

To: Members
Dunwoody City Council

From: J. Jay Vinicki
Assistant City Manager

Linda Nabers
Finance Director

Re: American Rescue Plan Funding Amendment

Date: 13 June 2022

Action

Authorize the mayor, city manager, or designee to execute all documents necessary and proper to amend the budget for ARP (American Rescue Plan) 1 and ARP 2 as stated in this memorandum.

Summary

The ARP and Grants Committee reviewed the current budget for the American Rescue Plan funding along with recommendations by the mayor and staff. During their work session, they coalesced around bringing to full City Council for discussion a budget which appropriates all but \$1,250,000 of the \$18,431,321. They also broke down funding into ARP 1 and ARP 2.

Details

The current budget for ARP funding is shown below, along with the proposed new budget. City Council has taken action on four items so far: PCE Park; Revenue Replacement, Wayfinding Signage, Summer School Programs and Stormwater Expediting as of the meeting of this committee. This chart also shows the working version of the proposed budget discussed during committee.

The committee looked at the American Rescue Plan funding as a one-time source of revenue, looking to focus on one-time expenditures. Focusing on those with minimal ongoing operational costs. In some instances, the committee did look at piloting some operational costs, such as mental health clinician services for police to see if the effectiveness could be proven to make it a permanent aspect of operations.

The committee also worked with a set of parameters where ARP 1 funding should be those projects deemed most eligible for American Rescue Plan funding and those that can be done promptly. ARP 2 will be for those projects which fit the spirit of the ARP plan but may technically not be eligible, due to criteria like being within a qualified census tract.

ARP 2 funding is created by an allocation transfer from the General Fund, so are General Fund (not grant funding) tax dollars and all state and local rules concerning procurement and use apply, though federal restrictions are now lifted.

ARP Combined Budgets				
ARP 1	2022.01.11	2022.04.11	2022.05.09	Proposed
Revenue	18,431,324	18,431,324	18,431,324	18,431,324
Transfer to ARP 2	-	10,000,000	10,000,000	10,000,000
PCE Park	3,000,000	3,000,000	3,000,000	3,000,000
Wayfinding Signage	500,000	500,000	500,000	500,000
Stormwater Expediting (1)	300,000	300,000	300,000	-
Summer School Program (2)	-	-	200,000	-
Revenue Replacement	1,500,000	-	-	-
Stormwater Programs (1)	-	-	-	4,931,324
Contingency	13,131,324	4,631,324	4,431,324	-
Expenses	18,431,324	18,431,324	18,431,324	18,431,324
ARP 2	2022.01.11	2022.04.11	2022.05.09	Proposed
Revenue	-	10,000,000	10,000,000	10,000,000
Direct Assistance (2)	-	-	-	2,000,000
Recreational Equity	-	-	-	1,500,000
Cybersecurity	-	-	-	1,000,000
Economic Development	-	-	-	1,000,000
Social Services Incubator	-	-	-	1,000,000
Public Safety / Police	-	-	-	1,000,000
Public Safety / Lighting	-	-	-	500,000
Administrative Costs	-	-	-	300,000
City Supplies / Services	-	-	-	250,000
Grant Writing	-	-	-	200,000
Contingency	-	10,000,000	10,000,000	1,250,000
Expenses	-	10,000,000	10,000,000	10,000,000

Budgetary Detail

PCE Park - \$3,000,000 (ARP 1)

This funding will assist in tourism development by allowing proposed projects under the original hotel/motel tax to continue. The increase in the hotel/motel tax rate was passed shortly before COVID with the intent on bonding that regular revenue for projects, like PCE Park, that were desired by the local hotels in order to attract both business and personal stays. Staff cannot recommend bonding the hotel/motel tax until there are at least two years of stable pre-COVID level funding, therefore this type of pay-as-you-go funding is necessary in order to foster a better climate for the hotel industry.

Wayfinding Signage - \$500,000 (ARP 1)

This funding will be used to assist in improving the local tourism and hotel/motel industry. While the city is accessible directly by MARTA, there has been an growing issue as expansion has

occurred that travelers once they disembark the train, have trouble locating their next destination. Wayfinding signage, like this, will also work towards economic development efforts of branding the local area.

Stormwater Programs - \$4,931,324 (ARP 1)

This funding will cover multiple facets of stormwater, with \$300,000 (at minimum) of it dedicated expediting projects. The stormwater fund is self sustaining, but annual budget of slightly over \$2 million is enough to maintain, though not vastly improve the system. This funding will be used for larger projects, for instance \$500,000, which cannot be done with the annual appropriation.

Direct Assistance - \$2,000,000 (ARP 2)

Administrative Costs - \$300,000 (ARP 2)

This funding will be used to create a competitive grant distribution process for non-for-profits. The tentative threshold will be that proposal must be at \$100,000 minimum and \$500,000 maximum. As this is proposed as ARP2 funding, there will be more flexibility. Long term improvements to facilities or operations will be encouraged, though direct assistance is not discouraged. The \$300,000 for Administrative Costs will be a third-party vendor who will have oversight on the applications and spending. All grant amounts will be approved by City Council.

Recreational Equity - \$1,500,000 (ARP 2)

This funding will be used to purchase land and develop neighborhood park facilities in underserved communities within the City. Small parcels will be identified and purchased to develop "Pocket Parks" with play structures and bathroom facilities to create a walkable option for families to have their recreation needs met.

CyberSecurity - \$1,000,000

This funding will be used to improve our security stance. There are 2 categories of improvements in this request: Application and Hardware. At this point, the Application improvements are deemed highest priority to include upgrades to our Firewall licenses to protect our laptops even when not connected to VPN, move to Zero-Trust privileged Access environment, an application to find the hidden threats, an application to push out security patch updates consistently, and a SIEM to give us next generation detection, analytics, and responses to security threats, real time. For Hardware improvements, they would consist of adding a Firewall to the new Parks location, upgrading our Switches to ensure we don't have any End-of-Life switches in our environment, and upgrading the oldest Host Server to ensure current hardware is being utilized in the environment. The highest priority items would cost around \$400,000 with the maximum being \$1,000,000 if all cybersecurity needs are met.

Economic Development - \$1,000,000 (ARP 2)

Support Program for Innovation/Technology Entrepreneurs: To attract high-growth, high-impact startup technology companies and entrepreneurs, a place has to offer an ecosystem that is conducive to entrepreneurial opportunities. This funding will be used to implement the five goals contained in Dunwoody's Entrepreneurship & Innovation Strategy:

- Develop a Support Program for Small Business Entrepreneurs, Including Underserved Businesses

- Develop a Support Program for Innovation/Technology Entrepreneurs
- Create an Accelerator for Technology Companies
- Increase Access to Angel/Venture Capital
- Plan for an Innovation District in Perimeter to Support Startups Over Time

Social Services Incubator - \$1,000,000 (ARP 2)

This funding will be used to purchase and rehab a building which will then live on as rental space for local not-for-profits. It will give the city, and the area, a one stop shop for social service delivery. The \$1 million cost is the city's contribution but will work with local not-for-profits on generating additional capital, if needed. The location is expected to be on the eastern side of town to help those in need with transportation costs. Not-for-profits may rent space with their rent paying for utilities, repairs, and maintenance. They will also coordinate amongst themselves for a front desk presence.

Public Safety / Police- \$1,000,000 (ARP 2)

Clinician for Co-Responder Program - \$270,000 for Three Years Funding (ARP 2)

This funding will be used to contract with a company to provide a full-time, on-site clinician that will respond to calls with the police department involving people experiencing a mental health crisis. The clinician will also do case management follow-up. The company will also provide 24/7 on-call coverage.

Additional LPRs with Flock Safety - \$171,450 for Two Years' Service (ARP 2)

This funding will add additional LPRs to the streets of Dunwoody, gunshot detection capabilities to a problematic area of the City, and Advanced Search capabilities with our current LPR vendor.

Hire 1 Sergeant & 3 Police Officers for Street Crimes Unit (Violent Crime Unit) - \$558,550 (ARP 2)

This funding will hire four new police officers to staff a Street Crimes or Violent Crime Unit to address the significant increases we have experienced with violent crime and address the growing drug trafficking problem in Dunwoody. These funds would not be expended until the department is at full staff, which will be after the management study of the department is completed.

Public Safety / Lighting - \$500,000 (ARP 2)

This funding will be used to install lighting in lower income and areas of the city which have safety concerns. Staff will develop a plan for council approval before implementation.

City Supplies / Services - \$250,000 (ARP 2)

This funding will be used to purchase smaller items through the time which are to fill in one-time costs in operating budget which are related to COVID or operation in a post-COVID world. Examples as Done under CARES 2 include: Upgrading the HVAC filtering systems; screen barriers for staff that interact with the public; remote working tools; hand sanitizer, masks, etc. Also, for other items which are small but do not fit into another ARP budget, this is the area for funding.

Grant Writing - \$200,000 (ARP 2)

This funding will be used to have an ad hoc grant writer / seeker for the city. City staff usually cannot dedicate the time to searching for and even applying for grants. This funding should last four years or more and may lead to permanence, if found effective.

Recommendation

Authorize the mayor, city manager, or designee to execute all documents necessary and proper to amend the budget for ARP (American Rescue Plan) 1 and ARP 2 as stated in this memorandum.