



**TO: Finance and Governance Committee**

**FROM: Vicky Carlsen, Finance Director**

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

**CC: Mayor McLeod**

**DATE: March 25, 2024**

**SUBJECT: Total 2023 American Rescue Plan Act (ARPA) Expenditures & Community Benefits**

**ISSUE**

Staff is reporting the total 2023 ARPA-funded expenditures, and information detailing the benefits of the expenditures to the community, per 2023 budget allocations approved by City Council through the 2023-2024 biennial budget process.

**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**

The tables that follow outline total 2023 ARPA-funded expenditures from January 1, 2023, to December 31, 2023, per data available through January 31, 2024. Each expenditure meets Treasury compliance requirements and directly or indirectly benefits the visitors, residents, and businesses in our community.

**Administrative Services:**

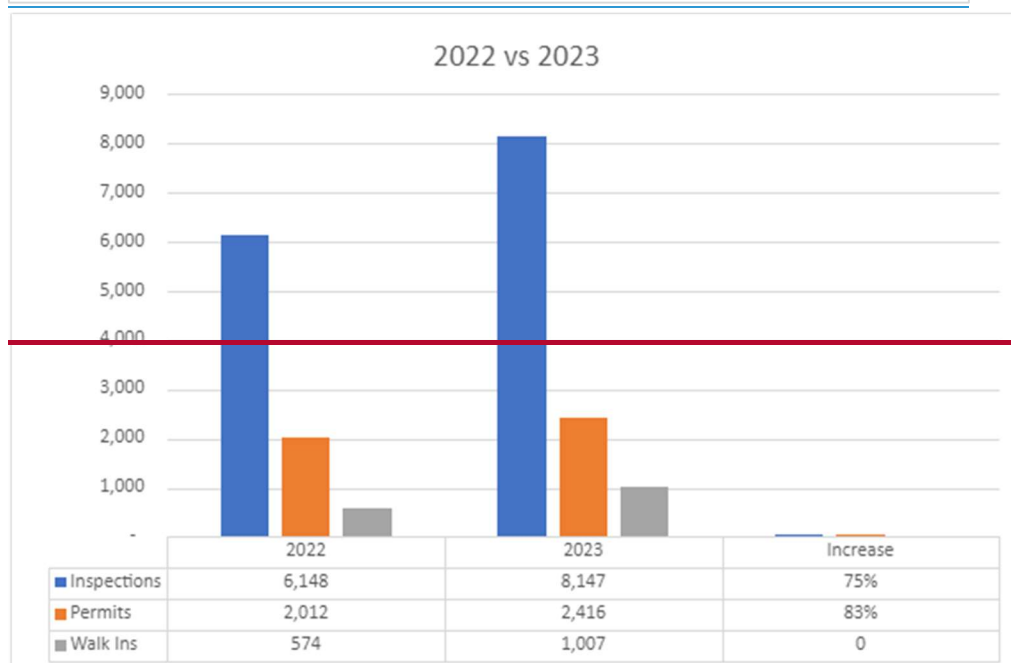
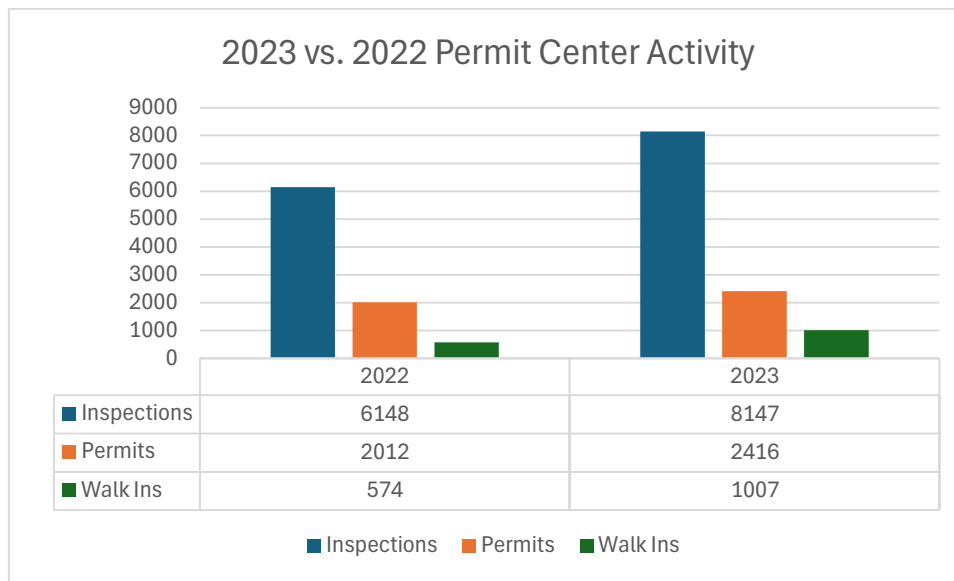
Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
DarkTrace Cyber Security	\$25,000	\$28,239	*Specific details not released to ensure security risk is not created. *Over budget by \$3,239.

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
Leadership Initiative (TCLI)	\$25,000	\$22,092	*Community-led program – supported by the City of Tukwila – to increase and build upon existing and future leaders in civic engagement, City services, policies and programs. *Led with equity lens and embrace inclusivity for betterment of Tukwila’s diverse community. *Program relaunched October 2023 with twelve community members, from various backgrounds, who attended seven weeks of programming. *Guest speakers and themed meetings focused on learning, community-building, and understanding how local government impacts the community. *Participants were able to identify important issues and advocate for change that helps all Tukwila communities thrive.

## Community Development:

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
Permit Processing (2 positions)	\$246,429	\$237,222	<p>*Permit Center service capacities increased in 2023 compared to 2022. See graph.</p> <p>*Comparison of 2022 vs. 2023 walk-in traffic not provided by Permit Center due to doors not open to public until March 2022.</p> <p>*In January 2023, Permit Center increased public access days from two to three days per week.</p> <p>*In September 2021, there was backlog of over 200 permits that were overdue. Today there are no overdue permits or backlog of reviews.</p> <p>*Still open 3 days/week to public. Available 5 days/week via phone, email, plus ability to schedule appointments online with Microsoft Bookings on website.</p> <p>*DCD is consistently updates forms, handouts, and website due to code and policy changes to keep customers informed and updated.</p> <p>*Newly adopted 2021 International Building Codes effective on March 15th.</p> <p>*Permit Center is fully staffed at six positions (two staff out on medical leave).</p>

### Permit Processing Increased Service Capacity in 2023 Compared to 2022



Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
ARPA Funds Analyst	\$141,511	\$126,779	<p>*Reconciled each individual expenditure for all department allocations (monthly, quarterly, half-yearly, and annually).</p> <p>*Represented the City's ARPA Program at 2023 NLC Congressional Conference in Washington DC. Presented to Senator Murray's and Senator Cantwell's advisory staff, discussed ARPA with City lobbyist, and participated in ARPA-specific discussions, roundtables, and interviewed US Treasury representatives.</p> <p>*Prepared &amp; successfully submitted 2023 ARPA annual report to US Treasury.</p> <p>*Recorded &amp; reported ARPA expenditures for 2022 State Audit. No findings.</p> <p>*Researched options to request additional ARPA funds from WA State. No programs available.</p>

**Public Works:**

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
Residential Street Maintenance (2 positions)	\$225,641	\$200,656	<p><u>Maintenance Accomplishments</u></p> <p>*Mow Right of Way (ROW) along roadways for visibility and safety.</p> <p>*Blew leaves from sidewalks, plus swept leaves and debris to maintain cleanliness throughout City.</p> <p>*Trim, weed, mulch, and spray vegetation in ROW for beautification and safety.</p> <p>*Shut down and blow out twenty irrigation systems.</p> <p>*Asphalt repair for potholes and other repairs City wide.</p> <p>*Snow and ice response with plowing and deicing roads.</p> <p>*Guardrail repairs at 58th and Orillia Road.</p> <p>*Homeless encampment cleanups at 180th bridge, 146th, Tukwila International Blvd and along the Green River.</p> <p>*Improved lighting along Tukwila International Blvd.</p> <p>*Litter control and illegal dumping cleanups in ROW areas.</p> <p><u>Benefits of Maintenance:</u></p> <p>*Public safety.</p> <p>*Resident preference.</p> <p>*Beautify environment for visitors.</p> <p>*Maintain infrastructure.</p> <p>*MUTCD required maintenance.</p>

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
Traffic Calming	\$400,000	\$257,977	<p><u>2022 Overlay Program (Project delayed due to cold/wet weather.)</u>  <i>*Permanent Channelization (street markings for traffic and pedestrians):</i>            -Crosswalk and Stop Bars throughout the 2022 Overlay area.            -Edge striping to delineate pedestrian walking paths.            -Final warning indicators at speed cushions and Rectangular Rapid Flashing Beacons (RRFBs) near Foster High School and TCC in Allentown.</p> <p><u>2023 Overlay Program</u>  <i>*Speed Cushions on 37th Ave S and S 140th St.</i>  <i>*Permanent Signage on various streets within Overlay scope.</i>  <i>*Entire effort to construct 119th/42nd Pedestrian Bridge Crossing:</i>            -Remove pavement/sidewalk in conflict with work.            -Install new ADA complaint sidewalk on both sides of 42nd at X-walk.            -Install raised crosswalk platform.            -Narrow roadway slightly at crosswalk to provide traffic calming.            -Replace pavement on both approaches to new X-walk.            -Provide channelization (roadway striping and legal X-walk markings).</p> <p><u>Benefits</u>  <i>*Provide permanent pedestrian safety at all locations.</i>  <i>*Increase safety for all modes of traffic especially in significant resident density areas and areas of substantial of traffic transiting between Military Road and TIB.</i></p>

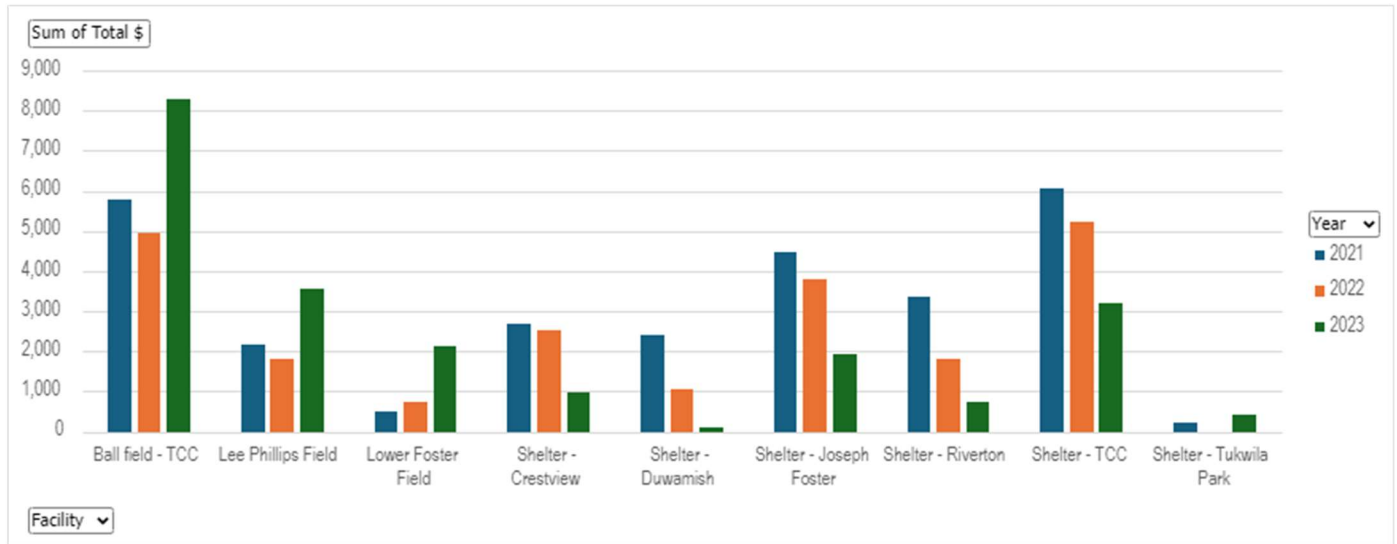
**Recreation:**

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
<b>YOUTH After School Activities Program &amp; YOUTH Enrichment Classes (ASAP)</b>	\$141,950	\$122,658	<p><u>New, Free Mobile Rec Program</u></p> <ul style="list-style-type: none"> <li>*Recreational games and activities at various locations throughout the community during summer with 928 participant units.</li> <li>*Reduced barriers for those unable to attend other programs due to transportation or cost issues.</li> <li>*Increased accessibility to activities around the community.</li> <li>*Program will resume summer of 2024 with plans to offer annually.</li> </ul> <p><u>Participation</u></p> <ul style="list-style-type: none"> <li>*First Half 2023 Youth After School/Enrichment had 5,636 participant units.</li> <li>*Down 15% compared to 2022 due to fees charged beginning January 2023 (no longer free program due to no-shows affecting attendance).</li> <li>*2019 pre-pandemic participant units were 11,155 for combined Before &amp; After School programming.</li> <li>*Early Bird (Before School) planned to resume Fall 2024. Barrier has been coordinating transportation with school district.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>*Restored After School programs &amp; frozen staff positions from pandemic.</li> <li>*Enrichment currently provides Kung Fu instruction.</li> <li>*ASAP provides safe childcare, homework help, STEM &amp; educational activities, low &amp; high energy games, art &amp; crafts, social &amp; emotional learning projects, free play and field trips.</li> <li>*Important socialization especially after pandemic closed schools and community activities.</li> </ul>

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
<b>PRESCHOOL Enrichment Program (ASAP)</b>	\$28,050	\$23,631.12	<ul style="list-style-type: none"> <li>*Extra enrichment programming helps address negative impact of pandemic on school readiness.</li> <li>*Focuses on socialization, classroom &amp; relationship building skills, motor skills, and educational enrichment needed for kindergarten success.</li> <li>*Pee Wee Picasso Art (4 to 5 year olds + caregiver), Baby and Me (0 to 1 year olds + caregiver), Miss Cindy's Play &amp; Learn (0 to 5 year olds + caregiver).</li> <li>*2023 participant units 445. Up 57% compared to all of 2022.</li> <li>*ARPA funds supplies and extra preschool teacher hours for additional enrichment programming.</li> </ul>

Allocation	Total 2023 Allocation	Total 2023 Expenditures	Community Benefits Summary
<b>Parks Maintenance (2 positions)</b>	\$155,098	\$134,398	<p><u>Maintenance Tasks</u></p> <ul style="list-style-type: none"> <li>*Installed 15+ garbage can replacements (requiring less labor time to maintain).</li> <li>*Pressure washed City Hall entrance, TCC, all shelters, stairs, trails and park walkways, Tukwila Pond Dock, Crystal Springs, Duwamish and Riverton Parks.</li> <li>*Mowed vegetation along trails and park walkways, trimmed City Hall hedges, pruned overgrowth along Green River and Interurban trails, Duwamish Garden and numbered trails.</li> <li>*Repaired portable water meter and irrigation lines at Duwamish Hill.</li> <li>*New art and City message banners installed on Tukwila International Blvd.</li> <li>*54+ flower baskets installed along roadways.</li> <li>*Garbage can repairs at various locations.</li> <li>*Debris blowing, lawn care and weed control applications ongoing.</li> </ul> <p><u>Field &amp; Shelter Rental Income</u></p> <ul style="list-style-type: none"> <li>*Field rentals are above 2021 and 2022 levels due to multiple events. See graph.</li> <li>*Park shelter rentals below 2021 and 2022 levels due to Mobile Rec program set up free programming in shelters on Saturdays. See graph.</li> <li>*Residents have realized they can drop in at unused shelters to avoid paying fees.</li> </ul>

**2023 Field Rental Income Increased vs. 2023 Park Shelter Rental Income Decreased from Prior Levels**



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

Actual spending data for 2021, 2022 and 2023 compared to allocations in these time periods. Budget allocations for 2023-2024 were approved by council based on estimates of expected spending from departments before the end 2022 and 2023, respectively.

Allocations	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2023 Budget	2023 Actuals	*2024 Budget
Traffic Calming	\$ 100,000	\$ 100,000	\$ 400,000.00	\$ 317,546	\$ 400,000	\$ 257,977	\$ 400,000
Before & After School (5)	84,000	41,276	170,000	86,669	170,000	146,289	170,000
Summer Camp	50,000	50,618	100,000	56,371	100,000	89,718	100,000
DarkTrace	25,000	21,910	25,000	25,669	25,000	28,239	25,000
Business Assistance (1)	15,000	10,000	185,000	-	190,000	-	-
Parks Maintenance (4)	80,000	76,910	160,000	127,637	155,098	134,398	149,455
Street Maintenance (4)	167,500	45,367	335,000	215,951	225,641	200,656	225,641
Permit Processing (4)	125,000	112,186	300,000	227,049	246,429	237,222	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	22,092	25,000
ARPA Analyst	-	-	160,000	125,448	141,511	126,779	154,893
Rent/Utility Assistance (2)	-	-	500,000	232,782	135,000	-	-
SeeClickFix (3)	15,000	15,689	-	-	-	-	-
<b>Total Allocations &amp; Expenditures</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>\$ 1,243,371</b>	<b>\$ 1,496,418</b>
<b>Total Underspent Per Time Period</b>		<b>\$ 87,193</b>		<b>\$ 965,643</b>		<b>\$ 570,309</b>	

- (1) Budget not spent in 2022 so carried forward to 2023. Funding protocols not met, so 2023 funds released for 2024 reallocation.
- (2) Budget not fully spent in 2022, so portion carried forward to 2023. Dept used non-ARPA funds for assistance, so 2023 funds released for 2024 reallocation.
- (3) Budgeted originally for 2022, however, invoiced and paid in 2021.
- (4) Only labor costs, for two unfrozen positions from pandemic, are funded.
- (5) Preschool Enrichment Activities were added to Before & After School Allocation for 2023 and 2024.

\*2024 allocation budgets were created based on estimates made before the end of 2023.

## Recap of ARPA to Date

This chart shows the flow of ARPA funds after three years of council-approved expenditures. Unallocated funds are due to expenditures that have underspend their budget allocation. More to come regarding spending recommendations for unallocated total.

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 Actual Spent	1,243,371
2023 Ending Balance	1,729,965
2024 Beginning Balance	1,729,965
2024 Budget Allocation	1,496,418
Unallocated Amount for 2024	\$ 233,547

Per US Treasury ARPA requirements, Cities must contractually obligate all funds by 12/31/2024 and expend funds by 12/31/26. Council-approved allocations are expected to fully expend ARPA funds by 12/31/24. A plan will be forthcoming on how best to utilize remaining ARPA funds.

## NEXT STEPS

Analyst continues to manage and reconcile expenditures per council-approved allocations and will present

a First Half 2024 spending report to the Finance & Governance committee once the first half of the year is reconciled. Staff will also prepare ARPA records in advance of the City's 2023 State Audit and the April 2024 US Treasury ARPA required reporting.

**RECOMMENDATION**

Discussion only. More to come.