington's physical and operational assets.

Many of these priorities may be addressed through use of the ARP Fund. Still others may be supplemented with related programs authorized by ARPA or future federal initiatives.

As the City pursues these goals, and others, it is committed to doing so through a process that embodies the importance of public input, transparency, and accountability.

Plan for ARPA-Eligible Projects

As set forth in §603(C) of ARPA, in accordance with Treasury Guidance, the City's plan for Recovery Fund spending includes the following:

1. *The City will allocate funds to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) and its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality. This could include programs such as: delivering assistance to workers and families, supporting small businesses, speeding the recovery of the hospitality sector, and/or rebuilding public sector capacity.*

The City will specifically fund the following programs totaling **\$3,350,000** in 2021:

(a) **\$250,000** grant to the Bloomington Housing Authority ("BHA") to enhance the strength and functionality of the Summit Hill Community Development Corporation, "SHCDC"), to create more affordable housing options through activities such as establishing a land trust, developing permanently affordable housing units, managing deed-restricted units and fostering public-private partnerships across the city.

(b) **\$1,200,000** grant to support the ongoing work of the Housing Insecurity Group, a collaborative, regional group of governments, funders and providers, focused on increasing success for community members experiencing housing insecurity including homelessness or unaffordable or unsuitable housing, to be administered through United Way. The grant will provide a portion of the funding needed for a projected multi-year operational budget of \$3 million. It is expected that substantial additional ARPA support

would be allocated in the future to advance direct housing goals as identified by the Housing Insecurity Group.

(c) **\$200,000** to establish or support a new landlord risk mitigation fund designed to increase landlord participation in programs designed for renters facing barriers, including the federal Section 8 program and other such rental programs.

(d) **\$150,000** to accelerate inclusive job training and employment growth, including through collaborative programs Bloomington Remote, ReBoot, Brighten B-Town, and other direct or indirect city employment for underemployed categories of workers.

(e) **\$175,000** for grants to local arts and cultural groups to foster recovery through support for employment, equipment purchases, facility upgrades or access, program enhancements, or other activities or needs to strengthen the arts and cultural sector.

(f) **\$550,000** to fund essential deferred maintenance at the Waldron to reactivate it as a community arts venue and foster economic recovery for arts organizations that serve as economic engines for the community.

(g) **\$50,000** for third-party professional services to evaluate the potential for a new downtown performing arts facility.

2. *The City will allocate funds to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) and its disproportionate impact on low-income families and communities of color, which has exacerbated systemic health and economic inequities. This could include programs such as: addressing health disparities and the social determinants of health, investments in housing and neighborhoods, addressing educational disparities, and/or promoting healthy childhood environments. Projects related to investments in housing and neighborhoods in this category are presumed eligible if they are used in a qualified census tract.*

No requests at this time. Projects from other categories related to housing and neighborhoods or infrastructure may also qualify under this category, but that will depend on geocoding for qualified census tracts.

3. *The City will allocate funds to assist in meeting the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband, funding necessary investments in projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems, and provide access to high-quality broadband service. This could include projects that maintain a level of service that meets applicable health-based standards, take into account resilience to climate change, or*

establish or improve broadband service to unserved or underserved populations to reach an adequate level to permit a household to work or attend school, and that are unlikely to be met with private sources of funds.

The City will specifically fund the following programs:

(a) **\$700,000** for a program to identify and inventory all lead-based service lines in the CBU system, to prepare for a replacement program designed to protect public health risks (which may be funded through a future federal infrastructure program). The support will be offered as a loan/credit program to CBU, with potential future reimbursement.

(b) **\$75,000** to expand Digital Equity investments advancing the goals of the Digital Equity Strategic Plan developed after the recent digital equity community survey, including expanding public wi-fi access at city parks such as Crestmont, Butler, Peoples, and Waldron, Hill, Buskirk (3rd Street).

4. *The City will allocate funds for the provision of government services to the extent of the reduction in revenue of the City due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the City prior to the emergency.*

No requests at this time. The ARPA provides a formula for determining the amount of “lost revenues.” A current estimate is \$6.4 million; we anticipate requesting allocations with the 2022 budget process.