



CITY OF ORLAND STAFF REPORT

MEETING DATE: December 21, 2023

TO: Honorable Mayor and Council

FROM: Public Works Director Ed Vonasek
City Manager Pete Carr

SUBJECT: **ARPA Budget Update (Discussion/Action)**

City Council will follow up on recent discussions about ARPA project funding.

BACKGROUND

The City received a total of \$1.872M in Covid-relief funding as part of the American Rescue Plan Act (ARPA). Funds are intended to help offset lost potential revenues due to the prolonged economic shutdown. Council has engaged in many conversations and several actions to incrementally allocate ARPA funds for numerous specific projects benefiting the community – primarily in public safety, quality of life services and local business support. The ARPA worksheet was included in the FY23-24 City budget and was reviewed most recently by Council November 21. At that meeting, Council acknowledged that \$50,000 in EV project funds appears to be surplus, authorized additional \$20,000 for Queen Bee Bucks, and began discussion of adding more park trees and repainting city facilities.

Separately, 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, but have generally been undersubscribed. The library project portion of these funds is currently in progress, in conjunction with State Library grant funding for capital improvements.

ANALYSIS

Most ARPA programs and projects are completed or underway, proceeding according to budget plan. The remaining available unallocated balance is \$85k.

Suggested beneficial uses for these funds include:

A. Allocation of up to \$20,000 to Public Works – Parks for acquisition of trees for City parks. This is in addition to the ongoing budget for replacement of street landscaping trees, for which \$5000 was recently expended. We have a plan, recommended by the Tree Committee, for specific types of trees at specific locations in each park: \$1,300 for Library Park; \$7,000 for Vinsonhaler; \$11,000 for Lely. The park trees would be planted in coming months by the City.

B. Allocation of up to \$20,000 to Public Works – Facilities for façade improvement of the City Hall/Police building and the 824 4th St/400 Mill St “Café” building. Carnegie Center cost estimates are pending assessment of soffit repair & replacement carpentry, so this item can be considered separately at another time. Staff proposes the improvement include adding decorative façade treatment to the City Hall/Police building complementing the new Library entrance.

C. Allocation of up to \$10,000 to bolster the very popular current phase of Queen Bee Bucks, supporting locally-owned brick & mortar businesses. In this new launch, the City renewed its marketing, covered the purchaser fee and awarded a matching BOGO bonus gift card for each of the first two gift cards purchased. The gift cards can only be used at participating Orland businesses. The current promotion is sold out as of November 30. Without additional funding, gift card sales can continue but will be without the BOGO incentive.

Suggestions A, B and C would allocate \$50k of the available \$85k, leaving a remaining unallocated balance of \$35,000. The Council may wish to retain all or part of this \$35k against future project needs.

Attachments: 1. Use of ARPA Funds Worksheet as of December 5, 2023

2. City buildings façade improvement cost estimate worksheet

RECOMMENDATION

Allocate remaining funds as desired.

Fiscal Impact of Recommendation: \$50,000 in ARPA funds, no use of General Funds.