

INTRODUCED: October 10, 2022

AN ORDINANCE No. 2022-284

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept the second tranche of American Rescue Plan Act funds in the amount of \$77,439,914.00 from the United States Department of the Treasury; to amend the Fiscal Year 2022-2023 General Fund Budget by increasing estimated revenues and the amount appropriated to the General Fund Budget for certain agencies and reserves for contingencies by \$16,939,914.00; to amend the Fiscal Year 2021-2022 Capital Budget by increasing estimated revenues and the amount appropriated to the Department of Parks, Recreation, and Community Facilities for certain existing and new capital improvement projects in the Culture and Recreation category by \$60,500,000.00, all for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act.

Patrons – Mayor Stoney and Ms. Lambert

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: NOV 14 2022 AT 6 P.M.

WHEREAS, pursuant to Ordinance No. 2021-220, adopted September 27, 2021, the Director of Finance has credited all funds received by the City, whether from the United States government, the Commonwealth of Virginia, or otherwise, provided pursuant to the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022) in the general ledger, to be managed in the Projects and Grants Module in the City's enterprise resource planning system for purposes authorized by the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: NOV 14 2022 REJECTED: _____ STRICKEN: _____

Sess. (2021-2022) for future appropriation by the Council of the City of Richmond only for expenditures authorized by the said Act;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept the second tranche of American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022), funds in the amount of \$77,439,914.00 from the United States Department of the Treasury for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

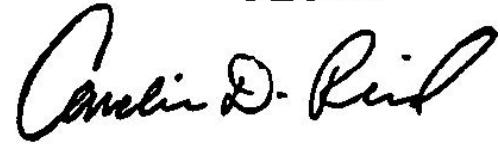
§ 2. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the General Fund Budget for the fiscal year commencing July 1, 2022, and ending June 30, 2023, by increasing estimated revenues by \$16,939,914.00, increasing the amount appropriated for expenditures by \$16,939,914.00 and allotting to certain agencies the sum of \$16,939,914.00 as set forth in the document entitled "FY2023 Budget Amendment, General Fund Budget," a copy of which is incorporated into and made a part of this ordinance, for the purpose of funding the City's efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 3. That a portion of the funds received pursuant to section 1 of this ordinance are hereby appropriated to the Capital Budget for the fiscal year commencing July 1, 2022, and ending June 30, 2023, by increasing estimated revenues by \$60,500,000.00, increasing the amount appropriated for expenditures by \$60,500,000.00 and allotting to the Department of

Parks, Recreation, and Community Facilities the sum of \$60,500,000.00 for certain existing and new capital improvement projects in the Culture and Recreation Category as set forth in the document entitled “FY2023 Budget Amendment, Capital Budget,” a copy of which is incorporated into and made a part of this ordinance, for the purpose of funding the City’s efforts to recover from the economic and health effects of the COVID-19 pandemic in accordance with the American Rescue Plan Act of 2021, H.R. 1319, 117th Cong., 1st Sess. (2021-2022).

§ 4. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reif". The signature is written in a cursive style with a large initial 'C'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: September 9, 2022 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

J.E. Lincoln Saunders / RCS
Digitally signed by J.E. Lincoln Saunders / RCS
Date: 2022.09.21 17:07:05 -0400

THROUGH: Sabrina Joy-Hogg, Deputy Chief Administrative Officer

THROUGH: Sheila D. White, Director of Finance

Sheila White

FROM: Jason P. May Director of Budget & Strategic Planning

Jason May

RE: Appropriation of American Rescue Plan Act (ARPA) Funds to FY2023 Budget

ORD. OR RES. No. _____

PURPOSE: To accept the second tranche of funding in the amount of \$77,439,914 from the United States Department of Treasury allocations of monies from the American Recovery Plan Act (ARPA), and to amend two budgets for the purpose of continuing implementation of the ARPA spend plan as adopted by Ord. 2021-291. A summary of the two budgets being amended to appropriate the second tranche of funding are as follows:

Budget	FY 2023 Adopted Budget	Amendment Increase	FY 2023 Modified Budget
General Fund	838,715,828	16,939,914	855,655,742
Capital Budget (All Funds)	315,587,293	60,500,000	376,087,293
Total Amendment		77,439,914	

Below provides the details of each of the four budget amendments:

- **General Fund**
 - Amend Ordinance 2022-055, adopted May 9, 2022, which adopted the FY 2023 general fund budget by amending several general fund departments budgets by

appropriating \$16,939,914 for implementing the following purposes/objectives, etc. in accordance to the ARPA Spending Plan:

Department	Total Amendment Increase	ARPA Spending Plan Implementation Objective:
Housing & Community Development	\$10,000,000	Affordable Housing Fund
Finance	2,500,000	Health Equity Trust Fund
Finance	199,914	Covid-19 Administrative Response Reserve
Public Works	500,000	Façade and city beautification improvements (trees, signs, etc.)
Public Works	1,000,000	Enhanced Lighting (street and business) and cameras
Office of Sustainability	1,240,000	Climate Risk Assessment and Implementation
Parks & Recreation	1,500,000	Property Acquisition for new parks
Total	\$16,939,914	

- **Capital Improvement Plan**

- Amend Ordinance 2022-057, adopted May 9, 2022, which adopted the FY 2023 capital budget by appropriating \$60,500,000 for the creation and implementation of capital projects in accordance to the ARPA Spending Plan:

New of Existing Project	Category	Project Name	Appropriation
Existing	Culture & Recreation	TB Smith (ARPA)	19,000,000
Existing	Culture & Recreation	Lucks Field (ARPA)	19,000,000
Existing	Culture & Recreation	Calhoun Center (ARPA)	7,000,000
Existing	Culture & Recreation	Southside Community Center (ARPA)	8,000,000
Existing	Culture & Recreation	James River Branch Trail Purchase and Development (ARPA)	4,500,000
NEW	Culture & Recreation	Crooked Branch Ravine Bridge (ARPA)	1,000,000
NEW	Culture & Recreation	Texas Beach/North Bank Tower Repair (ARPA)	2,000,000
		Total	\$ 60,500,000

REASON: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States’ recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts. The \$350 million in State & Local Recovery Funds, an amount of approximately \$155 million has been allocated to the City. This ordinance is to amend the FY23 budget to accept and appropriate the second tranche of those funds in the amount of \$77.4 million.

RECOMMENDATION: The City Administration recommends adoption.

BACKGROUND: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States’ recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts.

In May 2021, the Treasury Department released its Interim Final Guidance on the State and Local Government funding from the ARPA to provide guidance on the eligible uses. This funding is to aid localities in their recovery efforts over a four year period. The funding can be used within four area: (i) public health and economic impacts; (ii) premium pay; (iii) revenue loss; and (iv) investments in infrastructure.

The total allocation for the City is approximately \$155 million from just the State & Local Recovery funds portion. Funding will be distributed to the City in two tranches. The City has receive the first tranche of \$77.4 million in the spring of 2021 and the second tranche this past summer in 2022.

On July 27, 2021 the City released a survey for the purpose of determining resident and community priorities for spending the \$77 million in ARPA funding. Almost 2,000 surveys were completed. The survey asked residents to rank four core priorities, spending options within those priorities, and provide any other feedback via open response questions. Overall, residents ranked *Supporting Children and Families* the most important spending category, followed by *Transforming Infrastructure, Neighborhoods and Public Spaces*. City leadership used this feedback to assist them in crafting the ARPA Spending Plan to aid in the recovery efforts.

The ARPA Spending Plan consists of six priority area categories, which are: (i) Building Back Affordable and Healthy Homes; (ii) Building Back Healthier; (iii) Investing in our Future – Children and Families; (iv) Building Back Stronger; (v) Building Back Greener and more Resilient; (vi) Building Back Safer.

This ordinance is to amend certain FY23 budgets to appropriate the second year of funding in order to continue implementing the ARPA Spending Plan. The City will have until December 2026 to expend all funding it receives.

Lastly, part of the requirements of the City for receiving the ARPA funding is that the City is obligated to submit quarterly reports to the Department of Treasury. The quarterly reports require the City to report out on the expenditure details. As such, in addition to submitting these quarterly reports to Treasury, the Administration is committed to continuing to provide City Council with quarterly reporting in an effort to remain transparent on the use of this monumental funding.

FISCAL IMPACT / COST:

- **If Adopted:** The City will be able to spend up to \$77,439,914 in ARPA funds.
- **If Not Adopted:** The spending authority for these funds wouldn't be established.

FISCAL IMPLICATIONS: \$77,439,914 in non-local funds will be available for these efforts.

BUDGET AMENDMENT NECESSARY: Yes

REVENUE TO CITY: \$77,439,914

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: September 26, 2022

CITY COUNCIL PUBLIC HEARING DATE: October 10, 2022

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: N/A

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Housing & Community Development, Human Services, Finance, Public Works, Non-Departmental, Parks & Recreation, Budget, etc.

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-291; 2022-055; 2022-057

REQUIRED CHANGES TO WORK PROGRAM(S): Eligible expenditures incurred by City agencies will be centrally tracked.

ATTACHMENTS: Yes

STAFF: Jason May, Director of Budget and Strategic Planning

FY 2023 Budget Amendment

GENERAL FUND BUDGET

Agency	FY 2023 Adopted Budget	Total Amendment Increase	FY 2023 Modified Budget
General Government			
Budget and Strategic Planning	\$1,951,922	-	\$1,951,922
Chief Administrative Office	\$931,751	-	\$931,751
Citizen Service & Response	\$2,148,595	-	\$2,148,595
City Assessor	\$4,475,247	-	\$4,475,247
City Attorney	\$4,772,393	-	\$4,772,393
City Auditor	\$2,212,152	-	\$2,212,152
City Clerk	\$1,196,918	-	\$1,196,918
City Council	\$1,565,339	-	\$1,565,339
City Treasurer	\$330,265	-	\$330,265
Council Chief of Staff	\$1,568,281	-	\$1,568,281
Finance	\$12,841,153	2,699,914	\$15,541,067
General Registrar	\$4,043,401	-	\$4,043,401
Human Resources	\$5,233,237	-	\$5,233,237
Inspector General	\$902,510	-	\$902,510
Mayor's Office	\$1,297,271	-	\$1,297,271
Minority Business Development	\$962,824	-	\$962,824
Office of Strategic Communications & Civic Engagement	\$885,181	-	\$885,181
Procurement Services	\$1,748,525	-	\$1,748,525
Subtotal:General Government	\$49,066,965	2,699,914	\$51,766,879
Judicial			
13th District Court Services Unit	\$239,289	-	\$239,289
Adult Drug Court	\$773,365	-	\$773,365
Circuit Court	\$4,213,813	-	\$4,213,813
Judiciary - Commonwealth Attorney	\$7,931,439	-	\$7,931,439
Juvenile & Domestic Relations Court	\$255,346	-	\$255,346
Subtotal:Judicial	\$13,413,252	-	\$13,413,252
Public Safety			
Animal Care & Control	\$2,171,983	-	\$2,171,983
Dept. of Emergency Communications	\$6,355,577	-	\$6,355,577
Fire & Emergency Management	\$61,473,988	-	\$61,473,988
Richmond Police Department	\$109,246,739	-	\$109,246,739
Richmond Sheriffs Office	\$43,506,112	-	\$43,506,112
Subtotal:Public Safety	\$222,754,399	-	\$222,754,399
Public Works			
Public Works	\$44,857,117	1,500,000	\$46,357,117
Subtotal:Public Works	\$44,857,117	1,500,000	\$46,357,117
Health & Welfare			
Human Services	\$2,189,294	-	\$2,189,294
Justice Services	\$10,614,497	-	\$10,614,497
Office of Community Wealth Building	\$4,116,616	-	\$4,116,616
Richmond City Health District	\$4,633,490	-	\$4,633,490
Social Services	\$55,070,864	-	\$55,070,864
Subtotal:Health & Welfare	\$76,624,761	-	\$76,624,761

FY 2023 Budget Amendment

GENERAL FUND BUDGET

Agency	FY 2023 Adopted Budget	Total Amendment Increase	FY 2023 Modified Budget
Education			
Education	\$200,307,625	-	\$200,307,625
Subtotal:Education	\$200,307,625	-	\$200,307,625
Recreation & Cultural			
Parks, Rec.,& Community Facilities	\$22,233,309	1,500,000	\$23,733,309
Richmond Public Libraries	\$6,863,983	-	\$6,863,983
Subtotal:Recreation & Cultural	\$29,097,292	1,500,000	\$30,597,292
Community Development			
Economic Development	\$3,653,693	-	\$3,653,693
Housing and Community Development	\$1,770,778	10,000,000	\$11,770,778
Office of Sustainability	\$618,088	1,240,000	\$1,858,088
Planning & Development Review	\$13,183,977	-	\$13,183,977
Subtotal:Community Development	\$19,226,536	11,240,000	\$30,466,536
Other Public Services			
Non-Departmental Adopted	\$78,160,525	-	\$78,160,525
General Fund Transfer to Debt Service	\$105,207,356	-	\$105,207,356
Subtotal:Other Public Services	\$183,367,881	-	\$183,367,881
Total General Fund Expenditures	\$838,715,828	16,939,914	\$855,655,742

FY2023 Budget Amendment CAPITAL BUDGET

Project	Category	FY 2023 Adopted Budget	Total Amendment Increase	FY 2023 Modified Budget
Capital Budget (All Funds)		\$315,587,293	-	\$315,587,293
Existing - TB Smith (ARPA)	Culture & Recreation	-	19,000,000	19,000,000
Existing - Lucks Field (ARPA)	Culture & Recreation	-	19,000,000	19,000,000
Existing - Calhoun Center (ARPA)	Culture & Recreation	-	7,000,000	\$7,000,000
Existing - Southside Community Center (ARPA)	Culture & Recreation	-	8,000,000	\$8,000,000
Existing- James River Branch Trail Purchase and Development (ARPA)	Culture & Recreation	-	4,500,000	\$4,500,000
New Project - Crooked Branch Ravine Bridge (ARPA)	Culture & Recreation	-	1,000,000	\$1,000,000
New Project - Texas Beach/North Bank Tower Repair (ARPA)	Culture & Recreation	-	2,000,000	\$2,000,000
Capital Budget (All Funds)		\$315,587,293	60,500,000	\$376,087,293

ARPA Spending Plan By Priority Area

CATEGORY	Appropriation to:	TOTAL ALLOCATION	YEAR 1 FUNDING	YEAR 2 FUNDING
Building Back Affordable and Healthy Homes		\$32,300,000	\$22,300,000	\$10,000,000
Affordable Housing Trust Fund	Housing & Community Development	\$20,000,000	\$10,000,000	\$10,000,000
Creighton Court Redevelopment Phase I	Capital Budget	\$6,800,000	\$6,800,000	-
Highland Grove Redevelopment Phase I	Capital Budget	\$5,500,000	\$5,500,000	-
Building Back Healthier		\$5,000,000	\$2,500,000	\$2,500,000
Health Equity Trust Fund	Finance	\$5,000,000	\$2,500,000	\$2,500,000
<p><i>Systemic racism in Richmond has taken an enormous toll on the health of Black residents for generations and persists in countless ways today. The Center on Society and Health at VCU found that residents of low-income Black communities in the East End of Richmond have a life expectancy that is 20 years shorter on average than White residents in wealthy West End neighborhoods. Recent data also shows that Black residents of Richmond accounted for 62% of the city's COVID-19 cases, though they make up only 47% of the city's population.</i></p> <p><i>These health disparities are primarily caused by the social determinants of health: the underlying conditions that determine a person's ability to be healthy and well, such as safe housing and neighborhoods, education and job opportunities, healthcare access and quality, and systemic and overt racism. The Health Equity Trust Fund will invest in efforts to dismantle the systems that help racism, trauma, and health disparities to persist.</i></p>				
Investing in our Future - Children and Families		\$ 81,000,000	\$ 19,000,000	\$ 62,000,000
<i>Transforming community centers into opportunity centers for residents (multigenerational approach)</i>				
Child care and parental support	Human Services	\$2,000,000	\$2,000,000	-
Family Crisis Funding	Finance	\$1,000,000	\$1,000,000	-
Parks Master Plan	Capital Budget	\$500,000	\$500,000	-
TB.Smith	Capital Budget	\$20,000,000	\$1,000,000	\$19,000,000
Lucks Field	Capital Budget	\$20,000,000	\$1,000,000	\$19,000,000
Calhoun	Capital Budget	\$8,000,000	\$1,000,000	\$7,000,000
Southside Community Center	Capital Budget	\$16,000,000	\$8,000,000	\$8,000,000
James River Branch Trail Purchase and Development (Connects Southside offroad to JRPS)	Capital Budget	\$9,000,000	\$4,500,000	\$4,500,000
Crooked Branch Ravine Bridge - Connects Wythe to Fall Line Trail and Forest Hill Park	Capital Budget	\$1,000,000	-	\$1,000,000
Texas Beach/North Bank Tower Repair (Connects Maymont Neighborhood to JRPS)	Capital Budget	\$2,000,000	-	\$2,000,000
Property Acquisition for new Southside Parks (10 min walk gap)	Parks and Recreation	\$1,500,000	-	\$1,500,000

ARPA Spending Plan By Priority Area

CATEGORY	Appropriation to:	TOTAL ALLOCATION	YEAR 1 FUNDING	YEAR 2 FUNDING
<i>Building Back Stronger</i>		\$8,839,828	\$8,139,914	\$699,914
Small business grant application support and outreach	Economic Development	\$1,000,000	\$1,000,000	-
Façade and city beautification improvements (trees, signs, etc.)	Public Works	\$2,000,000	\$1,500,000	\$500,000
OCWB Workforce Development and Community Ambassadors	Office of Community Wealth Building	\$1,500,000	\$1,500,000	-
CDFI Revolving Loan Fund	Finance	\$3,000,000	\$3,000,000	-
Covid-19 Administrative Response Reserve	Finance	\$1,339,828	\$1,139,914	\$199,914
<i>Building Back Greener and more Resilient</i>		\$ 19,240,000	\$ 18,000,000	\$ 1,240,000
Climate Risk Assessment and Implementation	Office of Sustainability	\$1,540,000	\$300,000	\$1,240,000
Lead Line Replacement	Public Utilities - Water	\$1,000,000	\$1,000,000	-
Stormwater	Public Utilities - Stormwater	\$12,500,000	\$12,500,000	-
Healthy Homes (Weatherization, Home Rehabilitation)	Finance	\$4,200,000	\$4,200,000	-
<i>Building Back Safer</i>		\$ 8,500,000	\$ 7,500,000	\$ 1,000,000
Gun violence prevention	Finance	\$1,500,000	\$1,500,000	-
First responders hazard pay	Non-Departmental	\$5,000,000	\$5,000,000	-
Enhanced Lighting (street and business) and cameras	Public Works	\$2,000,000	\$1,000,000	\$1,000,000
TOTAL:	TOTAL:	\$154,879,828	\$77,439,914	\$77,439,914