



CITY OF ORLAND STAFF REPORT

MEETING DATE: September 5, 2023

TO: Honorable Mayor and Council

FROM: Pete Carr, City Manager

SUBJECT: ARPA Update(Discussion/Direction)

City Council will consider progress and status of its American Rescue Plan Act (ARPA) projects, may determine adjustments to be made to the ARPA budget.

BACKGROUND:

The City received a total of \$1.872M in Covid-relief funding as part of the American Rescue Plan Act (ARPA). Council has engaged in many conversations and several actions to incrementally allocate ARPA funds for numerous specific projects benefiting the community. The ARPA worksheet was most recently reviewed and updated February 21st.and was included July 1st as page 9 in the FY23-24 City budget.

Council also set aside in 2021 a portion of CV2/3 funds for Library facility improvements with the balance going to a Cities-County partnership to distribute grants to small businesses. These grants were in addition to the earlier CV1 grant program for small businesses, SBDA grants for businesses, PPP, and the current Glenn County Stabilization Grant Program. The library project portion of these funds is currently in progress, in conjunction with State Library grant funding for capital improvements.

DISCUSSION:

Most ARPA programs and projects are completed or underway, proceeding according to budget plan. A few have not yet been started, but there is not a use-it-or-lose-it time pressure. No projects are indicating over-budgeting at this time. There remains a relatively small available balance (\$80k) of yet unallocated funds which serves as a buffer for the many projects designated.

Queen Bee Bucks gift card funds are nearly exhausted. City needs to sunset it, or re-fund it now or at some future point. Factors to consider:

- The \$80k provided \$64k direct in gift card bonuses, and \$16k for contract program admin.
- Over \$100k in gift cards have been purchased, \$87k redeemed (87% redemption rate).
- Nationwide, generally:

- 60% of all gift cards sold are digital, and rapidly increasing in popularity.
- 80% of gift cards are redeemed < 1 year, 70% < 6 mos.
- Christmas and Mothers Day are top selling seasons for gift cards.

Attachment: Use of ARPA Funds Worksheet as of September 5, 2023

RECOMMENDATION:

Acknowledge status of projects and funding.

Allocate \$40k of the remaining \$80k to the Queen Bee Bucks community e-gift card program.

FISCAL IMPACT OF RECOMMENDATION: N/A