



**City of West Palm Beach
Special City Commission**

AGENDA

**August 26, 2021
4:00 P.M.**

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY CLERK'S OFFICE, 401 CLEMATIS STREET, WEST PALM BEACH, FLORIDA 33401, {(561) 822-1210}

**MAYOR
KEITH A. JAMES**

**CITY COMMISSION
PRESIDENT JOSEPH A. PEDUZZI**

**COMMISSIONER KELLY SHOAF
COMMISSIONER CHRISTY FOX**

**COMMISSIONER SHALONDA WARREN
COMMISSIONER CHRISTINA LAMBERT**

**ADMINISTRATION
ADMINISTRATOR, FAYE W. JOHNSON
CITY ATTORNEY, KIMBERLY ROTHENBURG
CITY CLERK, HAZELINE CARSON**

CIVILITY AND DECORUM: The City of West Palm Beach is committed to civility and decorum by its officials, employees and members of the public who attend this meeting. The City Code, Secs. 2-31(8), 2-31(18) and 2-31(22), provides in pertinent part:

- Officials shall be recognized by the Chair and shall not interrupt a speaker.
- Public comment shall be addressed to the City Commission as a whole and not to any individual on the dais or in the audience.
- Displays of anger, rudeness, ridicule, impatience, lack of respect and personal attacks are strictly prohibited.
- Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted.
- Offenders may be removed from the meeting.

RESOLUTION (1):

1. **Resolution No. 232-21 accepting and acknowledging allocation of \$24,530,823 from the U. S. Department of Treasury under the American Rescue Plan Act of 2021.**

RESOLUTION NO. 232-21: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, ACCEPTING ALLOCATION OF TWENTY-FOUR MILLION FIVE HUNDRED THIRTY THOUSAND EIGHT HUNDRED AND TWENTY-THREE DOLLARS (\$24,530,823) FROM THE U. S. DEPARTMENT OF THE TREASURY AS PART OF THE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS THROUGH THE AMERICAN RESCUE PLAN ACT OF 2021 ON BEHALF OF THE CITY OF WEST PALM BEACH ; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES

Agenda Cover Memorandum No.: 23461

Staff Recommended Motion:

Approve Resolution No. 232-21.

Background:

On May 10, 2021, 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 guidelines 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. State, local, territorial, and tribal governments have been on the front

lines 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.

Congress has allocated this funding to tens of thousands of jurisdictions, and the City of West Palm Beach as an eligible metropolitan city, has been approved for a total allocation of \$24,530,823, to be distributed in two (2) tranches, with 50% received by the City May 19, 2021, and the balance to be delivered twelve (12) months later.

The first tranche of revenue was received by the City in the amount of \$12,265,411.50.

Administration of the Recovery Funds:

- The funds will be distrusted by the U.S. Department of the Treasury;
- The funds shall be used to cover costs incurred by (i.e. obligated by) December 31, 2024;
- Payments will be divided into two (2) equal tranches;
- The first tranche was received May 19, 2021 in the amount of \$12,265,411.50; and
- The second tranche, remaining 50%, is to be provided twelve (12) months thereafter.

Allowable Uses of the Recovery Funds:

- To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- To provide premium pay to eligible workers performing essential work during the pandemic;
- For the provision of government services to the extent of the reduction in revenue (i.e. online, property or income tax) due to the public health emergency; and
- To make necessary investments in water, sewer, or broadband infrastructure.

Ineligible Uses of Funding

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two (2) ineligible uses of funds:

1. 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.

2. No recipient may use this funding to make a deposit to a pension fund.

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.

The City Attorney's Office is closely monitoring the Recovery Funds requirements and the Department of Treasury guidance documents. Based on that guidance, under the Mayor's direction, staff has developed a proposed plan on the use of the first payment to include what portion of the funds could be incorporated into the FY22 budget process; particularly for the General Fund. It is important to keep top of mind that the recovery funds are one-time funding that must be utilized as set forth by the ARPA and in compliance with further guidance from the Department of Treasury.

\$12,265,411.50 received May 19, 2021 was recorded and will come forward in FY22 when another Commission Agenda item will identify expenditure budget allocations.

Resolution No. 232-21 approves the acceptance of the total grant award.

Fiscal Note:

\$12,265,411.50 (of the total award of \$24,530,832) received May 19, 2021.

ADJOURNMENT:

***Pursuant to Resolution No. 179-95, adopted according to the provisions of Section 286.0115, Florida Statutes, members of the Commission shall disclose on the record: 1) ex-parte communications - verbal or written and written communications shall be placed in the record; and 2) site visits, investigations, etc.**

NOTICE: IF ANY PERSON DECIDES TO APPEAL ANY DECISION OF THE CITY COMMISSION AT THIS MEETING, THAT PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND FOR THAT PURPOSE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. THE CITY OF WEST PALM BEACH DOES NOT PREPARE OR PROVIDE SUCH A RECORD.