



CITY MANAGER'S OFFICE

AGENDA REPORT

DATE: May 18, 2021

TO: Honorable Mayor and Members of the City Council

FROM: Laura Snideman, City Manager
LaShonda White, Interim Library and Community Services Director
Anil Comelo, Interim Deputy City Manager
Antonio Banuelos, Accounting Manager

SUBJECT: RICHMOND'S AMERICAN RESCUE PLAN ACT ALLOCATION

STATEMENT OF THE ISSUE:

The United States Department of Treasury released American Rescue Plan Act (ARPA) regulations and updated local government allocations on May 10, 2021. As part of the \$1.9 trillion relief package, Richmond's new allocation is currently set at \$27.7 million (up from \$20.8 million). Staff will provide an ARPA update, as well as present community and stakeholder ideas on how to spend the City's ARPA allocation.

RECOMMENDED ACTION:

RECEIVE a presentation and PROVIDE feedback on how Richmond should spend its \$27.7 million American Rescue Plan Act allocation – City Manager's Office/Finance Department (Laura Snideman/LaShonda White 510-620-6512).

FINANCIAL IMPACT OF RECOMMENDATION:

There is no financial impact for receiving this presentation. City Council's ultimate decision regarding the use of ARPA funds will positively impact the City of Richmond and the community through December 31, 2024.

DISCUSSION:

Through the passage of H.R. 1319, the American Rescue Plan Act (ARPA), state, tribal and local governments are expected to receive billions in much needed assistance to help offset the negative impacts of COVID-19. Richmond is currently situated to receive \$27.7 million

which is an increase of almost \$7 million from the original estimated allocation of \$20.8 million. It is anticipated that funds will be received in 2 equal installments one year apart with the first allocation expected to come around June 2021, and the final installment expected one year later in 2022. All funds must be spent by the end of calendar year 2024. Current regulations allow local governments to utilize funds in the following ways:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet
- **Ineligible uses** prohibit deposits into pension funds, debt service, legal settlement or judgments, deposits to rain day funds or financial reserves

As staff was finalizing this agenda item, the United States Department of Treasury released ARPA regulations on Monday, March 10, 2021 (Fact sheet is included as Attachment 1). Additional information on ARPA can be found on Treasury's website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>.

Stakeholder Input for Use of ARPA Funds

Per the proposed timeline presented to Council on April 6, 2021, staff spent the month of April gathering community, union, staff and other interested parties ("stakeholders") ideas on general priorities, specific uses, and expenditure recommendations regarding Richmond's ARPA allocation. Staff presented information on ARPA in conjunction with the FY 2020-21 budget presentations. Each meeting and/or presentation offered participants with information as well as opportunities for input on how Richmond should spend its ARPA allocations. Individuals were notified of input opportunities via the City Manager's weekly report, list serves, KCRT, City website, and other methods and they had an opportunity to provide input via the City's website, and community, union and staff meetings.

The stakeholder input received is included in Attachment 2, which represents a list of recommendations from various sources that may or may not be aligned with the current

interim ARPA regulations released by the United States Treasury on May 10, 2021. Staff grouped input into the following categories to assist in discussion:

- Replacing Lost Revenue & Replenishing/Enhancing City Services
- Providing premium pay for essential workers
- Public Health
- Infrastructure
- Housing
- Economic Security and Support
- Broadband and IT Needs
- Outreach and Engagement
- Other

Staff is still collecting information and additional ideas may be included as part of the May 18th Council presentation.

Council Considerations and Next Steps

Based on allowable uses, stakeholder input, and City Council direction, staff can develop and propose options for Council considerations in June 2021 for how to allocate Richmond's portion of ARPA funding for FY 2021-22 and future years. This will provide City staff with an opportunity to evaluate and align Treasury's regulations with stakeholder and Council input and Council direction.

In the meantime, Council should consider the following before making final decisions:

The Government Finance Officers Association offers the following outline of Guiding Principles for the use of ARPA funds (<https://www.gfoa.org/american-rescue-plan-spending-guiding-principles>):

- ARPA funds are non-recurring so their use should be applied primarily to non-recurring expenditures (i.e. infrastructure)
- Care should be taken to avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment.
- Replenishing reserves used to offset revenue declines during the pandemic should be given high priority to rebuild financial flexibility/stability and restore fiscal resiliency.
- Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.
- Consider regional initiatives, including partnering with other ARPA recipients.
- Use other dedicated grants and programs first whenever possible and save ARPA funds for priorities not eligible for other federal and state assistance programs.

The following questions are still outstanding and can benefit from additional research and discussion:

- How can we best leverage the funds?
- What opportunities are there for partnerships?
- How can we pool funds regionally?
- What is the County or State funding locally such that Richmond funds can be spent on other opportunities for additional overall impact? Examples of other categories include funding for education institutions, mental health, rental and homeowner assistance and small business assistance.

Based on the recent release of Treasury's interim rules, Finance staff is working to determine how to accurately calculate the revenue loss suffered in FY 2019-20 and FY 2020-21 as a result of the COVID-19 pandemic. Based on current estimates, the revenue loss is approximately \$15 million over those two FYs. This is key information for Council consideration as Council may decide, after discussion and additional information is provided regarding the FY 2021-22 budget gap, that utilizing a portion of ARPA funds to reduce or cover the estimated gap is a good use of Richmond's allocation.

If required, updated information on ARPA and this agenda item can be found at <http://www.ci.richmond.ca.us/4102/Fiscal-Year-2021-22-Budget>.

ATTACHMENTS:

- 1 – United States Department of Treasury ARPA Information
- 2 – Stakeholder Input on Spending Richmond's ARPA Allocation

FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs

May 10, 2021

Aid to state, local, territorial, and Tribal governments will help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery

Today, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. Treasury also released details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions will be able to access this funding in the coming days to address these needs.

State, local, territorial, and Tribal governments have been on the frontlines of responding to the immense public health and economic needs created by this crisis – from standing up vaccination sites to supporting small businesses – even as these governments confronted revenue shortfalls during the downturn. As a result, these governments have endured unprecedented strains, forcing many to make untenable choices between laying off educators, firefighters, and other frontline workers or failing to provide other services that communities rely on. Faced with these challenges, state and local governments have cut over 1 million jobs since the beginning of the crisis. The experience of prior economic downturns has shown that budget pressures like these often result in prolonged fiscal austerity that can slow an economic recovery.

To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, the American Rescue Plan Act of 2021 established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. Today, Treasury is launching this much-needed relief to:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs;
- Support immediate economic stabilization for households and businesses; and,
- Address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic on certain populations.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

Starting today, eligible state, territorial, metropolitan city, county, and Tribal governments may request Coronavirus State and Local Fiscal Recovery Funds through the Treasury Submission Portal. Concurrent with this program launch, Treasury has published an Interim Final Rule that implements the provisions of this program.

FUNDING AMOUNTS

The American Rescue Plan provides a total of \$350 billion in Coronavirus State and Local Fiscal Recovery Funds to help eligible state, local, territorial, and Tribal governments meet their present needs and build the foundation for a strong recovery. Congress has allocated this funding to tens of thousands of jurisdictions. These allocations include:

Type	Amount (\$ billions)
States & District of Columbia	\$195.3
Counties	\$65.1
Metropolitan Cites	\$45.6
Tribal Governments	\$20.0
Territories	\$4.5
Non-Entitlement Units of Local Government	\$19.5

Treasury expects to distribute these funds directly to each state, territorial, metropolitan city, county, and Tribal government. Local governments that are classified as non-entitlement units will receive this funding through their applicable state government. Treasury expects to provide further guidance on distributions to non-entitlement units next week.

Local governments should expect to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered 12 months later. States that have experienced a net increase in the unemployment rate of more than 2 percentage points from February 2020 to the latest available data as of the date of certification will receive their full allocation of funds in a single payment; other states will receive funds in two equal tranches. Governments of U.S. territories will receive a single payment. Tribal governments will receive two payments, with the first payment available in May and the second payment, based on employment data, to be delivered in June 2021.

USES OF FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury’s Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider. As described below, Treasury has also designed these provisions to take into consideration the disproportionate impacts of the COVID-19 public health emergency on those hardest-hit by the pandemic.

1. Supporting the public health response

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Coronavirus State and Local Fiscal Recovery Funds provide resources to meet these needs through the provision of care for those impacted by the virus and through services that address disparities in public health that have been exacerbated by the pandemic. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

- **Services and programs to contain and mitigate the spread of COVID-19, including:**
 - ✓ Vaccination programs
 - ✓ Medical expenses
 - ✓ Testing
 - ✓ Contact tracing
 - ✓ Isolation or quarantine
 - ✓ PPE purchases
 - ✓ Support for vulnerable populations to access medical or public health services
 - ✓ Public health surveillance (e.g., monitoring for variants)
 - ✓ Enforcement of public health orders
 - ✓ Public communication efforts
 - ✓ Enhancement of healthcare capacity, including alternative care facilities
 - ✓ Support for prevention, mitigation, or other services in congregate living facilities and schools
 - ✓ Enhancement of public health data systems
 - ✓ Capital investments in public facilities to meet pandemic operational needs
 - ✓ Ventilation improvements in key settings like healthcare facilities

- **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**
 - ✓ Mental health treatment
 - ✓ Substance misuse treatment
 - ✓ Other behavioral health services
 - ✓ Hotlines or warmlines
 - ✓ Crisis intervention
 - ✓ Services or outreach to promote access to health and social services
- **Payroll and covered benefits expenses** for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response. For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

2. Addressing the negative economic impacts caused by the public health emergency

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020. Although many have since returned to work, as of April 2021, the economy remains more than 8 million jobs below its pre-pandemic peak, and more than 3 million workers have dropped out of the labor market altogether since February 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- **Delivering assistance to workers and families**, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity. In addition, these funds can support survivor’s benefits for family members of COVID-19 victims.
- **Supporting small businesses**, helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.
- **Speeding the recovery of the tourism, travel, and hospitality sectors**, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend. Similarly impacted sectors within a local area are also eligible for support.
- **Rebuilding public sector capacity**, by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

3. **Serving the hardest-hit communities and families**

While the pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000.

Coronavirus State and Local Fiscal Recovery Funds allow for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households. Eligible services include:

- **Addressing health disparities and the social determinants of health**, through funding for community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs;
- **Investments in housing and neighborhoods**, such as services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity;
- **Addressing educational disparities** through new or expanded early learning services, providing additional resources to high-poverty school districts, and offering educational services like tutoring or afterschool programs as well as services to address social, emotional, and mental health needs; and,
- **Promoting healthy childhood environments**, including new or expanded high quality childcare, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

Governments may use Coronavirus State and Local Fiscal Recovery Funds to support these additional services if they are provided:

- within a Qualified Census Tract (a low-income area as designated by the Department of Housing and Urban Development);
- to families living in Qualified Census Tracts;
- by a Tribal government; or,
- to other populations, households, or geographic areas disproportionately impacted by the pandemic.

4. **Replacing lost public sector revenue**

State, local, territorial, and Tribal governments that are facing budget shortfalls may use Coronavirus State and Local Fiscal Recovery Funds to avoid cuts to government services. With these additional resources, recipients can continue to provide valuable public services and ensure that fiscal austerity measures do not hamper the broader economic recovery.

Many state, local, territorial, and Tribal governments have experienced significant budget shortfalls, which can yield a devastating impact on their respective communities. Faced with budget shortfalls and pandemic-related uncertainty, state and local governments cut staff in all 50 states. These budget shortfalls and staff cuts are particularly problematic at present, as these entities are on the front lines of battling the COVID-19 pandemic and helping citizens weather the economic downturn.

Recipients may use these funds to replace lost revenue. Treasury's Interim Final Rule establishes a methodology that each recipient can use to calculate its reduction in revenue. Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic. Analysis of this expected trend begins with the last full fiscal year prior to the public health emergency and projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data).

For administrative convenience, Treasury's Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. Upon receiving Coronavirus State and Local Fiscal Recovery Funds, recipients may immediately calculate the reduction in revenue that occurred in 2020 and deploy funds to address any shortfall. Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a lagged impact of the crisis on revenues.

Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.

5. Providing premium pay for essential workers

Coronavirus State and Local Fiscal Recovery Funds provide resources for eligible state, local, territorial, and Tribal governments to recognize the heroic contributions of essential workers. Since the start of the public health emergency, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.

Many of these essential workers have not received compensation for the heightened risks they have faced and continue to face. Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others:

- ✓ Staff at nursing homes, hospitals, and home-care settings
- ✓ Workers at farms, food production facilities, grocery stores, and restaurants
- ✓ Janitors and sanitation workers
- ✓ Public health and safety staff
- ✓ Truck drivers, transit staff, and warehouse workers
- ✓ Childcare workers, educators, and school staff
- ✓ Social service and human services staff

Treasury's Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers.

In addition, employers are both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Staff working for third-party contractors in eligible sectors are also eligible for premium pay.

6. Investing in water and sewer infrastructure

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change.

Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

To help jurisdictions expedite their execution of these essential investments, Treasury's Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

Treasury's Interim Final Rule also encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions.

7. Investing in broadband infrastructure

The pandemic has underscored the importance of access to universal, high-speed, reliable, and affordable broadband coverage. Over the past year, millions of Americans relied on the internet to participate in remote school, healthcare, and work.

Yet, by at least one measure, 30 million Americans live in areas where there is no broadband service or where existing services do not deliver minimally acceptable speeds. For millions of other Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan aims to help remedy these shortfalls, providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure.

Recognizing the acute need in certain communities, Treasury's Interim Final Rule provides that investments in broadband be made in areas that are currently unserved or underserved—in other words, lacking a wireline connection that reliably delivers minimum speeds of 25 Mbps download and 3 Mbps upload. Recipients are also encouraged to prioritize projects that achieve last-mile connections to households and businesses.

Using these funds, recipients generally should build broadband infrastructure with modern technologies in mind, specifically those projects that deliver services offering reliable 100 Mbps download and 100

Mbps upload speeds, unless impracticable due to topography, geography, or financial cost. In addition, recipients are encouraged to pursue fiber optic investments.

In view of the wide disparities in broadband access, assistance to households to support internet access or digital literacy is an eligible use to respond to the public health and negative economic impacts of the pandemic, as detailed above.

8. Ineligible Uses

Coronavirus State and Local Fiscal Recovery Funds provide substantial resources to help eligible state, local, territorial, and Tribal governments manage the public health and economic consequences of COVID-19. Recipients have considerable flexibility to use these funds to address the diverse needs of their communities.

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two ineligible uses of funds:

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent.** The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury's Interim Final Rule implements this requirement. If a state or territory cuts taxes, they must demonstrate how they paid for the tax cuts from sources other than Coronavirus State Fiscal Recovery Funds—by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be paid back to the Treasury.
- **No recipient may use this funding to make a deposit to a pension fund.** Treasury's Interim Final Rule defines a "deposit" as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

Treasury's Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions will help ensure that funds are used to augment existing activities and address pressing needs.

American Rescue Plan Act (ARPA) Funding Recommendations

The following represents a list of recommendations from various sources that may or may not be aligned with the current interim ARPA regulations released by the United States Treasury on May 10, 2021. Staff categorized input based on common topics to assist in discussion. Staff is still collecting information and additional ideas may be included as part of the May 18th Council presentation.

Replacing Lost Revenue & Replenishing/Enhancing City Services

- Relieve debt and any negative impacts on the general fund
- Establish a trust fund
- Vehicle replacement
- Hire Parking Enforcement staff for the Transportation Department to generate revenue like most neighbor cities have. The department responsible for transportation demand management, parking regulations, and programs should be able to also coordinate proactive/responsive enforcement to support the programs, and generate revenues that can be reinvested to support the transportation network. Richmond is amongst the last to implement this industry practice and is missing an opportunity to create new jobs and revenue streams
- Rehire staff lost due to COVID
- Cleaning up the city and making Richmond green with planting trees throughout the city
- Provide funds private nonprofit groups (e.g., SOS!) and special-purpose units of local gov'ts (e.g., ONS)
- Fund PILOT programs, with clearly defined metrics of success & failure, that encompass some of the ideas proposed by the Reimagining Public Safety Task Force AND, importantly, which a MAJORITY of Richmond residents support

Providing Premium Pay for Essential Workers

- Deliver assistance to workers and families
- Bonus/premium pay to city employees
- Lower salaries of all public employees

Public Health

- Addressing health disparities and social determinants of health (i.e. funding community health workers and community violence intervention programs)
- Purchase personal protection equipment (PPE)
- Mental health services

Infrastructure

- Capital investments in public facilities to meet pandemic operational needs
 - HVAC systems for Nevin Community Center, Recreation Administration Building, Shields Reid Community Center
- Pay for parking lot security improvements (electronic gates and cameras) for city employees at the Barrett and 25th Street lot. City fleet and personal vehicles have been vandalized, burglarized, and employees do not feel safe.
- Install Solar panels at the Barret Ave lot to offset Civic Center Plaza energy uses, and to provide back-up power during rolling power shut offs, and to power electric and plugin hybrid city fleet.
- Purchase electric vehicles (EV) and EV infrastructure
- Fix disastrous pavement of streets
- Make investments in water, sewer or broadband infrastructure
- Pay for City infrastructure needs (new projects, deferred maintenance, etc.)
 - Roof replacements (various facilities)
 - Facility restroom upgrades (demolition and remodeling)
 - Fire stations (fire station 66 replacement, Station 66 gender specific restrooms, floor covering replacement, paint, restroom upgrades and installation of solar systems to help reduce energy usage)
 - ADA improvements (ramps, etc.)
 - Lighting upgrades/improvements in facilities and parks
 - Park upgrades (playgrounds, restrooms, irrigation, fields, etc.)
 - Equipment/fleet replacement
 - Corporation Yard (fencing, bulk fuel sites upgrades, roof, restrooms, etc.)
 - Storm drain improvements/upgrades/rehab
 - Sewer collection system improvements/upgrades/rehab
 - Wastewater Treatment Facility Improvements/upgrades/rehab
 - Streets
 - Street traffic controller replacement/upgrades

Housing

- Address housing needs
 - Rental assistance, direct funds to renters
 - Homeowner assistance/relief
 - Building affordable housing
 - Preservation of existing affordable housing, etc.)
 - affordable housing preservation pilot program
 - Transition to homeownership programs

- Protect homeowners for losing properties (small sites)
- Creation of a land bank
- Repositioning properties so they can be preserved
- Use vacant property more efficiently (for housing)
- Leverage DTSC grants for cleaning up toxic waste sites & build housing
- Toxic waste site clean-up and utilize cleaned locations for building affordable housing
- Investment in housing and neighborhoods for the unsheltered
- Support housing navigation services

Economic Security and Support

- Wraparound services for residents to support economic mobility (access existing city resources, support residents to provide a continuum of care)
- Loan money at low interest rate (individuals and small businesses)
- Workforce development and opportunities for unsheltered and other vulnerable populations
- Support the Richmond Rapid Response Fund
 - Focus on economic security (through direct disbursements to address individual immediate needs) and housing strategies/rental assistance
 - Funding from the City will help in leveraging funds from philanthropy and other sources to realize R3F goals
- Invest in more cooperatives
- Invest in work zones
- Increase opportunities for attendance in local job training programs such as Kaiser Allied Health as these opportunities can lead to long-term job stability
- Support small businesses
- Outreach to small businesses
- Speeding recovery of the industries hardest hit (i.e. hospitality, travel tourism)
- Rebuilding public sector capacity to implement economic relief (i.e. targeted outreach, technology infrastructure)
- Establish a community bank
- ELL classes and green jobs training program
- Addressing family food insecurity - 40% of families with school age children nationwide report being food insecure. This issue existed before COVID, is worse during the pandemic, and will persist beyond. Local school districts, nonprofits, faith-based organizations, and other groups are addressing this issue. In Alameda County, the Board of Supervisors has allocated tens of millions of dollars to make sure at risk families have access to basic nutrition, and my organization, Revolution Foods, is proud to play a small part in that effort. As a Richmond resident, I would like to see a similar program put in place to help our neighbors here.

- Respond to the COVID-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality

Broadband and IT Needs

- Computers for every home with youth and seniors and include wi-fi access
- Broadband expansion as a step to closing the digital divide (including maintenance): Broadband infrastructure is a critical component of our daily lives: it provides education, employment, health care, and entertainment. To ensure all users in the community have access, infrastructure such as fiber optic cable, switches, routers, and wireless devices need to be provided. The City currently has a 12-mile broadband network that serves both internal communication and is the basis for the wi-fi initiative. To ensure this system remains operational and is expanded to other regions of the City, IT must expend funds to enhance and replace equipment.
- Need for Equipment replacement: Due to years of budgetary constraints, the City has pushed IT equipment-deferred maintenance beyond reasonable life. Without this equipment replacement, significant down time is likely impacting internet communications, email, network, and phones city wide including public safety. IT must expend funds to enhance and replace equipment.

Outreach and Engagement

- Community needs assessment to help determine future uses
- Dedicated resources to do outreach and make sure ARPA funds are being accessed
- Invest in public communication efforts
- The City needs to conduct a comprehensive & confidential survey of its entire community (>110,000) to see how they feel about reallocating millions of dollars from RPD and the loss of 32-33 sworn officer positions and if they are supportive of instead using one-time ARPA funds to fund PILOT public safety initiatives over two years.

Other Items

- Left over funds go towards helping >66% of Richmond residents and businesses that are paying outrageous Richmond Municipal Sewer District/Veolia taxes on their property tax bills owing to sewer infrastructure. Many residents and businesses were negatively impacted by COVID-19 and they would significantly benefit from some relief, even if it is one-time stimulus.
- Open Casino
- Lawsuit settlement costs for Pt. Molate & Astra-Zeneca Superfund Waste Site
- Create one-time events such as public event - healing spaces, showcase crafts, etc.

Input on Richmond Stimulus Priorities

May 10th, 2021

This is a list of ideas for how the City of Richmond could use its allocation of federal stimulus funds. The Richmond Progressive Alliance gathered these ideas through public meetings with residents and with various community leaders, nonprofits, and other local stakeholders. This is not a list of endorsements, it is a list of ideas we ask the city staff and council members to consider.

Criteria for Prioritizing Ideas for Stimulus Spending

There are many more needs and ideas than can be covered by the stimulus funds, so there must be prioritization of which ones are most urgent and important. We encourage city staff and council members to consider the following criteria when analyzing potential stimulus fund projects:

- Meet the urgent needs of the most vulnerable and marginalized members of the Richmond community.
- Set up new institutional structures for an economy that is more equitable, ecological, and democratic.
- Demonstrate innovative approaches that progressive cities can take.
- Put in motion projects that will likely grow and be sustainable over time because they generate new revenue, build wider community support, or can be turned into permanent city functions.
- Look for opportunities to turn positive new services, networks, and practices that were set up during the pandemic into the new normal.
- Focus on things that are hard to fund with the usually available sources
- Compliment not duplicate what the county and school district are planning to do

Housing Affordability

1. **Displacement Prevention and Neighborhood Stabilization Pilot Program:** When the eviction moratorium lifts, there will be a foreclosure crisis unless we take bold and innovative action. Private equity groups are going to try to pick up private family homes. An acquisition fund would be used to buy residential properties and keep them in the hands of local owners, with a deed restriction so they remain affordable. The report "[Our Homes, Our Communities](#)" by Policylink outlines a model on page 38 that the city of Richmond should consider drawing inspiration from in the development of its program.
2. **Affordable Housing Planning Staff:** The city's planning department lacks staff specifically focused on supporting the development of new affordable housing and preservation of existing affordable housing. This staff person would support ADU development, help affordable housing developers, Community Land Trusts, and

residents navigate approvals, and work to secure grants for the city and partners to reach goals for affordable housing.

3. **Large Scale Plan for Affordable Housing Development:** The city should put out a Request for Proposals and contract with specialists to develop a plan for the following: 1) How to create a large number of medium to large buildings to have denser, affordable housing development on transit corridors. 2) How to market Richmond's development of a new downtown as a key asset in solving the Bay Area's affordable housing crisis. 3) A lobbying plan to build awareness and enthusiasm for supporting Richmond's plans in the County, Bay Metro and Sacramento. This plan would be a tool for going after large shares of the coming waves of funding (federal and state) for housing development and infrastructure.

Support to People without Housing

1. **Employ people without housing to provide services to each other:** Invest in workforce development/transition for homeless population by funding collective efforts where local Navigators who are trusted community members (leaders, protectors, providers) are trained and paid to provide services, and then connected to workforce development programs such as Kaiser Allied Health to increase opportunities for a long-term career that provides a living and sustainable wage.
2. **A Workforce Collaborative:** To address increases in homelessness, public safety, and service gaps due to COVID by providing employment opportunities whose activities address life safety for unhoused residents, with training and skills development, support services, interim sheltering, housing navigation, and access to housing and aftercare supports. Job opportunities deploy basic amenities at existing unsafe encampments; support safe/secure off street micro-sites that are scattered across impacted neighborhoods; staff the establishment of permanent transitional villages in nonresidential neighborhoods that offer expanded resources; and enrich the development of new permanent supportive housing arrangements. Partners include Safe Organized Spaces Richmond, GRIP, County H3 programs, Healthy Richmond, Richmond departments including RichmondWORKS and other Community Services programs, West Contra Costa Adult Education, Catholic Charities East Bay Richmond Service Center, WCCUSD McKinney-Vento/Families in Transition, Rebuilding Together East Bay-North, and Richmond LAND. The collaborative will engage unhoused individuals who are interested in employment to obtain training stipends and jobs, receive workforce training/mentoring, are integrated with supportive services, and assist in establishing new stabilizing living arrangements where job opportunities are embedded.

Youth, Children, Seniors

1. **Free / Sliding Scale Childcare.** Richmond should set itself apart from the rest of the country as a progressive beacon by providing free or very low cost childcare for all residents, or at least for the children of essential workers.

2. **Computer in every home:** the pandemic again revealed how essential a computer in the home is, especially for families with children. The WCCUSD did provide computers to students, but there may still be families without one. The city should find out what the remaining gaps are, what the school district is planning, and how the city could collaborate with them to provide a free computer to every household with a child or a senior in it.
3. **Mental Health Support:** The need for youth mental health support is continuously exacerbated by COVID. There is currently a higher than usual need and a longer than usual wait list.

Energy and Infrastructure

1. **Traffic Calming Infrastructure:** Community has continuously voiced concerns over speeding in specific neighborhoods, and there have been pedestrian injuries and deaths. Traffic calming infrastructure could include speed bumps and [stormwater curb extensions or 'green streets'](#) that increase pedestrian safety while enhancing water quality. Potentially, this could be part of a Richmond Works jobs program, where participants help build the street improvements.
2. **City Grant Writers:** There are a wide range of new funding sources from the federal and state government, but the city does not have the staff capacity to identify and pursue new funding that matches community needs and partnerships. Hiring two grant writers for the next two years would position the city to secure more funds for projects.
3. **Feasibility Study for Microgrid Pilot Project:** As part of our move from fossil fuels to renewable energy, we need to develop local microgrids that distribute locally generated energy to a surrounding neighborhood. A pilot project in a small part of the city could show what is possible and the city could use that as a case study to go to the federal government and state to ask for funds to replicate it. GRID Alternatives is an existing partner to the city and could collaborate on this project. GRID Alternatives preliminarily suggests that a budget of between \$250,000-\$500,000 would be required to investigate, design, and install a pilot program.
4. **Feasibility Study for Project Converting Gas to Electric Cars:** Richmond has over 130,000 cars, yet fewer than 1,000 are electric cars even though a sustainable future depends on a transition to electric cars. Richmond also has a wealth of mechanics whose business was hit hard during the pandemic. Converting gas powered cars to electric cars is a strategy to support the future of local mechanics, help low income residents transition to a clean vehicle, and meet the city's climate goals. The feasibility study could be commissioned through a city Request for Proposals.
5. **Municipal Broadband Internet Service:** The pandemic revealed how essential internet service is, yet how many households do not have it. The school district offered a program to its students that was through a contract with a private internet company. The city could approach the school district to understand the community needs, and costs. A municipal internet service could be launched to meet the need in a more sustainable, equitable way.

Jobs and Workforce Development

1. **Public option for jobs:** Around 5,000 Richmond residents are looking for work. The city could create a pilot project that offers work to any resident who needs it. The work would focus on publicly beneficial projects such as addressing illegal dumping, building community gardens, green infrastructure, solar panel installation, tree planting, and other projects identified by the community. The program could be an expansion of the city's summer youth jobs program, which partners with local nonprofits who host local youth as employees over the summer, paid for by the city. Potential lead agency: Richmond Works.
2. **Fund the creation of cooperatives and conversion to cooperatives.** Invest in residents developing more cooperatives, and support existing businesses converting to worker cooperatives. Potential partner: Cooperation Richmond.
3. **Support adult education.** Bring forward ways the city could partner with adult school, especially in job training, we have a lot of job training courses, including solar panel installation, not meeting in person, if there was some space we can use great (can't use normal K-12 space). Got money so ESL students can take job training for free, if people could get grants to take the classes. Another would be wraparound services, transportation, childcare 6 months to 2, we have childcare for 2-5 year old kids, only one place for younger kids. Adult school doesn't take long to set up a new class or program, we can do it anytime, not as limited as community college.
4. **Feasibility study on creating a public bank:** recent state law changes and efforts of surrounding cities have created new opportunities to create public banks. Richmond could move this closer to reality by commissioning a feasibility study of the creation of a public bank. The study could focus on the potential benefits and risks to the city, local businesses, residents, and workers.
5. **Legal costs for community members to remove barriers to employment:** legal assistance to undocumented residents to help them access DACA or immigration status, and 'clean slate' programs to help residents expunge their records, can help level the playing field for residents to access jobs and services.

Public Space and Recreation

1. **Skating Rink:** skating has caught on as a safe, free, healthy activity during the pandemic, but the only skating rink is an old one at Miller Knox. The city could build a skating rink at one of the more accessible city parks.
2. **Park Ambassadors:** Provide organizations currently hosting programs in parks with resources to hire park ambassadors- preferably residents living in close proximity to the park they will care for- to monitor, steward, and coordinate with the Parks and Landscaping department to ensure maintenance is conducted in a prompt and satisfactorily. Park Ambassadors will be responsible for opening park restrooms in the morning and securing them at night. Park Ambassadors will coordinate with Code Enforcement to address dumping, illegal parking, vandalism, and other detriments to our parks. Park Ambassadors will also assist with programming, activities, and events.

3. **Safe and Secure Bathrooms:** Install secure rollup doors at all public park restrooms. Make needed repairs to all park restrooms.
4. **Velodrome and Bike Skills Park:** A multi-cycling sport arena that will include an outdoor pump track, cyclocross, mountain bike track and indoor olympic size velodrome. Cycling has consistently grown in Richmond but infrastructure for safe riding fun and skills training has not kept the same pace. The Major Taylor Velodrome and Bike Skills Park will provide a safe space for youth to practice all forms of skills training from aerodynamic track racing to wheelies in a safe zero traffic area. As the only Velodrome within a 60 mile radius, and the only Olympic size velodrome within 300 miles, the space will generate revenue through paid bay area wide cycling events.
5. **Youth sports complex:** a new sports complex for the various soccer, baseball, football and other sport clubs in Richmond would be beneficial because even before COVID, Richmond players traveled to other nearby cities to consider their fields as “home fields” when realistically they weren’t home. As more youth sports clubs have come to Richmond throughout the past few years, competing for sports fields has been a constant struggle. Investing in a safe place where our children can continue to represent our city, in our city, is important for their own personal development.
6. **Feasibility Study for an Auto Racing Track/Location:** there is an increased interest in automobile and racing culture. A safe and designated place is needed. The feasibility study could look at the space needed, financing options, safety concerns, and other aspects of determining the opportunity for such a project.

Health

1. **Monthly Community Health Fair:** This monthly public event would feature free workshops, fun activities for kids, adults and seniors, local vendors and service providers. The themes of healing, connection with community, and social equity would help the city collectively heal and move toward a just and thriving community.
2. **Free Grocery Program:** the school district ran an incredibly successful program providing some 13,000 bags of healthy groceries each week to families with food insecurity. As schools reopen, the district will likely discontinue this program because it will send its food services staff back to the school cafeterias. Yet the need is likely to remain. The city could meet this need by working with the existing contractor the district has, as well as Urban Tilth and their Community Supported Agriculture program.
3. **Black Wellness Hub:** The Black Wellness Hub will provide a safe space for Black African people to express themselves in fellowship with others from the African diaspora in Richmond. This space will be a healing center for expression to heal from the horrors and on-going trauma of domestic terrorism in America while reconnecting with their past and current culture. The Black Wellness hub will allow space for health and fitness, art and history, language and culture, collective economics, and financial literacy workshops. In addition to being a safe space for uplifting and celebrating the evolving living culture of the Black Indigenous and Diasporic culture of African people living in America, the space will provide the greater community with knowledge how they can become better allies to Black people.