



# City of Richmond, California

## Meeting Community Needs Using American Rescue Plan Act and Environmental Community Investment Funds

December 5, 2023

City Manager's Office and Finance Department

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## Recommended Action

RECEIVE an update regarding the American Rescue Plan Act (ARPA), and Environmental Community Investment Agreement (ECIA)

DISCUSS recommendations to utilize ARPA and ECIA funds to offset identified shortfalls in capital projects and programs/projects aligned with the City Council Strategic Goals

ADOPT a resolution appropriating ARPA and ECIA to fund proposed expenditures

# Overview

- Capital Improvement Projects Updates
- American Rescue Plan Act (ARPA) Funding
  - Background
  - ARPA Community Needs Assessment (CNA) and Strategic Investment Plan (SIP)
  - Synergy with City Council Strategic Goals and ARPA SIP Actions
  - Proposed ARPA Allocation Options
- Environmental & Community Investment Agreement ( ECIA)
  - Background
  - ECIA Funding Recommendations
- Next Steps

# General Fund Adjustments

GENERAL FUND	FY 2022-23 REVISED BUDGET	ESTIMATED YEAR-END ACTUALS	VARIANCE
TOTAL REVENUES	215,103,041	226,024,075	105.08%
TOTAL EXPENSES	215,139,689	211,730,524	98.42%
<b>GENERAL FUND NET +SURPLUS/(-DEFICIT)</b>	<b>(36,648)</b>	<b>14,293,551</b>	

Item	Estimated Amount
FY22-23 Unspent Balance	14,293,551
Contribution to Reserve	(2,393,278)
<b>Available Unspent Funds</b>	<b>11,900,273</b>
Contribution to OPEB @ 10%	1,190,027
Contribution to CALPERS @ 10%	1,190,027
<b>Remaining for Council Goals and Priorities</b>	<b>9,520,218</b>

# Capital Improvement Projects Update

On 11/7/2023, City Council approved City staff's recommendation to use \$9,520,218 in unspent funds as follows:

- FY 23-24 CIP Shortfall - \$5,460,000
- FY 24-25 CIP Shortfall (Partial Funding) - \$3,261,717
- Stenmark Cottages - \$520,000
- Richmond Fire Emergency Operations Center upgrades - \$278,501

Examples of unmet capital needs up to \$8,559,782:

- Capital Improvement Project shortfalls - \$6,309,782
- Booker T Anderson Community Center - \$1,000,000
- Stormwater Infrastructure projects - \$750,000
- Facilities Needs Assessment - \$500,000



Kids at BTA Community Center



BTA Community Center



May Valley Community Center

# Possible ARPA-Funded CIP Shortfall Projects

Capital Improvement Project shortfalls -  
\$6,309,782

- Corporation Yard Fuel Site - \$1,380,000
- Fire Station 66 – Gender Specific Restrooms - \$423,283
- Nevin Community Center HVAC Upgrades - \$575,000
- Recreation Complex HVAC Upgrades - \$640,000
- Shields-Reid Community Center Upgrades - \$900,000
- ADA Sidewalk Program, City-wide Paving Program or other needed projects - \$2,391,499



Street Paving



Nevin Community Center

# Pavement Condition Index

Year 1

PCI - 61

Pavement Condition Index

Year 2

Year 3

Year 4

Year 5

PCI - 57

Pavement Condition Index

# Overview of ARPA

**All funds must be obligated by the December 31, 2024,  
and spent by December 31, 2026**

## ARPA Funding:

- City Received: \$27.7 million
- Current Allocation: ~\$12.1 million
- Remaining Available to Spend: ~\$15.6 million

## Uses of ARPA Funds:

- Replacing lost public sector revenue
- Responding to public health and economic impacts of COVID-19
- Premium pay for eligible workers
- Investments in water, sewer, or broadband infrastructure

# ARPA Community Needs Assessment and Strategic Investment Plan

May 16, 2023 - ARPA Community Needs Assessment and Strategic Investment Plan presentation to City Council

ARPA Strategic Investment Plan Areas:

- Our Jobs and Businesses
- Our Health
- Our Homes and Neighborhoods
- Our Families
- Our Culture and Community

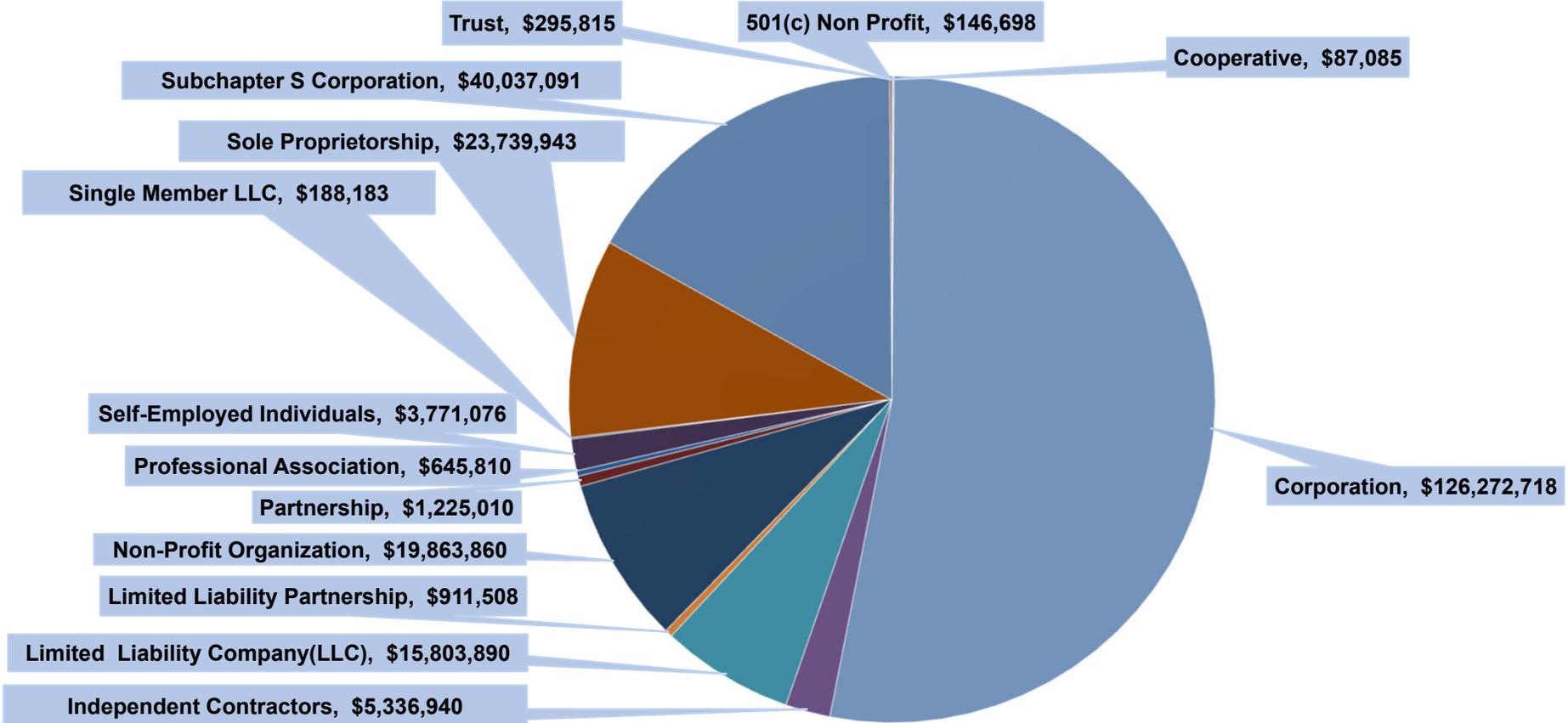


ARPA Website: <http://www.ci.richmond.ca.us/4095/American-Rescue-Plan-Act>

# Paycheck Protection Program (PPP) Loans for Local Businesses

The U.S. Small Business Administration (SBA) Approved Total \$238 Million PPP Loans for Local Businesses

<https://pppreport.org/location/CA/RICHMOND>



# Paycheck Protection Program (PPP) Loans for Local Businesses

https://pppreport.org/location/CA/RICHMOND

PPP Report.org States About Advanced Search

## PPP Loans Issued in RICHMOND CA

PPP Loan Search > / California > / RICHMOND

189 PPP loans (>\$150k) have been issued in the city of RICHMOND, CA. All publically available loans are listed here in order of business name.

Results

Loan Amount	Company Name	Location	Lender
e \$150k-350k	<b>911 REMEDIATION, LLC</b>	3049 RESEARCH DR	Bank of America, National Association
e \$150k-350k	<b>AA PORTABLE POWER CORPORATION</b>	825 S 19TH ST	Citibank, N.A.
e \$150k-350k	<b>AIM AT MELANOMA</b>	3040 Cutting Blvd	JPMorgan Chase Bank, National Association
d \$350k-1 million	<b>ALION ENERGY, INC</b>	2200 Central Street, Unit D	Silicon Valley Bank
d \$350k-1 million	<b>ALL WEST COAST SHIPPING INC.</b>	1200 Wright Ave	City National Bank
e \$150k-350k	<b>ALLIED BOX &amp; EXCELSIOR CO INC</b>	1015 CHESLEY AVE	Wells Fargo Bank, National Association
e \$150k-350k	<b>ALSTEM LLC</b>	2600 HILLTOP DR BLDG B BLDG B STE C328	Bank of America, National Association
d \$350k-1 million	<b>ALTEN CONSTRUCTION, INC.</b>	1141 MARINA WAY	Bank of Marin

# ARPA Funding Possibilities (Total Available \$15.6 Million)

CITY COUNCIL STRATEGIC GOAL AREA	Project Title	Amount	ARPA SIP Synergy
Goal 1: Improve the quantity and quality of housing, especially low-income housing, and reduce homelessness	Housing First and Emergency Housing Support Program/Tenant Protection and Rental Assistance	\$250,000 - \$1,484,233	Continuation of project with RCF Connects to support the housing needs of Richmond's unhoused community
Goal 1: Improve the quantity and quality of housing, especially low-income housing, and reduce homelessness	Nystrom Village Pre-Development	\$2,000,000	Funding would support the predevelopment cost for the rehabilitation of Nystrom Village public housing
Goal Area 2: Increase revenue and improve economic development	Buy Local Campaign	\$135,444	The 11-month campaign will promote local businesses through marketing and branding materials, connecting residents with local businesses and services citywide to better support the local economy, and coordinate existing resources among local partners to expand local business capacity.
Goal Area 2: Increase revenue and improve economic development	Façade Improvement Pilot Program	\$300,000	The goal of the 20-month pilot program is to provide existing (prior to 2023) small- and medium-sized businesses/building owners with incentives to improve their building's storefront.
Goal Area 2: Increase revenue and improve economic development	YouthWORKS	\$500,000 - \$1,200,000	Funding would support the placement of approximately 400 additional youth in summer and/or year-round work programs.

# ARPA Funding Possibilities (Total Available \$15.6 Million)

CITY COUNCIL STRATEGIC GOAL AREA	Project Title	Amount	ARPA SIP Synergy
Goal Area 3: Improve the quality of life, community health, and social determinants of health	Soccer fields, park amenities and upgrades	\$3,900,000 - \$10,000,000	Fund the development of 3 soccer fields (Wendall, Shields Reid and Lucas), soft costs and other park amenities (Harbour 8 LEED Certification, Outdoor Fitness Equipment at Nichol Park, baseball/basketball court upgrades, etc.). The variance depends mainly on community needs and level of park development at Shields Reid
Goal Area 3: Improve the quality of life, community health, and social determinants of health	City infrastructure improvements	\$6,800,000 - \$8,559,782	Projects could include but are not limited to street paving, sidewalk repairs, and city facility maintenance and repairs (CIP Shortfalls, BTA Community Center, Stormwater Needs, Facility Needs Assessment, etc.)
Goal Area 3: Improve the quality of life, community health, and social determinants of health	Park and Trail Public Restrooms	\$250,000	Funds will support security at local parks to ensure safety of park visitors and increase cleaning of restrooms.
Goal Area 4: Improve public safety	Art Initiative	\$250,000 - \$1,935,000	This program would establish a designated arts district and enhance art throughout Richmond while creating opportunities and building community
Goal Area #5: Strengthen the City's Internal Infrastructure and Processes		\$0	
Goal Area #6: Address Shoreline Issues and Ecological Sustainability		\$0	
<b>TOTAL</b>		<b>\$14,385,444 - \$25,864,459</b>	

# Proposed ARPA Allocation Options

Proposed Expenditure	Option 1	Option 2	Option 3
Infrastructure: Capital Improvement Shortfall	\$5,800,000	\$5,809,782	\$6,309,782
Infrastructure: Booker T Anderson Center	\$1,000,000	\$1,000,000	\$1,000,000
Infrastructure: Stormwater	\$-	\$750,000	\$-
Infrastructure: Facility Needs Assessment	\$-	\$500,000	\$500,000
Nystrom Village	\$2,000,000	\$2,000,000	\$-
Tenant Protection and Rental Assistance	\$1,484,233	\$-	\$-
Art Initiative	\$-	\$-	\$-
YouthWORKS	\$1,200,000	\$1,200,000	\$-
Buy Local Campaign	\$-	\$135,444	\$-
Façade Improvements	\$-	\$300,000	\$-
Soccer Fields	\$3,900,000	\$3,939,007	\$-
Parks and Trail Public Restrooms	\$250,000	\$-	\$-
Council Direction	\$-	\$-	\$7,824,451
<b>TOTAL</b>	<b>\$15,634,233</b>	<b>\$15,634,233</b>	<b>\$15,634,233</b>

# Environmental and Community Investment Agreement (ECIA)

2014: Richmond City Council approved (1) certification of the final Chevron Refinery Modernization Project Environmental Impact Report (EIR); (2) applications for a Conditional Use Permit and Design Review Permit; and (3) Environmental and Community Investment Agreement (ECIA) for the Chevron Refinery Modernization Project.

The amended ECIA, includes investments in greenhouse gas (GHG) reduction programs, community programs, and a photovoltaic solar farm, will provide **\$90 million dollars** to the Richmond community over a ten-year period.

- Solar Farm: \$10 million
- GHG Reduction Programs: \$30 million
- Community Programs: \$50 million

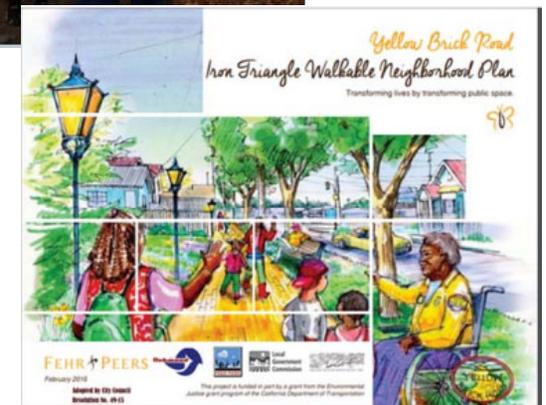


# ECIA Greenhouse Gas (GHG) Reduction Budget

GHG Reduction Programs = \$30 million

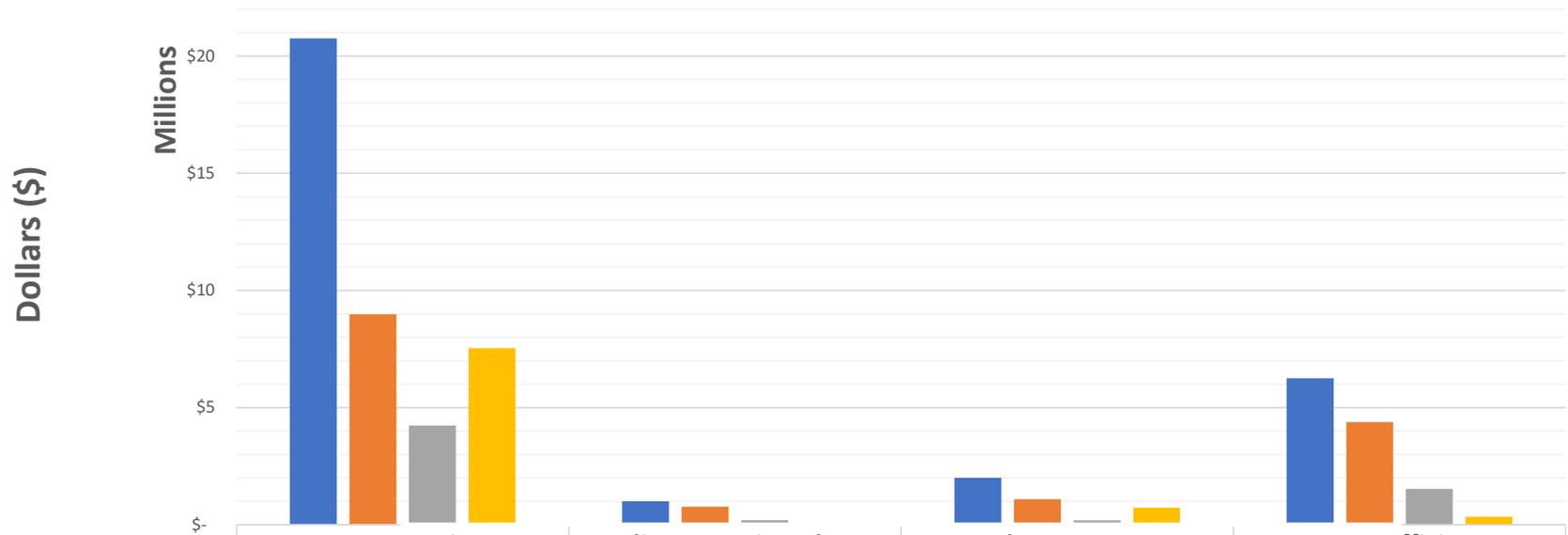
- Spent through FY 22-23: \$15.22 million
- Budgeted in FY 23-24: \$6.14 million
- Remaining: \$8.64 million

- Transportation: \$7.54 million
- Climate Action Plan: \$37,000
- Urban Forestry: \$724,000
- Energy Efficiency: \$340,000



# ECIA Greenhouse Gas Reduction Programs

## ECIA GHG Reduction Program Budget



	Transportation	Climate Action Plan	Urban Forestry	Energy Efficiency
<b>Budgeted Amount</b>	<b>\$20,750,000</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>	<b>\$6,250,000</b>
<b>Amount Spent thru FY 22-23</b>	<b>\$8,980,000</b>	<b>\$769,000</b>	<b>\$1,090,000</b>	<b>\$4,380,000</b>
<b>Amount Budgeted in FY 23-24</b>	<b>\$4,230,000</b>	<b>\$194,000</b>	<b>\$186,000</b>	<b>\$1,530,000</b>
<b>Amount Remaining</b>	<b>\$7,540,000</b>	<b>\$37,000</b>	<b>\$724,000</b>	<b>\$340,000</b>
<b>% Remaining</b>	<b>36%</b>	<b>4%</b>	<b>36%</b>	<b>5%</b>

### ECIA Green House Gas Categories

■ Budgeted Amount    
 ■ Amount Spent thru FY 22-23    
 ■ Amount Budgeted in FY 23-24    
 ■ Amount Remaining    
 % Remaining

# ECIA Community Programs Budget

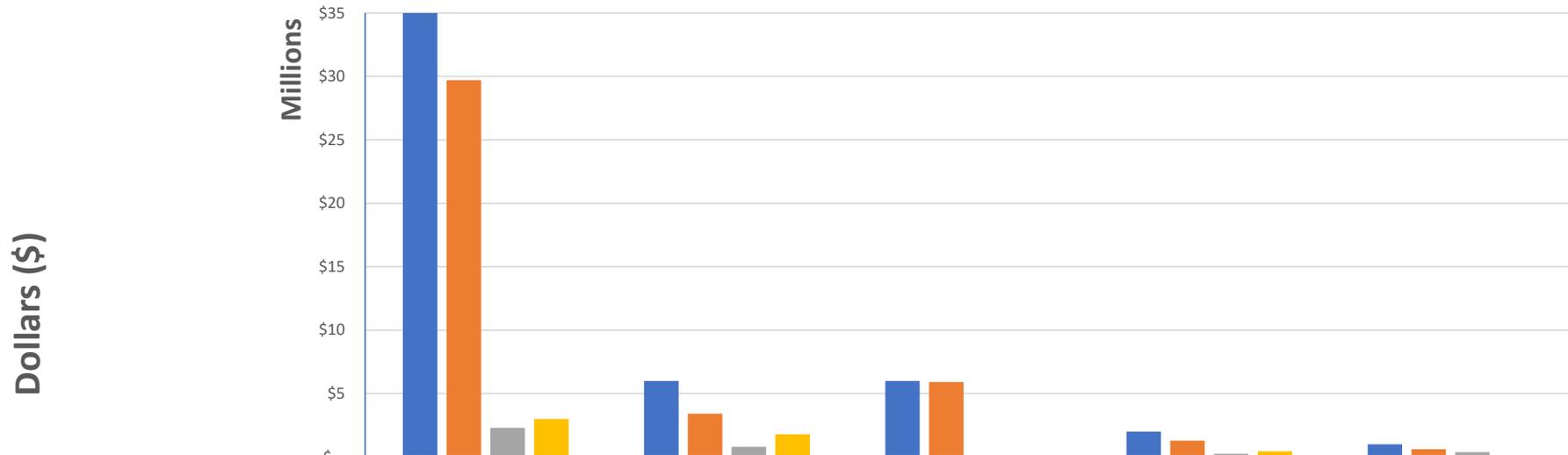
Community Programs = \$50 million

- Spent through FY 22-23: \$40.93 million
- Budgeted in FY 23-24: \$3.74 million
- Remaining: \$5.33 million
  - Richmond Promise: \$3 million
  - ECIA Grant Program: \$1.79 million
  - Job Training: \$90,000
  - Public Safety: \$454,000
  - Free Internet: \$0



# ECIA Community Programs

## ECIA Community Programs Budget



	Richmond Promise	ECIA Grant Program	Job Training	Public Safety	Free Internet
■ Budgeted Amount	\$35,000,000	\$6,000,000	\$6,000,000	\$2,000,000	\$1,000,000
■ Amount Spent thru FY 22-23	\$29,700,000	\$3,410,000	\$5,910,000	\$1,290,000	\$618,000
■ Amount Budgeted in FY 23-24	\$2,300,000	\$800,000	\$-	\$256,000	\$382,000
■ Amount Remaining	\$3,000,000	\$1,790,000	\$90,000	\$454,000	\$-
% Remaining	9%	30%	2%	23%	0%

### ECIA Community Program Categories

■ Budgeted Amount    
 ■ Amount Spent thru FY 22-23    
 ■ Amount Budgeted in FY 23-24    
 ■ Amount Remaining    
 % Remaining

# ECIA Funding Recommendation



Total: \$312,800 from Public Safety Category

- Allocate \$200,000 for Richmond Fire Department Boat
- Allocate \$37,800 for Rescue Qualification for Richmond Fire Department Rescue Personnel
- Allocate \$75,000 for Mandated Rescue Equipment Replacement

## Proposed Next Steps

- Work with specific City departments to implement programs to ensure funds are spent in alignment with policies and within funding deadlines
- Continue to monitor the existing capital projects and arising capital needs in the City and prioritize pursuing grant funding
- Return at mid-year and/or during FY 2024-25 budget development process to discuss and receive direction on \$14 million available to support various programs outlined in the ECIA
- Continue to support the priorities outlined in the ARPA Strategic Investment Plan (SIP) without using ARPA funds
- Provide City Council with the ongoing updates regarding funded programs and projects and seek guidance as needed

## Recommended Action

RECEIVE an update regarding the American Rescue Plan Act (ARPA), and Environmental Community Investment Agreement (ECIA)

DISCUSS recommendations to utilize ARPA and ECIA funds to offset identified shortfalls in Capital Projects and programs/projects aligned with the City Council Strategic Goals

ADOPT a Resolution appropriating ARPA and ECIA to fund proposed expenditures

# City Council Direction Column Was Approved

		<u>Option 1</u>	<u>Council Direction</u>	<u>Difference</u>
CIP Shortfall	\$	5,800,000.00	\$ 3,000,000.00	\$ (2,800,000.00)
BTA	\$	1,000,000.00	\$ 1,000,000.00	\$ -
Stormwater	\$	-	\$ 750,000.00	\$ 750,000.00
Facility Needs Assessment	\$	-	\$ -	\$ -
Nystrom Village	\$	2,000,000.00	\$ 2,000,000.00	\$ -
Rent assistance	\$	1,484,233.00	\$ 1,984,233.00	\$ 500,000.00
Unhoused				\$ -
Art	\$	-	\$ 250,000.00	\$ 250,000.00
YouthWorks	\$	1,200,000.00	\$ 1,200,000.00	\$ -
Buy Local	\$	-	\$ -	\$ -
Façade Improvement	\$	-	\$ -	\$ -
Small Business Support	\$	-	\$ 1,250,000.00	\$ 1,250,000.00
Soccer fields	\$	3,900,000.00		\$ (3,900,000.00)
Restrooms	\$	250,000.00		\$ (250,000.00)
Soccer/restrooms/parks			\$ 4,200,000.00	\$ 4,200,000.00
Council Direction	\$	-		
<b>Total</b>	<b>\$</b>	<b>15,634,233.00</b>	<b>\$ 15,634,233.00</b>	<b>\$ -</b>

# THANK YOU & QUESTIONS

