



## INFORMATIONAL MEMORANDUM

**TO:** Finance and Governance Committee

**FROM:** Vicky Carlsen, Finance Director

**BY:** Julie Hatley, ARPA Funds Analyst

**CC:** Mayor Ekberg

**DATE:** February 13, 2023

**SUBJECT:** Total 2022 American Rescue Plan Act (ARPA) Fund Expenditures and Benefits to our Community

### ISSUE

Staff is reporting the total 2022 ARPA-funded expenditures, and information detailing the benefits of the expenditures to the community, per 2021 allocations approved by City Council in November 2021.

### BACKGROUND

On March 10, 2021, a \$1.9 trillion relief package, known as the American Rescue Plan Act, was approved and provided funding in several areas including state and local aid, education, rental assistance, and transit. The City was allocated \$5.68 million with the first half received in June of 2021 and the second half received in July of 2022. Funds must be spent or contractually committed by December 31, 2024.

### DISCUSSION

These tables outline total 2022 ARPA-funded expenditures from January 1, 2022 to December 31, 2022. Each expenditure meets Treasury compliance requirements and directly or indirectly benefit the visitors, residents, and business owners in our community. A summary follows for the balance of ARPA funds available, after 2021 and 2022 expenditures, to spend on 2023-2024 council-approved budget allocations.

### **Administrative Services:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Rent & Utility Assistance	\$500,000	\$232,782	\$267,218	<p>*ARPA assisted 92 individual households. (Q1 47; Q2 25; Q3 17; Q4 3).</p> <p>*Income to rent ratios of 100% remained high in 2022 at 52% of those we assisted (double the amount in 2019).</p> <p>*Among those assisted, the number of financially fragile residents increased and 'middle ground' residents decreased.</p> <p>*The United Way Eviction Prevention Rental Assistance Program fund was used more in Second Half 2022 due to higher levels of assistance available including paying forward a few months.</p>

**Administrative Services:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Leadership Initiative	\$25,000	\$1,869	\$23,131	*Renamed Tukwila City Leadership Initiative (TCL). Formerly Community Connectors. *Invited residents to participate in activities to elevate, develop and support Tukwila community leaders. *Published goals, application, and scheduled meeting dates on Web page. *Program suspended in late 2022 to assess low participation and restart in Summer 2023.

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Council Chamber Build Out	\$200,000	\$14,493	\$185,507	*Modernized public access TV infrastructure for community & hybrid access. *Additional improvements planned as part of a future, major City Hall upgrade.

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Over Allocation	Community Benefits Summary
DarkTrace Cyber Security	\$25,000	\$25,670	\$670	*Specific details not released to ensure security risk is not created.

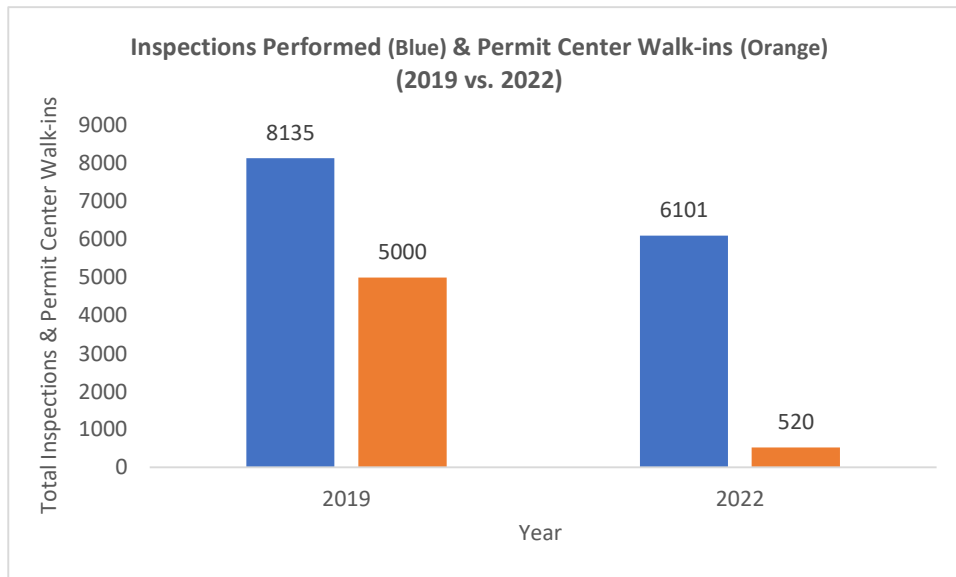
**Finance Department:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
ARPA Funds Analyst	\$160,000	\$127,637	\$32,363	*Researched, documented & reconciled each individual 2021 and 2022 expenditure for all department allocations (monthly, quarterly, half-yearly, and annually). *Prepared & successfully submitted first ARPA annual report to US Treasury (no errors). *Recorded & reported ARPA expenditures for 2021 State Audit (no errors). *Established ARPA best practices & coordinated City-wide communication. *Provided ongoing support across departments for ARPA questions/concerns and relayed updates per revised US Treasury publications. *Researched options to maximize ARPA-funded benefits and analyzed pre-Covid to post-COVID impacts on our community.

**Community Development:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Permit Processing (2 positions)	\$300,000	\$227,049	\$72,951	<p>*Despite impacts of the pandemic, Permit Center improved services to customers seeking permits or having other development-related questions.</p> <p>*Staff refined operations, and website capabilities, resulting in applicants appreciating streamlined, time-saving virtual service over walk-in visits.</p> <p>*An estimated 5,000 walk-in customers in 2019 reduced to 520 walk-in customers in 2022 (an estimated 4,800 fewer walk-ins were required thus saving our residents &amp; businesses valuable time).</p> <p>*City inspectors completed 6,101 Building, Mechanical, Plumbing, Electrical, Fire, and Public Works inspections in 2022 vs. 8,135 in 2019. Permit volumes were higher in 2019.</p>

**Number of Inspections Remained High as Permit Center Walk-ins Significantly Reduced**



**Public Works:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Traffic Calming	\$400,000	\$317,546	\$82,454	<p>Community Requests Addressed using ARPA Funds:</p> <p><u>Allentown Neighborhood Improved Safety and Livability</u>                      *Balance inherent conflict of high-volume freight movement related to BNSF Intermodal Yard and residential life.                      *Work Completed: Allentown Speed and Safety Study Completed (including data collection, public outreach, and document production).</p> <p><u>Tukwila Community Center Pedestrians</u>                      *Improve walking condition safety with pedestrian warning signs.                      *Work Completed: Rectangular Rapid Flashing Beacon (RRFB) design at two locations in Allentown, S 124th Street at 44th Avenue S and 46th Avenue S.</p> <p><u>Tukwila Elementary School &amp; Cascade View Elementary School Pedestrians</u>                      *Improve student and neighbor safe walking conditions, reduce vehicle speeds, and improve visibility of students.                      *Work Completed: Preliminary data collection and analysis for future improvements.                      *Work Pending: Published recommendation study is pending Tukwila School District availability to meet for a preliminary findings review and City recommendations.</p> <p><u>Benefits:</u>                      *Residents, businesses and visitors benefit from all traffic calming treatments with safer driving, walking and biking conditions.                      *Pedestrians will have higher visibility to access Tukwila Community Center, schools, and residential areas, improving their safety and reducing vehicle speeds of cars and heavy trucks.</p>

**Benefits of Rectangular Rapid Flashing Beacons for Pedestrian Safety**

**Safety Benefits:**  
 RRFBs can reduce crashes up to:  
**47%**  
 for pedestrian crashes.<sup>4</sup>

RRFBs can increase motorist yielding rates up to:  
**98%**

Source: Federal Highway Administration Report (2017)

**Public Works:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Residential Street Maintenance (Fund 103)	\$335,000	\$215,951	\$119,049	<p><u>Completed and Ongoing Work Locations:</u></p> <ul style="list-style-type: none"> <li>*Snow and ice response including plowing and deicing the roads.</li> <li>*Sweeping and blowing leaves from sidewalks.</li> <li>*Guardrail maintenance at 147th, Tukwila Parkway, and Southcenter Blvd.</li> <li>*Vegetation control for site distance at intersections and around traffic signs.</li> <li>*Litter control and illegal-dumping clean ups along Right of Ways (ROWS).</li> <li>*Mowing grass in ROWs on roads and vegetation on 4+ acres of streetscape.</li> <li>*Repaired our 20 individual irrigation systems.</li> <li>*MUTCD required annual maintenance: street striping, thermoplastic stop bars/turn arrows, and installation of the raised pavement markers (buttons).</li> <li>*Homeless encampment cleanups at 180th Bridge, Tukwila International Blvd, West Valley Hwy, Southcenter Blvd, East Marginal Way, and along Green River.</li> </ul> <p><u>Benefits of Maintenance:</u></p> <ul style="list-style-type: none"> <li>*Public safety.</li> <li>*Resident preference and inviting environment for visitors.</li> <li>*Maintain infrastructure.</li> <li>*MUTCD required maintenance.</li> </ul> <p><u>Challenges:</u></p> <ul style="list-style-type: none"> <li>*Loss of qualified people and budget for tasks.</li> <li>*Inability to maintain an adequate service level with repeated litter/dumpings. Increased homeless encampments.</li> <li>*Increased schedule of cleaning bus stops to maintain sanitary environment.</li> </ul>

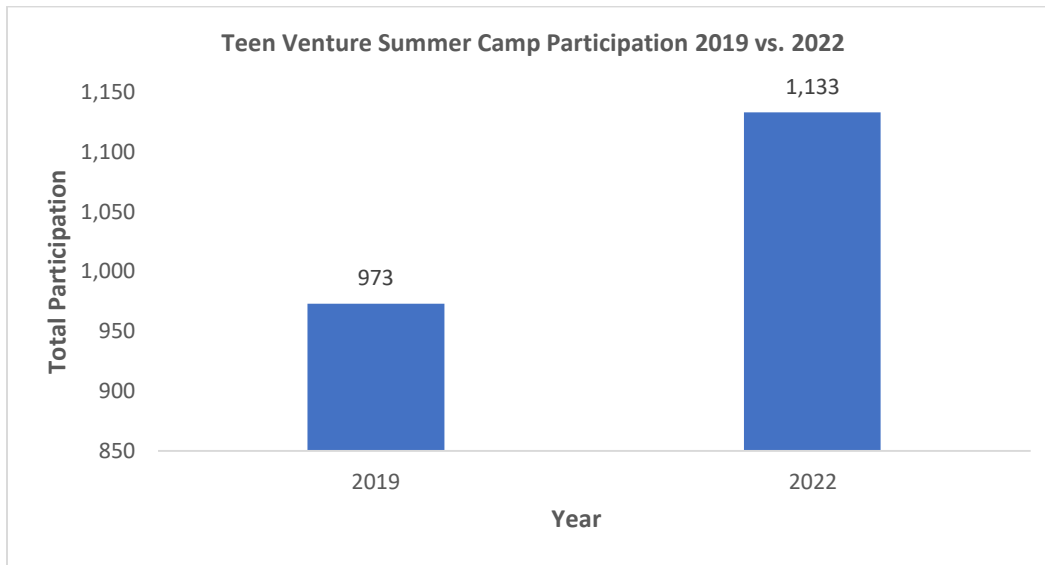
**Fire Department:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Over Allocation	Community Benefits Summary
Fire-OT for Minimum Staffing Level	\$300,000	\$462,872	\$162,872	*Maintains full staff levels for each A, B, C Shift to best support the well-being of the people and property in our community.

**Recreation:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Summer Camp (Teens & Preschool)	\$100,000	\$56,371	\$43,629	<p><u>Teen Venture Camps:</u>                      *Restored Teen Venture Camp after 2 year absence (camp last provided 2019).                      *Program goals: Socialization and group management skills, safe environment with day &amp; evening options, exercise and sports, engaging camp activities.                      *Overall program participation units higher in 2022 at 1,133 vs. 2019 at 973.                      *Participant unit example: 40 students x 5 days of camp = 200 units. Staff schedules &amp; supplies are correlated to participation.                      *Open Gym participation higher in 2022 at 311 vs. 2019 at 64.                      *Teen participation levels vary in general, compete with summer employment, and previous year attendance rates impact rollover numbers. Lack of continuity &amp; awareness of programming has been a challenge.</p> <p><u>Preschool Camps:</u>                      *Restored preschool summer camp programming after a multi-year absence to address the negative pandemic impact on school readiness.</p>

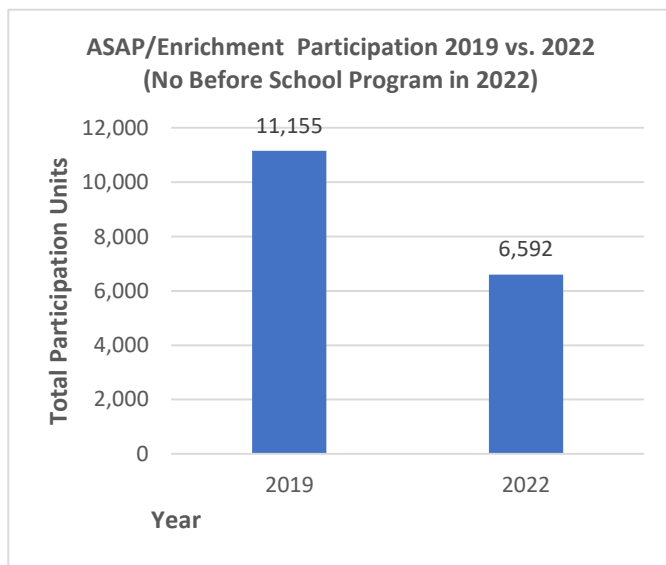
**Summer Camp Participation Improved in 2022 vs. 2019**



**Recreation:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
After School Activities Program (ASAP) & Enrichment Classes	\$170,000	\$86,669	\$83,331	<p><b>Activities and Enrichment:</b></p> <ul style="list-style-type: none"> <li>*Restores After School programs &amp; frozen staff positions from pandemic.</li> <li>*Preschool expanded to address negative pandemic impact on school readiness for: social skills, classroom/group management, motor skills, &amp; educational enrichment for kindergarten preparation.</li> <li>*Enrichment Instructors: African drumming, martial arts, crafts, &amp; sports clinics.</li> <li>*ASAP: safe childcare, homework help, STEM &amp; educational activities, high &amp; low energy games, art &amp; crafts, Social &amp; Emotional Learning projects, free play. Museum of Flight, Aviation High School, Nature Vision, &amp; Library.</li> <li>*Important socialization to address negative impact of schools closed.</li> <li>*Staff monitor resident requests &amp; schedule accordingly. No fees charged.</li> </ul> <p><b>Participation Levels:</b></p> <ul style="list-style-type: none"> <li>*Preschool participation units consistent at 192 throughout 2022.</li> <li>*ASAP participant numbers consistent from 2021 restart to December 2022; focusing on program quality.</li> <li>*ASAP/Enrichment had 6,592 participant units in 2022 vs. 11,155 participant units in pre-pandemic 2019. 2019 offerings included Before School (0 in 2022).</li> <li>*Student &amp; parent feedback shows they greatly value restored programming.</li> </ul>

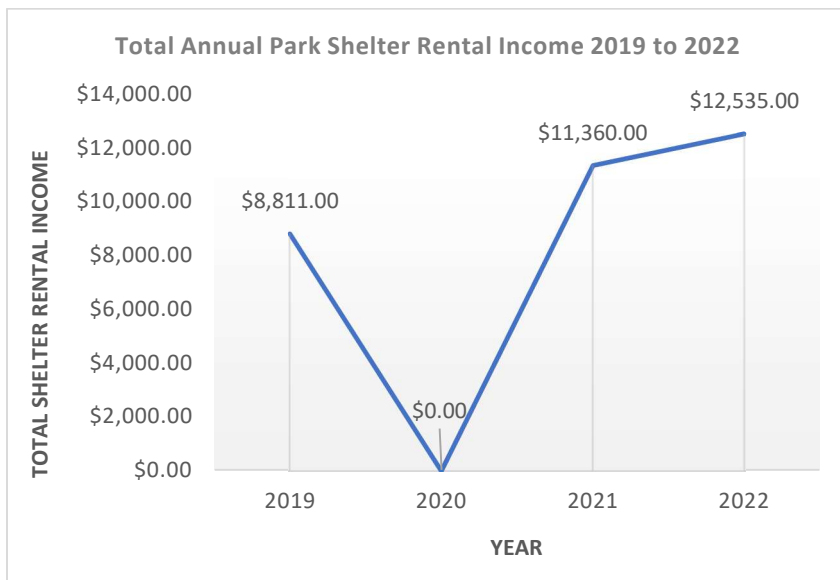
**2019 Before & After School Higher than 2022 After School Only**



**Recreation:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
<b>Parks Maintenance (2 positions)</b>	\$160,000	\$127,637	\$32,363	<p><u>Trash Pickup</u>                      *Nearly 1,900 trash cans were changed.                      *Daily trash rounds required 1,000 staff hours (not including drive time).                      *Nearly 67,000 lbs of garbage was removed from two sizes of trash cans.                      *An additional 15,000 lbs of loose trash was removed (by filling a 5 lb can almost 2,900 times).                      *An additional amount of garbage was removed during Homeless Encampment Cleanups. Encampment litter &amp; dumping required cleaning up 15 times in 2022.</p> <p><u>Concrete</u>                      *3 cubic yards of concrete, mixed mostly by hand, one bag a time.                      *Installed garbage can replacements, concrete pad replacements, under-bench pads, &amp; bollard installations (short posts to prevent or divert traffic).</p> <p><u>Park Improvements</u>                      *Tukwila gazebo replacement, shelter roof replacements at Foster, Riverton, &amp; Duwamish parks, &amp; several parking lot repavings.                      *Staff performed well over 54 graffiti removals off park property.</p> <p><u>Repairs &amp; Equipment Replacements</u>                      *19 irrigation repairs, controller upgrades, overhauls, &amp; additions.                      *18 new garbage cans.</p> <p>*Staff reports that very old equipment was replaced (using non-ARPA funds) that will save on labor going forward.                      *Park use increased as evidenced by 2022 shelter rental income vs. 2019.</p>

**Example of Increased Park Usage: 2022 Shelter Rental Income Higher than Pre-Pandemic Level**





**Allocations Without 2022 Expenditures:**

Allocation	Total 2022 Allocation	Total 2022 Expenditures	Funds Remaining	Community Benefits Summary
Business Assistance	\$185,000	\$0	\$185,000	*Department didn't use ARPA funds for programming.
SeeClickFix	\$15,000	\$0	\$0	*Software had 2021 renewal, so the 2022 Allocation was used to pay bill in 2021. Renews again in 2023.

**Summary of Allocations and Expenditures 2021 to 2024**

Actual spending data for 2021 and 2022 shows the total amount of underspent funds those years. Budget allocations for 2023-2024 were approved based on estimates of expected spending from departments before the end 2022 during the 2023-2024 budget planning season.

Allocations	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2023 Budget	2024 Budget
Traffic Calming	\$ 100,000	\$ 100,000	\$ 400,000	\$ 317,546	\$ 400,000	\$ 400,000
Before & After School	84,000	41,276	170,000	86,669	170,000	170,000
Summer Camp	50,000	50,618	100,000	56,371	100,000	100,000
DarkTrace	25,000	21,910	25,000	25,670	25,000	25,000
Business Assistance (1)	15,000	10,000	185,000	-	190,000	-
Parks Maintenance	80,000	76,910	160,000	127,637	155,098	-
Street Maintenance	167,500	45,367	335,000	215,951	225,641	-
Permit Processing	125,000	112,186	300,000	227,049	246,429	-
Council Chamber Buildout	18,000	13,283	200,000	14,493	-	-
Fire OT - Minimum Staffing	225,000	330,066	300,000	462,872	-	-
Leadership Initiative	-	-	25,000	1,869	25,000	25,000
ARPA Analyst	-	-	160,000	125,448	141,511	154,893
Rent/Utility Assistance (2)	-	-	500,000	232,782	135,000	-
SeeClickFix (3)	15,000	15,689	-	-	-	-
<b>Total Allocations Per Year</b>	<b>\$ 904,500</b>	<b>\$ 817,307</b>	<b>\$ 2,860,000</b>	<b>\$ 1,894,357</b>	<b>\$ 1,813,679</b>	<b>\$ 874,893</b>
<b>Total Underspent in 2021 &amp; 2022</b>		<b>\$ 87,193</b>		<b>\$ 965,643</b>		

(1) Budget not spent in 2021 so carried forward to 2022. Not spent in 2022 so carried forward to 2023.

(2) Budget not fully spent in 2022, so portion carried forward to 2023.

(3) Budgeted originally for 2022, however, invoiced and paid in 2021.

The chart below demonstrates the flow of ARPA funds from the City receiving them to the amount of unallocated funds remaining to allocate for 2024. Unallocated funds are the result of budget allocations made and approved by council before the end of 2022 when full knowledge of actual 2022 spending was not yet known.

Total ARPA Grant (Beginning Balance)	\$ 5,685,000
2021 Actual Spent	817,307
2021 Ending Balance	4,867,693
2022 Beginning Balance	4,867,693
2022 Actual Spent	1,894,357
2022 Ending Balance	2,973,336
2023 Beginning Balance	2,973,336
2023 Budget Allocation	1,813,679
2024 Budget Allocation	874,893
Unallocated Amount for 2024	\$ 284,764

**NEXT STEPS**

Analyst continues to manage and reconcile expenditures per council-approved allocations and will present a First Half of 2023 status report to the Finance & Governance committee. Staff will also prepare ARPA records in advance of the City’s 2022 State Audit and the April 2023 US Treasury ARPA required reporting.

**RECOMMENDATION**

Discussion only.