Council Workshop – ARPA Agenda

Wednesday, December 14, 2022 @ 5:15 pm

1. **Update on Meetings with Penobscot County Commissioners**

2. **Public Health Category**
   a. Mental Health
      i. Update from Public Health
   b. Substance Use Disorder
      i. Update from City Solicitor on Opioid Class Action Suit Settlement
      ii. Update from Public Health

3. **Broadband/Sewer/Water Infrastructure**
   a. Update, if any, on discussion with potential Broadband provider
   b. Sewer/Water Infrastructure
      i. Potential to support housing opportunities through the installation of sewer/water infrastructure

4. **Negative Economic Impact**
   a. Household Assistance
      i. Have obtained LiHeap and Efficiency Maine program background information all are willing to partner. Each are awaiting final determination of funding. Once completed, staff will work to identify gaps or barriers that could become ARPA opportunities.
   b. Job Training Assistance
      i. Over the next month, staff will work to identify existing programs in place.
   c. Aid to Non-Profits
      i. Identified as a potential application process.
   d. Small Business Economic Assistance
      i. Identified as a potential application process.

5. **Disproportionately Impacted Communities**
   a. Healthy Childhood Environments
      i. Childcare was identified.
   b. Unhoused Persons
      i. Many of the challenges faced by our unhoused population are addressed in other categories (SUDS, mental health, housing). We have CDBG funding available to alleviate some near term challenges (i.e. warming center capacity).
      ii. During the budget process a homelessness response coordinator position was discussed but not funded. This response was identified last week during the Council priority setting session as one of the Council's priorities for 2022-2023. Staff will develop options for the Council to review in January.

    c. Housing

        i. Invest in affordable housing with identified partners or through an application process. The affordable housing regulations for ARPA include two primary presumptions for eligibility; 1) if the project is eligible to be funded under certain existing federal housing programs and 2) if the unit has a limited maximum income of 65% of area median income, with a legal requirement of at least a 20 year term. There are other categorical options that could play a role as well in the development of housing including sewer/water infrastructure investments. Staff has had initial discussions with BHA and Penquis who have identified five potential opportunities.

        ii. Hiring a housing coordinator was approved as part of the FY2023 budget. The budget discussion seemed to focus on the needs of individuals who were disproportionately impacted. Subsequent discussions have indicated a need for housing exists at all levels. Efforts to support affordable housing would qualify for ARPA funding.

6. Revenue Loss (Government Services)

Recipients may elect a standard allowance of up to $10 million to spend on government services through the period of performance. Government Services includes any service traditionally provided by a government, unless specifically exempted. It is important to note that every use that is eligible under another use category is eligible under revenue loss. This is the most flexible use category and funds are subject to streamlined reporting and compliance restrictions, subject to certain restrictions that apply to all eligible use categories. The following projects were identified within this category for consideration:

Streets/Sidewalks	Bike Lanes/Path
Recreation Trails	City Hall (HVAC/Elevator/Sprinkler)
Enhanced Lighting	Video System (public spaces)
Fire Station Improvements	CDS Projects
EV Chargers	Public Restrooms

Costs incurred to administer this program are an eligible use of funds. City staff had provided information to the Council regarding the potential to partner with another recipient for this purpose. Two weeks ago, we were notified that would not be a viable option. Staff has since identified a potential candidate to fill this role, who has experience with this program.

7. Process Options

The City Council has authority to obligate funds in accordance with federal regulations. This can be accomplished in a myriad of ways. A few examples of process the City Council can choose to implement are:

- to partner with other recipients, currently working with Penobscot County to identify options

- convene workgroups of experts to develop priorities for consideration
- initiate an application process, which could include identifying a particular amount to be made available and /or identifying specific priorities for which applications would be accepted
    - If an application process is undertaken consider ensuring that relevant operating and performance data is provided and identify any additional reporting requirements
- make direct allocations

Regardless of the process, the City Council indicated support for the following additional considerations; fund project with no other funding options, conduct thorough outreach, ensure an open and transparent process and determine how school efforts that are currently underway may impact any priorities.

8. **Criteria Considerations**
The City Council has indicated a desire to establish criteria which would be applied to funding opportunities as part of the decision making process. To date the following criteria have been discussed;
- would the award leverage additional funding
    - potential partnerships or grant matches
- would the award support Council priorities or adopted plans
- how many residents would be impacted
    - consider demographic most impacted
- would the award mitigate future costs to taxpayers
- would the award fund one-time costs vs. ongoing operations
- consider the probability of successful outcomes
- is the initiative sustainable
- consideration of short-term vs. long-term benefits
    - short-term projects can have long-term benefits

These suggestions were meant to provide a framework to aid in the City Council's deliberations only.