



Hallandale Beach
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City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:		Item Type:		1 st Reading	2 nd Reading	
9/27/2021		<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other		Ordinance Reading	N/A	N/A
				Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
				Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
				Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:						
21-413						
Fiscal Impact (\$):		Account Balance (\$):	Funding Source:	Project Number :		
\$19,957,515		\$0	Federal Grant	ARPA1		
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:	Department:		
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	N/A	Dr. Jeremy Earle, City Manager	City Manager's Office		
Strategic Plan Focus Areas:						
<input checked="" type="checkbox"/> Finance & Budget		<input type="checkbox"/> Organizational Capacity		<input type="checkbox"/> Infrastructure/Projects		
Implementation Timeline:						
Estimated Start Date: 9/27/2021 Estimated End Date: 12/31/2024						

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, APPROVING AND ACCEPTING GRANT AWARD OF THE AMERICAN RESCUE PLAN ACT (ARPA) CORONAVIRUS LOCAL FISCAL RECOVERY IN THE AMOUNT OF \$19,957,515 DOLLARS FROM THE DEPARTMENT OF TREASURY THROUGH THE STATE OF FLORIDA DIVISION OF EMERGENCY MANAGEMENT (FDEM); AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL GRANT DOCUMENTS TO EFFECTUATE ACCEPTANCE OF GRANT FUNDS; AND PROVIDING FOR AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

Staff seeks City Commission approval and acceptance of the American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund Agreement, and authorization to execute any and all documents for the City to receive ARPA funding from the Department of the Treasury through the State of Florida Division of Emergency Management (FDEM).

Background:

The American Rescue Plan Act of 2021 was signed into law on March 11, 2021, and will deliver \$350 billion for eligible state, local, territorial, and tribal governments to respond to the COVID-19 Pandemic.

Funding provided under ARPA provides a unique opportunity for state and local governments to make strategic investments in long-lived assets, rebuild reserves to enhance financial stability, and cover temporary operating shortfalls until economic conditions and operations normalize.

Under ARPA, states will receive approximately \$220 billion and local governments will receive approximately \$130 billion, equally divided between cities and counties. For cities, \$65 billion is divided between Community Development Block Grant (CDBG) entitlement jurisdictions and those that are not. Of this allocation, \$19.5 billion will be allocated to non-entitlement cities. Entitlement cities will receive funds directly from the Department of the Treasury, while non-entitlement cities will receive funds through their respective States.

The City of Hallandale Beach is a non-entitlement City and will receive a total of \$19,957,515 through the FDEM (Exhibit 2). Two payments will be made to the City. The first payment will be made upon execution of the ARPA agreement, and the second will be issued a year later.

Funding for eligible expenditures must be spent or obligated by December 31, 2024 and cover expenditures from March 3, 2021 through December 31, 2024. Funds obligated by December 31, 2024 but not yet spent have to be spent by December 31, 2026. For purposes of the ARPA, obligated means an order placed for property or services, and entering into contracts, subawards, and similar transactions that will require payment after December 31, 2024.

The Department of the Treasury has issued an Interim Final Rule and a Frequently Asked Questions Sheet outlining eligible spending and compliance guidelines. Per the Interim Final Rule ([2021-10283.pdf \(govinfo.gov\)](https://www.govinfo.gov/2021-10283.pdf)), eligible uses of ARPA funds include the following four categories:

1. To respond to the public health emergency or its negative economic impacts;
2. To respond to workers performing essential work during the COVID-19 public health emergency;
3. For the provision of government services to the extent of lost revenue due to the COVID-19 pandemic; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

ARPA funds will play a key role in the City's recovery from financial injury caused by the COVID-19 Pandemic. Funds will be primarily slated to cover budget shortfalls, in the amount of revenue loss, which is calculated at various intervals as per the Interim Final Rule. ARPA funding to be budgeted over the next three years is shown in the City's 5-Year Financial Strategy and Projections. This document has been shared with the City Commission as part of the FY2021/22 Budget process (Exhibit 4).

Current Situation:

On August 31, 2021, a funding agreement was received from the FDEM. While there is no specific deadline for the execution of documents, the FDEM is urging grantees to sign and return agreements as soon as possible to ensure timely disbursement of funds.

Why Action is Necessary:

Pursuant to Article V, Section 5.01, of the City of Hallandale Beach Charter, Resolutions are to be presented to and adopted by a majority of the Commission. Furthermore, as per the Grants Administrative Policy, a resolution of the City Commission authorizing the approval and acceptance of the grant application and/or award is required.

Cost Benefit:

The acceptance of ARPA funds will greatly assist in the City's recovery from the financial impacts of the COVID-19 Pandemic; primarily associated with the loss of revenue to date, and projected losses through December 2024.

PROPOSED ACTION:

The City Commission consider the attached Resolution.

ATTACHMENT(S):

- Exhibit 1 – Proposed Resolution
- Exhibit 2 – ARPA Agreement
- Exhibit 3 – ARPA Fact Sheet
- Exhibit 4 – 5-Year Financial Strategy and Projections FY21-FY25

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Dr. Jeremy Earle
City Manager