

Resolution assigning development of projects and programs for American Rescue Plan Act funds to City committees.

RESOLUTION

Whereas, the Common Council approved a Resolution allocating the remaining American Rescue Plan Act (ARPA) funds to specific categories as resolution #21-1732; and

Whereas, as part of the resolution, the Common Council required that “a comprehensive list of projects and/or programs by category be submitted to the Common council for approval prior to implementation”; and

Whereas, the amount of funding associated with these categories is substantial and the timeline to spend the money is over multiple-years; and

Whereas, the collective goal of the City is to use ARPA dollars to the greatest and best impact; and

Whereas, achieving greatest and best impact requires leveraging multiple resources and assets, adjusting to ongoing changes, adapting to inflationary pressures, creating partnerships, and developing innovative thinking which in turn requires the City to be nimble and flexible; and

Whereas, the U. S. Treasury's Final Rule allows for municipalities to use up to \$10 million of ARPA Recovery Funds as “Lost Revenue” for the provision of general government services without needing to use the Treasury revenue loss formula; and

Whereas, even while one of the most significant challenges to the future sustainability and resiliency of La Crosse involves the hundreds of property owners negatively impacted by location in the city's floodplain and floodway areas, Treasury has not included floodplain management and flood mitigation projects more generally as eligible for funding under the final rule within the constraints of identified categories of spending; and

Whereas, committing Lost Revenue funds to general government services allows funding for community resiliency efforts involving—among others—floodplain improvement and mitigation efforts, housing development not supported by Treasury's Final Rule, and the diminishment of negative property tax impacts from the lack of revenue collected during the pandemic; and

Whereas, the City has governing boards that provide oversight on targeted projects and initiatives in the City with Common Council members serving on many of these governing boards and approve all appointments of those who serve; and

Whereas, three of the City's existing governing boards are directly tied to the specific categories that the remaining ARPA allocations were directed; and

Whereas, the Mayor serves as Chair for all 3 of these committees that creates a natural facilitation point and cohesion in the overall ARPA approach; and

Whereas, all 3 proposed oversight committees require 2 additional Council Members serve on each of these committees.

Therefore, be it resolved that the following already approved categories will include the listed projects and/or programs for non-committed funds:

Addressing negative economic impacts caused by the public health emergency to small businesses and impacted industries:

- \$450,000 to complement existing small business programs such as façade improvements, small business development and upper floor renovations.

Promoting healthy childhood environments through improvements in childcare, mitigation of health disparities, and improvement of living and recreation environments:

- \$500,000 for Increased capacity for coordination of efforts/initiatives/outreach surrounding childcare in the City of La Crosse
- \$470,000 for financial Incentives for home improvements made to in-home childcare operations within the City of La Crosse
- \$1,000,000 for financial incentives to support stabilizing and growing the childcare industry such as (but not limited to): start-up grants, financial support to Low to Moderate Income families seeking childcare, incentives for increased quality of care/centers, back-to-capacity grants, scholarships for potential childcare workers, and/or funding of programs that assist in the pipeline of new childcare workers

Investments in housing and neighborhoods and serving the hardest hit families, including those impacted by homelessness:

- \$400,000 for down payment assistance program for low-moderate income households to assist approximately 20-25 households with down payment assistance. Properties will be inspected to ensure they are decent, safe and sanitary. All rehab needs will be referred to the CDBG rehabilitation program to be addressed.
- \$1,025,000 to expand the Affordable Housing Revolving Loan Fund to incentivize both new construction and rehabilitation of affordable rental housing units.
- ~~\$1,500,000 to support bridge housing projects for our unsheltered population. This could be used to short or long term bridge housing in our community.~~

Investment in water, sewer and broadband infrastructure to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and expand access to broadband internet:

- \$2,500,000 for lead clean-up for the La Crosse River Marsh Lead Contamination Project (of which \$200,000 has already been allocated through resolution #22-0095)

Be it further resolved that \$10 million of ARPA funds will be allocated for use as Lost Revenue to fund projects that may have been previously funded as general government services but for the negative fiscal impacts of the pandemic, including—but not limited to—floodplain liabilities, property development enterprises, economic development endeavors, and property tax increase mitigation, of which \$347,358 has already been approved through the 2022 Operating Budget to fund five positions within the La Crosse Center and Libraries which had been eliminated due to the pandemic; and

Be it further resolved that the following committees will be granted jurisdiction to approve the expenditures associated with funding in specific categories as follows:

Economic Development Commission -> Addressing negative economic impacts caused by the public health emergency to **small businesses** and impacted industries:

Economic Development Commission -> Promoting healthy childhood environments through improvements in **childcare**, mitigation of health disparities, and improvement of living and recreation environments:

Community Development Committee -> Investments in **housing and neighborhoods** and serving the hardest hit families, including those impacted by **homelessness**:

Board of Public Works -> Investment in water, sewer and broadband **infrastructure** to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, expand access to broadband internet, and

Be it further resolved that these governing boards will also provide oversight of the approved projects and programs throughout the duration as coordinated with the committees' respective City staff members.

Be it further resolved that Lost Revenue funds will be segregated in the City's Federal Grant Fund until such point monies are transferred to the General Fund for expenditures as approved by the Common Council but not in a way that would conflict with Treasury's restrictions on use of these funds.

Be it further resolved that the mayor and all appropriate City staff are authorized to effectuate this resolution.