



City of
Lake Worth
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ARPA Projects Update

Tuesday, April 23, 2024

Presented By:

The City of Lake Worth Beach

Department of Finance.





ARPA History:

- On March 11, 2021, the American Rescue Plan Act was signed into law.
- This law established the Coronavirus State Fiscal Recovery Fund & the Coronavirus Local Fiscal Recovery Fund.
- Together they make up the Coronavirus State & Local Fiscal Recovery Funds (SLFRF).
- The Program is/was intended to provide support to State, territorial, local & Tribal governments in their efforts to respond to the economic & public health impacts of Covid-19.



SLFRF Eligible Timeframe:

Recipients of SLFRF dollars may use the award to cover eligible costs that were incurred between March 3, 2021 & December 31, 2024.

SLFRF dollars must be obligated to a specific project by December 31, 2024.

All SLFRF dollars must be spent by December 31, 2026



Funding History:

American Rescue Plan Act (ARPA)

City of Lake Worth Beach was awarded \$19,295,888.00 in ARPA funding

- 1st Tranche was received on September 10, 2021: \$9,647,944.00
- 2nd Tranche was received on July 7, 2022: \$9,647,944.00



ARPA Funding Pools:

- Revenue loss (Standard Deduction): \$10,000,000.00
- Restricted: \$9,295,888.00



ARPA – Standard Deduction:

- The 2022 final rule allowed recipients the option to claim up to \$10 million of their SLFRF allocation in what the Treasury termed the “standard allowance.”
- The standard allowance is/was intended to be used to replace lost revenue.
- The \$10 million is/was intended to provided government services.
- Electing the standard allowance does not increase or decrease a recipients total allocation.
- Revenue loss is the most flexible use category under the SLFRF program.
- Revenue loss funds are subject to streamlined reporting & compliance requirements.
- **Every use of SLFR funds that is eligible under other eligible use categories is eligible under revenue loss. This is due to the fact that those eligible uses are also services provided by recipient governments.**



ARPA – Restricted Use Categories:

- Responding to negative economic & public health impacts created as a result of the pandemic.
- Premium pay for essential workers.
- Investment in water, sewer & broadband infrastructure.
- Emergency relief from the negative impact of natural disaster such as a hurricane.
- Surface transportation projects.
- Title I projects that are eligible under the Community Development Block Grant Programs.



Eligibility Determination:

- The most efficient way to determine if a project is eligible for SLFRF dollars is to evaluate whether or not it falls under one of the seven use categories.
- The SLFRF program provides substantial flexibility for each municipality to meet local needs within each of the seven categories.



Matching funds:

- Funds under the **revenue loss** eligible use category generally may be used to meet the non-federal cost share or matching requirements of other federal programs.
- Unless specifically authorized by statute, SLFRF dollars may not be used to cover match requirements of projects outside of the revenue loss (\$10 million, standard deduction category).



No Longer Eligible (Premium Pay):

- On March 29, 2023, Congress voted to terminate the national emergency concerning covid-19.
- The termination is in effect as of April 10, 2023.
- Recipients may not use SLFRF dollars to provide premium pay to compensate essential workers for services provided after April 10, 2023.



Revenue Loss Category Projects (Approved by City Commission):

Public works:

1. City Hall Annex Restoration.
2. Fuel Tank Replacement.
3. Fire Station #1 – Exterior Painting & Waterproofing.
4. Windows (Library) – 15 N. M Street.
5. Sidewalk & Special ADA Projects.
6. City Hall – Exterior Painting & Waterproofing.
7. Streets & Sidewalks (Roadway Projects).
8. Public Works & Fleet Maintenance Facility.



Revenue Loss Category Projects Continued:

Public Works Continued:

9. Bucket Truck.
10. Annual Vehicle Replacement.
11. Forklift Replacement.

Leisure Services:

1. Casino Elevator Upgrades.
2. South Bryant Park – Playground.
3. Bryant Park Jetty
4. Osborne Community Center Restoration.



Revenue Loss Category Projects Continued :

Leisure Services Continued:

5. Spillway Park.
6. Lifeguard Tower.
7. South Bryant Park – Fitness Park.

Community Sustainability:

1. Mobility Plan

Finance:

1. ERP



Revenue Loss Category Projects Continued :

City Manager:

1. Community Development.

Electric Utility:

1. Solar Energy Loan Fund (SELF).



Restricted Category Projects:

CRA:

1. Housing Initiative.

Leisure Services:

1. NW Ballfields – Fence Replacement.
2. NW Ballfield – Lighting Upgrades.

Water Utility:

1. John Rice Way – Drainage Improvements
2. Parrot Cove – Stormwater Management



Restricted Use Category Projects Continued

General Government:

1. Premium Pay.
2. Legal Aid.



Obligation ARPA Dollars After 12/31/2024

- Recipients of ARPA dollars are prohibited from re-obligating funds in order to create a new project, or obligate additional funds to an existing project after the December 31, 2024 deadline.
- A change order request that occurs after December 31, 2024, that requires a contract amendment, is not permitted to be funded with additional ARPA funding.
- The use of additional ARPA funds would be prohibited as the December 31, 2024 obligation deadline would have passed.

ARPA 2024			
Project Name	Department	Total Spent	Remaining Budget
ARPA Funding Received			
<i>Projects Sourced from Standard ARPA funds - UNRESTRICTED</i>			
Mobility Plan	CRA	\$140,992.41	\$9,007.59
Solar Energy Loan Fund (SELF)	Electric	\$25,000.00	\$75,000.00
Enterprise Resource Planning (ERP) Replacement - REVISED	Finance	\$0.00	\$1,000,000.00
Community Development	General Government	\$0.00	\$665,958.00
City Tree Planting	General Government	\$0.00	\$25,000.00
LED Lighting @ N.W. Community Park	General Government	\$0.00	\$200,000.00
Circuit Transportation Project	General Government	\$0.00	\$100,000.00
Dave Manzo Field Lighting project	General Government	\$0.00	\$9,042.00
Casino Elevator Upgrades	Leisure	\$16,900.00	\$33,100.00
South Bryant Park- Playground	Leisure	\$0.00	\$150,000.00
Bryant Park Jetty	Leisure	\$0.00	\$62,000.00
Osborne Community Renovation - (remaining balance)	Leisure	\$0.00	\$40,147.00
Spillway Park	Leisure	\$0.00	\$150,000.00
South Bryant Park- Fitness Park	Leisure	\$0.00	\$75,000.00
Lifeguard Tower	Leisure	\$0.00	\$230,795.00
Dave Manzo Field Lighting project	Leisure	\$0.00	\$53,458.00
Windows - Library - 15 N M St.	Library	\$109,008.93	\$10,991.07
City Hall Annex Restoration	Public Works	\$34,813.87	\$1,965,186.13
Fuel Tank Replacement	Public Works	\$0.00	\$1,000,000.00
Fire Station #1 - Exterior Painting and Waterproofing	Public Works	\$39,100.00	\$0.00
Sidewalk and ADA Special Projects	Public Works	\$0.00	\$1,000,000.00
City Hall - Exterior Paint and Waterproofing	Public Works	\$44,500.00	\$0.00
Streets and Sidewalks (Roadway Projects)	Public Works	\$14,541.50	\$985,458.50
Public Works & Fleet Maintenance Facility (remaining balance)	Public Works	\$106,692.25	\$1,203,307.75
Bucket Truck	Public Works	\$0.00	\$150,000.00
Annual Vehicle Replacement Budget	Public Works	\$0.00	\$200,000.00
Forklift Replacement	Public Works	\$0.00	\$75,000.00
<i>Projects Sourced from Restricted ARPA funds</i>			
16th Avenue North Outfall Check Valve Repairs (revision approved July 2023)	Water Utilities	\$0.00	\$220,000.00
Housing Initiative	CRA	\$2,000,000.00	\$500,000.00
NW Ballfields - Replace Fence	Leisure	\$25,600.00	\$74,400.00
NW Ball Fields- Lighting Upgrades	Leisure	\$656,611.00	\$0.00
Stormwater Main NRP Projects Parrot Cove (revision approved July 2023)	Water Utilities	\$41,560.80	\$1,058,439.20
John Rice Way Drainage Improvements (approved July 2023)	Water Utilities	\$74,868.48	\$5,131.52
Legal Aid Project	General Government	\$38,300.00	\$11,700.00
Premium Pay Project	General Government	\$874,800.00	\$0.00



Forfeiture of ARPA Dollars

What happens if an ARPA project is completed after December 31, 2024, and that project has an unspent balance of \$25,000.00?

The unspent balance is forfeited and must be returned to the U.S. Department of the Treasury.

The City of Lake Worth Beach Finance Department would urge each potential recipient to err on the side of caution. Underestimate your job cost rather than leave ARPA dollars on the table.



Dollars yet to be Formally Obligated:

- ❖ \$3,714,477.00 of restricted ARPA dollars remains un-obligated.
- ❖ The funding had been unofficially earmarked for the Mobile Response Unit project.
- ❖ The commission will need to debate whether or not to move forward with this project, or redirect the funding elsewhere.
- ❖ It should be noted that a formal budget number was never established.



Suggestions:

Eliminate the restriction of usage and timeframe by swapping dollars. Use the current unspent revenue loss dollars to satisfy part of the city's annual financial obligation to the PBSO. Finance would create a special fund and transfer the money already earmarked for the annual PBSO obligation to that account.

The money in the special account **will be used to fund** the projects currently approved in the city's unrestricted ARPA category. No project will be eliminated, rather the projects will be able to move forward without the fetters of the December 31, 2026 deadline for spending the awarded ARPA funds.

Finance has spoken with other city officials. This has been done by other municipalities and is allowable. Taking advantage of this option gives the city proper time to complete projects and allows the city to remain ARPA compliant.

Finance will need commission approval.



Questions: