

MEMORANDUM

TO: Members of the Bloomington Common Council
FROM: John Hamilton, Mayor and Don Griffin, Deputy Mayor
RE: American Rescue Plan Act (ARPA) funding
DATE: April 23, 2021

The City of Bloomington expects to receive \$22.3 million as part of President Biden's American Rescue Plan Act (ARPA), recently enacted by Congress. We await details and regulations for spending and other reporting requirements, but it is not too early to begin considering together how best to invest this one-time -- and potentially transformational -- funding for our community. We look forward to dialogue with you and our community about our options, including working collaboratively with Monroe County, which is slated to receive \$28.8 million, and the State of Indiana, expecting an additional \$3 billion.

Through early discussions within the administration, including all of our department heads, we have outlined four overarching "buckets," in which we might categorize potential investments. That may help us review and evaluate what we expect will be numerous specific proposals and ideas. We welcome feedback and suggestions at the highest level of buckets or priorities, or at the level of specific programs, beginning with our meeting on Tuesday, April 27th. We expect to bring one appropriation ordinance of ARPA funding to Council for review yet this year, as well as appropriations to be included in the 2022 budget process. Our goal is to put this ARPA money to work expeditiously and energetically to help our community recover forward as quickly as we can.

With the four primary investment buckets we have proposed for discussion purposes, we believe that all the possible investments should be reviewed through the lenses of *sustainability* and of *equity/inclusion*. That is, how will these one-time investments advance us toward a more sustainable future, and toward a more inclusive, equitable future? Beyond that, it is likely we'll want to consider factors such as leverage (how much other money may follow), alternatives (are other sources of funding available for the program/project), transition (when one-time funding is gone), and other factors and neighborhood impact (geographic distribution and quality of life effects).

What follows is an outline of each of the four proposed buckets, along with a few purely illustrative examples within each category. We look forward to hearing your initial views on the 27th, and to ongoing feedback from the Council and the wider community, as we develop appropriation ordinances for formal Council review later this year.

Potential Buckets and illustrative projects for consideration and discussion:

CITY REVENUE REPLACEMENT: Recovering from revenues lost during the pandemic. Examples could include:

- Parks and Recreation: Due to COVID and cancelled programming, Parks saw significant revenue shortfalls in its non-reverting fund. (possible range: \$1MM - \$2MM)
- ITS: The Telecommunication Non-reverting Fund continues to face declining revenue, including atypically large 12% decline in 2020, threatening support for basic IT city infrastructure needing upgrades, including network hardware, telephones, etc. (possible range \$1MM - \$2MM)

- Public Works: The Street Division experienced significant revenue shortfalls due to COVID-related reductions in the Motor Vehicle Highway (MVH) and Local Road and Street (LRS) funds, threatening ongoing maintenance of public infrastructure. (possible range: \$1.5MM - \$3MM)

HOUSING INSECURITY: Addressing both affordable housing and issues related to homelessness.

Examples could include:

- Strategic development consulting for plan development, assisting both the City and our partners in formulating and funding a share of community-wide plan to positively affect homelessness, ideally focused on a Housing First model (possible range \$1MM - \$2MM)
- Launch stronger developer potential of the Summit Hill Community Development Corporation (SHCDC) to fund real estate development position, as well as consulting fees for how to use SHCDC as a vehicle for land trust establishment, development of permanently supportive units, deed restrictions, and PPP (possible range \$250K - \$350K)
- Provide down-payment assistance in Trinitas' new housing development and elsewhere in the city to add 25-50 permanently affordable single-family affordable homes (possible range \$1.25MM - \$2.5MM)

JOBS/ECONOMIC RECOVERY: Helping our community recover with good jobs and more opportunity for individuals seeking employment or advancement.

Examples could include:

- Provide startup operational support for the potential new Trades District Technology Center. The proposed project schedule shows building completion in Summer 2023, which aligns with the timing of ARPA funds. (possible range \$400K - \$600K)
- Expand pilot workforce development program, to create entry-level exploratory positions in the green jobs industry through supporting the efforts of Parks' Urban Forestry and Landscaping divisions (possible range \$150K - \$300K)
- Partner with local businesses willing to hire people experiencing homelessness or those recently released from incarceration, providing jobs fair, training for managers and partial wages (possible range \$150K - \$500K)

PUBLIC INFRASTRUCTURE: Investing one-time dollars into public goods, from physical infrastructure to operational enhancements.

Examples could include:

- Convert the City's street light network fully to LEDs, utilizing a cost-effective head-to-head conversion approach. (possible range \$1.8MM - \$2.2MM)
- Multimodal transportation needs consistent with the Comprehensive Plan and Transportation Plan (sidewalks, bike lanes, trails, intersection improvements). (possible range \$1MM - \$2.5MM)