



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

Streaming Link:

<https://www.facebook.com/CityofLodi/>

<https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

AGENDA
City Council Special Meeting
Date: March 23, 2021
Time: 7:00 a.m.

SPECIAL NOTICE

Effective immediately and while social distancing measures are imposed, Council chambers will be closed to the public during meetings of the Lodi City Council.

The following alternatives are available to members of the public to watch Council meetings and provide comments on agenda and non-agenda items before and during the meetings.

Viewing:

Members of the public may view and listen to the open session of the meeting at <https://www.facebook.com/CityofLodi/>; or

Please click the link below to join the meeting:

<https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

Passcode: 583605

Or iPhone one-tap :

US: +16699009128,,97500264844#

Or Telephone: Dial: US +1 669 900 9128

Webinar ID: 934 5571 9476

Public Comment:

Members of the public can send written comments to the City Council prior to the meeting by emailing councilcomments@lodi.gov. These emails will be provided to the members of the City Council and will become part of the official record of the meeting.

Members of the public who wish to verbally address the City Council during the meeting should email those comments to councilcomments@lodi.gov. Comments must be received before the Mayor or Chair announces that the time for public comment is closed. The Assistant City Clerk will read three minutes of each email into the public record. **IMPORTANT:** Identify the Agenda Item Number or Oral Communications in the subject line of your email. Example: Public Comment for Agenda Item Number C-17. Members of the public may also participate via Zoom at the following link: <https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

Pursuant to the Americans with Disabilities Act (ADA) and Executive Order N-29-20, if you need special assistance to provide public comment in this meeting, please contact the Office of the City Clerk at (209) 333-6702 or cityclerk@lodi.gov at least 48 hours prior to the meeting in order for the City to make reasonable alternative arrangements for you to communicate your comments. If you need special assistance in this meeting for purposes other than providing public comment, please contact the Office of the City Clerk at (209) 333-6702 or cityclerk@lodi.gov at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.160 (b) (1)).

SPECIAL TELECONFERENCE NOTICE

Pursuant to Executive Order N-29-20:

The Brown Act, Government Code Section 54953, contains special requirements that apply when members of a legislative body participate in a public meeting by telephone. Certain of these requirements have been suspended by Paragraph 3 of Executive Order N-29-20, executed by the Governor of California on March 17, 2020, to mitigate the spread of Coronavirus (COVID-19). In particular, the Executive Order suspends that provision of the Brown Act that requires noticing, posting of agendas, and public access to each location where a member will be participating telephonically, as well as provisions that require physical presence of members of the legislative body or the public for purposes of a quorum or to hold a meeting. Executive Order N-29-20 allows an agency to conduct a teleconference meeting that provides members of the public telephonic or other electronic participation in place of making a physical location for the public to observe the meeting and provide public comment, consistent with other provisions of the Brown Act.

For information regarding this Agenda please contact:
Jennifer Cusmir
City Clerk
Telephone: (209) 333-6702

Special Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Provide Direction on the City of Lodi's Priorities for the use of Federal American Rescue Plan Act of 2021 Funding (CM)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer Cusmir
City Clerk

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer Cusmir at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer Cusmir (209) 333-6702.



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Provide Direction on the City of Lodi’s Priorities for the Use of Federal American Rescue Plan Act of 2021 Funding

MEETING DATE: March 23, 2021

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Provide direction on the City of Lodi’s priorities for the use of federal American Rescue Plan Act of 2021 funding

BACKGROUND INFORMATION: The American Rescue Plan Act of 2021 was signed into law on March 11, 2021. The Act provides \$65.1 billion to the approximately 19,000 units of state, local and tribal governments nationwide using a block grant formula. The League of California Cities has provided funding estimates that currently show Lodi receiving \$16.14 million dollars.

The funding is to be used for various relief programs due to the ongoing COVID-19 pandemic. Full details on eligible expenditures and program requirements are expected soon from the Treasury Department. City Staff is monitoring for release of guidance. Per the legislation, the City may use the funds from this Act to:

- Respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19_ or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid impacted industries such as tourism, travel, and hospitality;
- Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the City that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- For the provision of government services to the extent of the reduction in revenue of the City due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year for the City prior to the emergency;
- To make necessary investment in water, sewer, or broadband infrastructure.

The City has until December 31, 2024 to spend funds, however due to the ongoing nature of the pandemic and its negative impacts, it is imperative the City gets started implementing programs to spend the funding. In addition to permissible activities, funding of unfunded pension liabilities is expressly prohibited. Staff is seeking to get feedback on a list of priorities that will allow staff to dedicate substantial resources to these projects so they can be implemented quickly and efficiently. Once direction is provided on a list of priorities, staff will bring a resolution to Council appropriating the funding and formally establishing the priority list.

APPROVED: _____
Stephen Schwabauer, City Manager

FISCAL IMPACT: There is no fiscal impact from this presentation. There is no matching requirement to this funding opportunity. All projects recommended by staff are fully funded from the proceeds of the American Rescue Plan Act of 2021.

Andrew Keys, Deputy City Manager

America Rescue Plan Act of 2021



Background

- COVID-19 has infected approximately 30,000,000 Americans, nearly 540,000 of whom have lost their lives in approximately 1 year's time frame.
- Government restrictions enacted to minimize the impact of COVID-19 have impacted economies across the nation and globe.
- The \$2.2 trillion CARES Act was signed into law March 27, 2020, but did not include any funding for local government.
- The American Rescue Plan Act of 2021 is a \$1.9 trillion economic stimulus bill signed into law March 11, 2021, that included \$65 billion for local governments nationwide.



America Rescue Plan Act of 2021

- Agriculture and nutrition programs, including extending SNAP and the Pandemic EBT program to keep families fed through the pandemic;
- Schools and institutions of higher education to safely reopen schools, address learning loss, and support students and staff, including support for broadband for students;
- Child care to help sustain child care providers and expand child care assistance to 857,000 children;
- COVID-19 vaccinations, testing, treatment, and prevention, especially for hard to reach communities and areas;
- Mental health and substance-use disorder services;

Source: League of CA Cities



America Rescue Plan Act of 2021

- Emergency rental assistance, homeowner assistance, and other housing programs to help families pay rent, mortgages, and utilities;
- Transit agencies to prevent layoffs of transit workers and prevent severe cuts to transit services that essential workers and the general public rely on.
- **Payments to state, local, tribal, and territorial governments for economic relief and to combat the virus;**
- Small business assistance, including specific programs for restaurants and live venues;
- Support for health care workers, transportation workers, federal employees, veterans, and other targeted populations;
- International and humanitarian responses and;
- Tribal government services.



Local Government Allocation

- \$65 billion is allocated using a “block grant” formula to every local jurisdiction nationally.
 - \$7 billion to California cities
 - **\$16.14 million to Lodi (Current estimate)**
 - Funds can be expected as early as 60 days following passage, and must be spent by December 31, 2024.
- Some restrictions are placed on the use of funds:
 - Can be used to replace lost revenue.
 - Economic Development including aid to households, small businesses, non profits and industries especially affected by COVID like hospitality and tourism.
 - Direct response to the COVID-19 public health emergency.
 - Water, sewer or broadband infrastructure investments.
- Full guidance for use of the funds has not yet been released. The Treasury Department is required to release those guidelines and the City will be reviewing any releases as soon as they are available.



A Plan for the City

- By replacing lost revenue, the City loses any potential restrictions placed on the federal relief funds when providing local relief programs.
- Staff proposes to first replace General Fund lost revenue as a priority with the funding.
 - Minimizes impacts of COVID on service levels.
 - Allows funding to be reallocated to make various long term reserve accounts whole from a funding freeze in the FY 2021 budget.
- Staff secondarily proposes to replace revenue for operating funds supported by the General Fund.
 - PRCS had almost no operating revenue in FY 2020-21.
 - Library lost some revenue in FY 2020-21.
- COVID purchases not eligible for FEMA reimbursement.
 - Cyber security upgrades and technology hardware purchases necessary to send staff to work from home were deemed ineligible by FEMA (approximately \$200,000)
 - Various cleaning and PPE expenditures after September 2020 (estimated at \$500,000)



Revenue Loss Replacement

Fund	FY 20*	FY 21*	Total	Proposed Use
General Fund**	428,436	1,815,484	2,243,921	Fund Various Reserve Accounts not funded due to COVID
Library	785	28,893	29,678	Maintain Fund Balance, eliminate cuts
PRCS	690,382	1,551,684	2,242,066	Maintain Fund Balance, eliminate cuts
Total	1,119,603	3,396,061	4,515,664	



FY 2020-21 Unfunded Reserve Allocations

	Requested	Budgeted	Unfunded	Proposed Funding
General Fund Capital Outlay Fund	435,000	-	435,000	435,000
Information Systems Replacement	65,000	-	65,000	65,000
Police Vehicle Replacement	788,000	210,000	578,000	578,000
Fire Vehicle Replacement	700,000	454,860	245,140	245,140
Fire Alerting Station Equip Replace	14,000	7,000	7,000	7,000
Fire Backup Alerting System	8,000	-	8,000	8,000
Fire Compressor Replacements	14,000	-	14,000	14,000
Fire Exercise Equip Replacements	3,000	-	3,000	3,000
Total Unfunded FY 21 Capital Replacements			1,355,140	1,355,140

Remaining General Fund Revenue Replacement Available for Community Priorities				888,781
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NOTE: This is the proposed “second use” of the 2021 ARPA funds after the City deposits the funds into the General fund as revenue replacement. FY 2021-22 Budget recommendations will include funding these reserves through current Resources.



Total Funds for City Plan

Total City of Lodi Allocation	16,140,000
Total Revenue Replacement	(4,515,664)
COVID-19 IT Expenses	(200,000)
COVID-19 Leave for Employees	(1,365,000)
COVID - 19 Expenditures Likely Ineligible through FEMA	(500,000)
Remainder for Community Priorities	9,559,336
General Fund Revenue Replacement Available for Community Priorities	888,781
Total Available for Community Priorities	10,448,117



A Plan for the Community

- Approximately \$10.4 million remains after replacing lost revenue and reimbursing for COVID related IT costs.
- Best practice is to utilize one time revenues for one time purposes.
- Staff is proposing funding some or a portion of multiple COVID response programs and long term City priorities with these funds.
- Future Council action will seek flexibility within the various priorities listed, along with required reporting to Council on progress, to ensure money can be spent efficiently and responsibly to have its intended benefit.



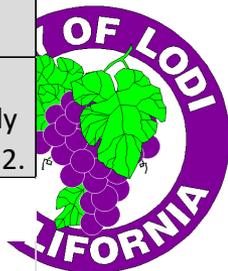
Funded Community Priorities

Ranking	Priority	Potential Cost	Staff Proposal	Notes
1	Small Business Assistance Grants	\$600,000	\$ 600,000	Funds existing applications prior resources could not accommodate
2	Economic Development Grants	\$500,000 +	\$ 500,000	Untold demand
3	Public Service Providers *	\$330,000 +	\$ 330,000	Untold demand
4	Testing or Vaccine Incentives	\$250,000 +	\$ 250,000	Provide incentive (gift card or bill credit) to test or get vaccine
5	Utility Debt Relief *	\$3-4 million +	\$ 1,500,000	Direct relief to customers in need
6	Nav Center and Low Bar Shelter	\$3-\$5.5 million	\$ 5,500,000	Total cost is \$5.5 million. Staff is seeking other funding that may reduce the needs from this source. Should other sources emerge, this can be reallocated.
7	City Wide Homeless Cleanup	\$67,500+	\$ 67,500	One time Citywide homeless encampment and debris cleanup. Will not provide sheltering assistance. Cost is approximately \$13,500/day for 5 days for PW and PD staff
8	Broadband Infrastructure	\$1 million +	\$ 1,000,000	
9	Affordable Housing Development - Ordinance changes and site acquisition/development	\$1 million +	\$ 500,000	
10	Set Aside for Additional Revenue Losses for PRCS/Library or Unforeseen Needs	\$1 million +	\$ 200,617	COVID restrictions and anxiety likely in place for some or all of FY 2021-22.

* Other legislation may provide some or all of this relief.

** May not be eligible.

*** Total includes \$888,781 in General Fund Revenue Loss Replacement reallocated to these projects.



Community Priorities Not Funded

Ranking	Priority	Potential Cost	Staff Proposal	Notes
11	Economic Development Site Preparation **	\$1 million +	\$ -	
12	Animal Shelter **	\$10-\$15 million	\$ -	Longer term project planned by Staff to be financed in 2022
13	2nd Floor Improvements at 230 W Elm St (above PRCS Office) **	\$1 million	\$ -	Move staff out of basements
14	Refund EU for COVID Relief Credit	\$1.5 million	\$ -	Offset future ECA increases
15	Refund EU for COVID Related Energy Efficiency Assistance	\$1.5 million	\$ -	Offset future ECA increases
	Total***	\$25.3 - 33.25+ M	\$ 10,448,117	



Requested Action

- Staff is seeking direction on the priority list provided and staff's recommended ranking.
- A resolution will be brought forward at an April council meeting to set priorities to allow staff to deliver the projects and programs to be implemented by the funding provided by the ACT.
 - Staff Priority 1 is revenue replacement for the General Fund, PRCS and Library.
 - Staff Priority 2 is reimbursement for various COVID-19 costs likely to be FEMA eligible.
 - Staff Priority 3 is various community priorities discussed.

