

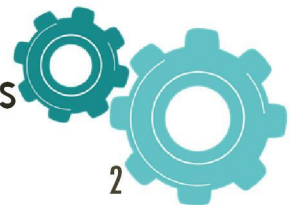
Claremont City Council American Rescue Plan Act (ARPA) Update

MAY 10, 2022



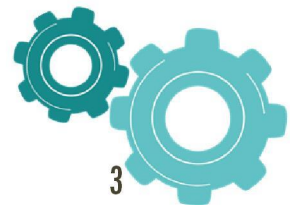
BACKGROUND

- The American Rescue Plan Act (ARPA) was signed into law by President Biden in March 2021
- ARPA provided funding for local governments to aid in the response to the COVID-19 pandemic
- The City of Claremont's allocation of ARPA funding is approximately \$8.7 million
- The "Final Rule" for ARPA funding was issued by the United States Treasury in January 2022 and became effective April 1, 2022
- The final rule provides greater flexibility for agencies allocated less than \$10 million, allowing them to use the funding for general government services, and streamlining the reporting requirements



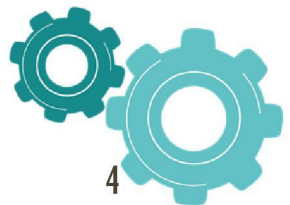
BACKGROUND

- Claremont is eligible to use the standard allowance of up to \$10 million for the purpose of streamlined reporting and expenditure eligibility since its allocation is \$8.7 million
- All \$8.7 million can be used by the City to provide general government services
- EXCEPTIONS: ARPA specifically prohibits the use of funding for the following:
 - Deposit into pension funds
 - Deposit into rainy-day funds or financial reserves
 - Payment of principal or interest on outstanding debt
 - Payment of settlement agreements or judgments



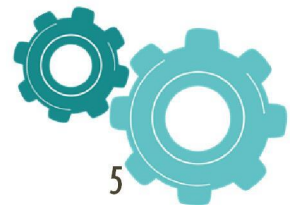
COMMUNITY INPUT AND SURVEY FEEDBACK

- Staff conducted two surveys to solicit feedback on the potential uses of ARPA funds
 - Community Survey (385 responses)
 - Business Survey (25 responses)
- Recently concluded City Council priorities setting process also influenced staff recommendations for the use of ARPA funding



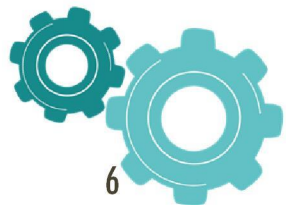
COMMUNITY INPUT AND SURVEY FEEDBACK

1. Improve public infrastructure (roads, sidewalks, storm drains, etc.)
2. Assist residents that need housing, food, healthcare, childcare, rent or utility help
3. Public safety services
4. City having the resources to continue to provide high quality services
5. Recreation, parks, trails, creeks, and open spaces
6. Support the recovery of local businesses
7. Affordable housing options
8. Traffic / Bike / Pedestrian safety
9. Enhanced broadband capability, including public Wi-Fi service
11. Provide services to the homeless population
10. Provide ARPA funding to Tri-City Mental Health Authority to expand mental health services and programs
12. Support the work of non-profit organizations in the community
13. Extend/expand outdoor dining opportunities



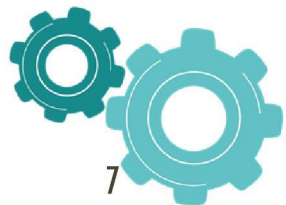
ARPA FUNDING RECOMMENDATIONS

- Traffic Calming Measures (\$500,000)
 - \$250,000 for updated regulatory sign inventory and sign replacements
 - \$250,000 for the implementation of recommended traffic calming measures
 - Funding proposed to be included in the 2022-23 budget
- CBO and Homeless Services (\$293,300)
 - Funding was eliminated in the 2020-21 budget
 - \$86,650 to fund Community Based Organizations in each of the next two budget years (Total \$173,300)
 - CLASP, Claremont Heritage, Claremont Meals on Wheels, Claremont Museum of Art, Community Senior Services, Project Sister Family Services, Shoes That Fit
 - \$60,000 in homeless services funding in each of the next two budget years (Total \$120,000)
 - CHAP, Foothill Family Shelter, Inland Valley Hope Partners, Pacific Lifeline



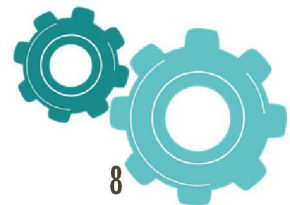
ARPA FUNDING RECOMMENDATIONS

- Chamber of Commerce Agreement (\$120,000)
 - Funding was eliminated in the 2020-21 budget
 - \$60,000 in each of the next two budget years to fund visitor center services
 - Proposed amount is consistent with agreements prior to the Great Recession, after which funding was reduced to \$40,000
- ADU Design Standard and Grant Program (\$450,000)
 - \$50,000 in 2022-23 for the development of up to five standard Accessory Dwelling Unity designs to reduce ADU design and development costs
 - \$200,000 in each of the next two budget years to provide grants of up to \$20,000 for property owners towards the cost of construction of ADUs
 - To support the development of housing to increase supply and affordability in Claremont



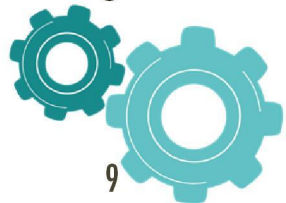
ARPA FUNDING RECOMMENDATIONS

- Psychiatric Assessment Care Team (PACT)(\$350,000)
 - PACT is a team of mental health clinicians that responds with PD to non-violent, non-criminal calls for service
 - In April, the City Council authorized the contribution of \$175,000 in ARPA funds to cover half of the overall cost of the PACT program in 2022-23
 - Staff recommends the allocation of \$175,000 in each of the next two budget years to continue funding for PACT
- PD Dispatch Center Upgrade and Emergency Radio Replacements (\$995,000)
 - \$500,000 for the upgrade of PD radio dispatch consoles to make them compatible with the LA-RICS communication system
 - \$495,000 to replace 160 emergency radios used Citywide in emergency response situations
 - Total \$995,000 in 2022-23



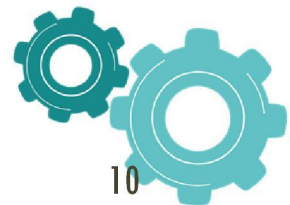
ARPA FUNDING RECOMMENDATIONS

- City Technology Upgrades (\$723,000)
 - \$100,000 for redesign of City website in 2022-23 budget
 - \$400,000 for consolidation/integration of current standalone software systems in 2022-23 budget
 - \$223,000 for network server and data storage system upgrades in 2022-23 budget
 - Upgrades will improve access to and security of data on City networks at PD and City Hall
- Business Grant Program (\$400,000)
 - Implementation of a business grant program to cover business costs such as rent and utilities, inventory and supplies, payroll, hiring and retention, and marketing
 - \$400,000 in 2022-23 budget



ARPA FUNDING RECOMMENDATIONS

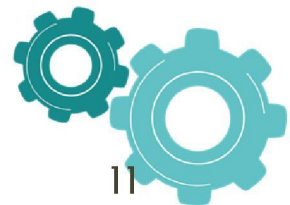
- Business License Tax Relief Program (\$200,000)
 - Proposal to rebate \$135 base business license fee for all Claremont-based businesses in 2022-23
 - Approximately 1,500 businesses would have their business tax fee reduced by \$135 for one year
- Commuter Bicycle Rebate Program (\$100,000)
 - \$100,000 in 2022-23 for the development and implementation of a rebate program for alternative modes of transportation, including e-bikes, bicycle, scooters, etc.
 - Program guidelines to be determined and approved by the City Council
 - Program benefits to include potential reduction in parking demands and greenhouse gas emissions



ARPA FUNDING RECOMMENDATIONS

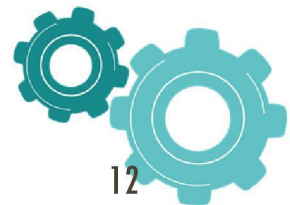
- Stipends for City Workers Providing Services During Pandemic
(\$413,000)

- In recognition of City employees working to ensure continuity of City services during pandemic
- Up to \$4,000 one-time stipend for full-time public safety employees who worked a minimum of 1,000 during the height of the pandemic (Mar 2020 – Jun 2021)
- Up to \$3,000 one-time stipend for other full-time employees who worked a minimum of 1,000 hours during the height of the pandemic (Mar 2020 – Jun 2021)
- Amounts halved for full-time employees who worked but did not meet 1,000 hour threshold
- Part-time employees to receive \$1,000 stipend if they worked 500 hours during pandemic
- Employees must be currently employed to be eligible
- \$413,000 cost of stipends in 2021-22 budget year



ARPA FUNDING RECOMMENDATIONS

- Total cost of ARPA funding recommendations is \$4,544,300
- \$413,000 in 2021-22
- \$4,131,300 to be included in the 2022-24 budget
- A total of \$4,081,798 in ARPA funds would remain unobligated
- The City has until December 31, 2024 to obligate all of its ARPA allocation
- Staff will return at a later date to make additional recommendations for the use of remaining ARPA funding



STAFF RECOMMENDATION

- That the City Council:
 - Ask clarifying questions regarding the proposed use of the ARPA funding;
 - Provide any additional direction to staff; and
 - Authorize the appropriation of funding from the City's ARPA funding for the projects, programs and expenditures described by staff in their report

