

Mayor and Council Communication

DATE: 09/27/22

M&C FILE NUMBER: M&C 22-0789

LOG NAME: 13ARPA AMERICAN RESCUE PLAN ACT PROJECT ALLOCATIONS

SUBJECT

(ALL) Authorize the Allocation of American Rescue Plan Act State and Local Fiscal Recovery Funds for Eligible Projects as Listed, Adopt Appropriation Ordinance, and Amend Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the allocation of \$12,019,452.00 from American Rescue Plan Act State and Local Fiscal Recovery Funds, Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) for the purpose of supporting the City's Health Insurance and Worker's Compensation plan expenditures for Public Safety employees and funding the United Way One Second Collaborative, Tarrant Area Food Bank Expansion, Visit Fort Worth, and Texas Wesleyan University utility relocation ARPA initiatives;
2. Approve the allocation of \$27,875,000.00 from the American Rescue Plan Act State and Local Fiscal Recovery Funds, Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) for transfer to the Grants Cap Projects Federal Fund for the purpose of eligible capital streetlight and pedestrian safety projects, capital improvements for Cobb and Highland Hills Parks and the Fort Worth Zoo, and capital improvements for Will Rogers Memorial Coliseum;
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Cap Projects Federal Fund, transferred from the Grants Operating Federal Fund in the amount of \$27,875,000, allocated as follows: (1) \$16,000,000.00 for the purpose of funding the Streetlight and Pedestrian Safety Improvement project, (2) \$1,500,000.00, for the purpose of funding the Cobb Park Road and Parking Reconstruction project, (3) \$1,000,000.00 for the Highland Hills and Parking Reconstruction project, (4) \$1,500,000.00 for the Fort Worth Zoo ARPA project, (5) \$5,950,000.00 for the Will Rogers MC Air Handler project, and (6) \$1,925,000.00 for the Will Rogers MC Renovation project;
4. Amend the Fiscal Year 2022 Adopted Budget and Fiscal Year 2022-2026 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor & Council Communication is to allocate \$39,894,452.00 of American Rescue Plan Act (ARPA) Subtitle M State and Local Fiscal Recovery Funds (SLFRF) to eligible projects and to approve the appropriations necessary for the transfer of SLFRF funding to capital projects for the Transportation & Public Works and Park & Recreation Departments.

The City of Fort Worth received a total ARPA SLFRF allocation of \$173,745,090.00, consisting of \$86,874,408.00 to be spent in the areas of Public Health and Negative Economic Impacts (Non-Revenue Recovery), and \$86,870,682.00 to assist the City of Fort Worth (City) with the provision of governmental services (Revenue Recovery). On June 21, 2021, Mayor & Council Communication (M&C) 21-0445 adopted a framework of the City's priorities for ARPA funding. To-date City Council has approved projects totaling \$120,366,580.00. \$72,130,000.00 has been allocated in the Revenue Recovery category, leaving \$14,740,682.00 available for allocation, and \$48,236,580.00 has been allocated in the Non-Revenue Recovery category, leaving \$38,637,828.00 available for allocation.

Projects previously recommended by City Administration but not yet approved by Council include:

Category	Amount	Project Lead	Description
Non-Revenue Recovery	\$16,000,000.00	Transportation & Public Works	Majority Minority Area Infrastructure projects - Streetlights & Pedestrian Safety
Non-Revenue Recovery	2,500,000.00	Park & Recreation	Majority Minority Area Infrastructure projects - Cobb and Highland Hills Parks
Revenue Recovery	1,500,000.00	Park & Recreation	Majority Minority Area Infrastructure projects - Fort Worth Zoo
Revenue Recovery	200,000.00	Economic Development	Texas Wesleyan University on-campus public utility relocation

	\$20,200,000.00	Total	
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In addition to the recommended projects above, \$5,000,000.00 has been set aside from Revenue Recovery ARPA funds for a Texas A&M University project yet to be determined.

In order to identify additional eligible projects to allocate remaining ARPA SLFRF funding towards, City Administration initiated a Request for Proposal process to solicit proposals. After an internal review of submissions, City Administration made recommendations for additional projects for ARPA allocations in both the Revenue Recovery category and the Non-Revenue Recovery category, as shown below.

Revenue Recovery Category

Project Name	Amount	Project Lead	Description
Will Rogers MC – Air Handlers	\$5,950,000.00	Public Events	Replace facility air handlers 20+ years past life
Will Rogers MC – Renovation	1,925,000.00	Public Events	Update concourse and restrooms, ensure Americans with Disability Act compliance
Remaining Funds	165,682.00		Held in Contingency
Total Allocation	\$8,040,682.00		

Non-Revenue Recovery Category

Project Name	Amount	Project Lead	Description
Tarrant Area Food Bank	3,200,000.00	Economic Development	Purchase of 80,000 sf facility to double the Food Bank’s capacity
Public Safety Worker’s Comp	2,000,000.00	Human Resources	COVID claims for Police and Fire
Police Health Expenditures	1,458,372.00	Human Resources	Health claims for COVID treatment
Visit Fort Worth	750,000.00	Public Events	Additional funding for special events
United Way One Second Collaborative	4,411,080.00	Police	Gun violence prevention
Remaining Funds	318,375.58		Held in Contingency
Total	\$12,137,827.58		

There is an additional project in the Non-Revenue Recovery category for Deeply Affordable Housing that is anticipated to utilize \$8,000,000.00 for drainage and infrastructure work necessary for the development of Tobias Place, an affordable housing development that includes over 50 deeply affordable housing units and over 200 other affordable units. This project is currently on hold pending certain decisions regarding financing, but Staff will bring forwarded an M&C on this project in early 2023 once a determination is made regarding the financing structure for the project.

Not all of the identified capital projects were included in the 2022-2026 Capital Improvement Project (CIP), and some were listed in the CIP but with funding from a source other than ARPA. Adoption of this M&C will amend the CIP to add projects that were not previously listed and to revise the funding source for projects that were originally identified to be paid for from a source other than ARPA.

The following chart reflects the current status for allocation of the City’s ARPA funding under Subtitle M, including all M&Cs on the September 27, 2022 Council Agenda:

	Amount	M&C
Total CFW ARPA Subtitle M Funding	\$173,745,090.00	21-0445 362021 AMERICAN RESCUE PLAN
Allocations Approved to-Date	1,000,000.00	21-0805 13ARPA-ADMINISTRATION
Allocations Approved to-Date	4,245,533.42	21-0810 17ARPA ALLOCATIONS EVANS & ROSEDALE REDEVELOPMENT
Allocations Approved to-Date	3,000,000.00	21-0809 17ARPA ALLOCATION CDFI FRIENDLY AMERICA
Allocations Approved to-Date	2,400,000.00	21-0811 17ARPA ALLOCATIONS TO UNTHSC TECHSTARS
Allocations Approved to-Date	10,100,000.00	21-0814 19ARPA ALLOCATIONS TO HOUSING AND HUMAN SERVICES PROJECTS
Allocations Approved to-Date	3,000,000.00	22-0268 19ARPA CENTER FOR TRANSFORMING LIVES
Allocations Approved to-Date	5,000,000.00	22-0270 19ARPA ALLOCATION FOR PERMANENT SUPPORTIVE HOUSING
Allocations Approved to-Date	52,000,000.00	22-0934 21ARPA-FWCC EXPANSION FUNDING & PROJECT MANAGMENT
Allocations Approved to-Date	6,400,000.00	21-0935 21ARPA AND PEG FUNDING-FUTURE CITY HALL
Allocations Approved to-Date	8,000,000.00	21-0908 23ARPA-VACCINATIONS AND TESTING
Allocations Approved to-Date	300,000.00	21-0820 25ARPA-WRMC MURAL PLAQUES
Allocations Approved to-Date	6,000,000.00	21-0794 25ARPA-VFW-TDG
Allocations Approved to-Date	4,560,000.00	21-0913 25ARPA-PED_CAPITAL RESTORE
Allocations Approved to-Date	7,091,047.00	22-0368 04ARPANEIGHBORHOOD WIFI CARES RATIFICATION/ARPA ALLOCATION
Allocations Approved to-Date	3,595,000.00	22-0366 04ARPA INFRASTRUCTURE PROGRAM
Allocations Approved to-Date	3,675,000.00	22-0367 04ARPA CYBERSECURITY PROGRAM
Pending Allocation (This M&C)	20,200,000.00	PREVIOUSLY RECOMMENDED PROJECTS AS LISTED
Pending Allocation (This M&C)	7,875,000.00	REVENUE RECOVERY CATEGORY PROJECTS AS LISTED
Pending Allocation (This M&C)	11,819,452.00	NON-REVENUE RECOVERY CATEGORY PROJECTS AS LISTED
Remaining Unallocated Balance	\$13,484,057.58	

The remaining unallocated balance of ARPA funding consists of the following:

\$5,000,000.00	Texas A&M University project - to be determined
8,000,000.00	Deeply Affordable Housing project - on hold
165,682.00	Revenue Recovery category - held in contingency
318,375.58	Non-Rvenue Recovery category - held in contingency
\$13,484,057.58	Total Remaining Unallocated Balance

Funding is budgeted in the American Rescue Plan Act project within the Grants Operating Federal Fund for the purpose of funding various projects for the management and support of the ARPA initiatives approved by City Council.

These projects are located in All Council Districts.

NOTE ON APPROPRIATIONS - All of the ARPA dollars were previously appropriated in the Grants Projects Federal (Operating) Fund (M&Cs 21-0445 and 22-0490). Because some of the projects being recommended for approval by this M&C would constitute capital expenditures by the City, a transfer and appropriation is needed for those funds (Recommendations 2 and 3). For the recommendations that involve expenditure directly out to the Grants operating fund, no further action regarding appropriations is needed.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the Grants Operating Federal Fund American Rescue Plan Act project, and that, upon approval of the above recommendations, funds will be available in the Grants Caps Projects Federal Fund in various projects for the management and support of the ARPA initiatives approved by City Council. Prior to any expenditures being incurred, the participating departments and Financial Management Services have the responsibility of verifying the availability of funds.

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Expedited