

**CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON**

AGENDA TITLE:	Discussion of Proposed 2022 Human Services Allocations of American Rescue Plan Act (ARPA) Funding		
DEPARTMENT:	Recreation, Cultural and Community Services		
PRESENTED BY:	Colleen Kelly, Director		
ACTION:	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

PROBLEM/ISSUE STATEMENT:

The American Rescue Plan Act (ARPA), which was signed into law by President Biden on March 11, 2021, is a \$1.9 trillion economic stimulus bill. Within the ARPA, the Coronavirus State and Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$130 billion for local governments, split evenly between municipalities and counties. The City of Shoreline was awarded \$7,533,842, of which 50% was received this year and the remaining 50% will be received in 2022. ARPA funding covers the period of March 3, 2021, through December 31, 2024. Costs must be incurred or obligated by December 31, 2024 and must be spent by December 31, 2026.

On June 14, 2021, Council indicated support for staff's Phase 1 funding recommendations, including funding 1.4 FTE ARPA Navigator/Community Support Specialist positions; supporting human services and community, youth and business recovery efforts; and funding wastewater and stormwater capital projects. In December 2021, the City Manager authorized an ARPA expenditure of \$87,500 to purchase grocery gift cards for the School District Holiday Gift Basket Event.

Tonight, staff will present recommendations for 2022 Human Services ARPA expenditures.

RESOURCE/FINANCIAL IMPACT:

The \$7,533,842 in ARPA funding the City will receive will cover eligible expenditures that are fully obligated by December 31, 2024. Budgeting these funds will happen through a 2022 budget amendment and as part of the 2023-2024 budget process.

RECOMMENDATION

Staff recommends that the City Council discuss staff's recommended 2022 Human Services ARPA funding recommendations. If there is Council consensus to support these recommendations, staff will move forward with implementation and prepare a budget amendment to authorize the proposed expenditures.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The American Rescue Plan Act (ARPA), which was signed into law by President Biden on March 11, 2021, is a \$1.9 trillion economic stimulus bill. Within the ARPA, the Coronavirus State and Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$130 billion for local governments, split evenly between municipalities and counties. The City of Shoreline was awarded \$7,533,842 of which 50% was received in 2021 and the remaining 50% will be received in 2022. ARPA funding covers the period of March 3, 2021, through December 31, 2024. Costs must be incurred/obligated by December 31, 2024 and must be spent by December 31, 2026.

Eligible Uses of Funding

Coronavirus State and Local Fiscal Recovery Funds provide a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds as follows:

- To respond to the public health emergency caused by 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 respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.
- For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.
- To make necessary investments in water, sewer (includes both storm and wastewater), or broadband infrastructure.

Guiding Principles

Staff are using the following guiding principles to develop a recommended ARPA funding allocation plan to the City Council:

- ARPA funds are temporary in nature and a one-time allocation. As such, staff will be recommending programs that should not be considered on-going and will terminate when the ARPA funds have been expended by the City. Investment in qualifying infrastructure projects support this principle.
- The City needs to be informed of the ARPA plans of other regional partners so that the use of the City's allocation can best meet the needs of the community and fill gaps not identified by other programs. This includes understanding the program eligibility from other federal and state programs.
- The City program should have a role in helping Shoreline residents and businesses navigate the process to access funds through local, regional, state, and federal programs.
- Needs may evolve over a multi-year process and as such the programming of funds should be prudent and not rushed. The program may be a multi-phased process.

Following the passage of ARPA, the City Manager formed an internal staff committee to consider how Shoreline might make the most strategic use of these resources. High level allocations were subsequently approved by the City Council in June 2021, as outlined in the table below. The staff report for that discussion can be found at the following link: [Discussion of Proposed American Rescue Plan Act \(ARPA\) Funding Allocation](#).

Category	Subcategory	Targeted Amounts
Respond to public health emergency caused by COVID-19 or its negative economic impacts.	a. Limited Term ARPA Navigators (1.4 FTE)	\$511,000
	b. Human Service Needs	\$1,600,000
	c. Community and Youth Recovery	\$400,000
	d. Business Recovery and Stabilization	\$500,000
City cost recovery for COVID-19 related expenses.		\$500,000
Make necessary investments in water, sewer, stormwater, or broadband infrastructure.		\$4,022,000
Total		\$7,533,000

The Council also supported two additional specific recommendations at that time:

1. Allocate \$225,000 to fund community and youth recovery by supporting the Youth Outreach Leadership Opportunity (YOLO) program and a contracted Mental Health Therapist for youth and teens during 2022.
UPDATE: These programs were supported by a King County Best Starts for Kids grant that expired at the end of 2021. Staff made this recommendation to ensure that services could be continued as the levy renewal process played out. Since then, King County committed to renew the contract for January-June of 2022. Staff intends to re-apply for funding to continue these efforts but will not make any recommendations regarding the funding in the Community and Youth Recovery category until the outcome of that process is known.

2. Allocate \$93,000 to fund outreach and analysis to Shoreline businesses through a three-year partnership with the Shoreline Chamber of Commerce.
UPDATE: The City’s Economic Development Manager will attend a subsequent Council meeting in February 2022 to provide updated information on this item.

In December 2021, the City Manager authorized an additional ARPA expenditure of \$87,500 to purchase grocery gift cards for the School District Holiday Gift Basket Event.

The 1.4 FTE Limited Term ARPA Navigators positions were filled and work has been underway since October 2021. The working title being used for these positions is Community Support Specialist, which is more understandable to the general public.

DISCUSSION

Tonight, staff will present recommendations to City Council for the 2022 Human Services ARPA expenditures.

Rationale for 2022 Recommendations

Staff have researched resources available to support Shoreline residents still struggling with the impacts of COVID and have learned a few key things. First, though the ARPA resources were intended to focus on recovery, many residents are still in crisis management/survival mode. It

has become clear that there are many residents still struggling to meet their basic needs, and that achieving financial stability will be a long-term process.

Second, there are significant resources available to assist with some of the more substantial supports needed by families and individuals, including rental assistance, utility assistance, and child-care support, so staff are recommending that local resources be used to fill other gaps. Specifically, the City allocates its annual SHB 1406 funding (local state-shared tax for affordable and supportive housing) to Hopelink to provide rental assistance and allocated \$200,000 in Community Development Block Grant (CDBG) funding to Hopelink to provide additional rental assistance services through June 2022. In addition, King County has allocated up to \$145 million for an Eviction Prevention and Rental Assistance Program focused on helping to keep people housed. The County has also contracted with the Housing Justice Project to provide legal assistance to any family in King County that receives an eviction order.

The City also provides \$25,000 per year to Hopelink for [utility assistance](#) for Shoreline residents. Additional utility resources include the WA Utilities and Transportation Commission [Energy Assistance Programs](#) and federal government [Assistance Programs](#) to help with telephone, heating bills, and other expenses.

Third, findings from staff outreach include anecdotal data demonstrating especially significant impacts of COVID on Shoreline's low-income and historically underserved communities, including those experiencing homelessness, immigrant and refugee individuals and families, as well as those who identify as Black, Indigenous, and People of Color. These findings are further supported by King County's [2021 Revive and Thrive Recovery Plan](#), which included the following finding:

The pandemic multiplied the effect of existing inequities and created new and stark disparities in impact. To track these effects, King County & Seattle Public Health created several dashboards to identify and quantify the disproportionate impact of the pandemic. The Social and Economic Inequities and COVID-19 Outcomes dashboard utilized the social and economic risk index (SERI) to consider how six different factors (race/ethnicity/language/place of birth, number of occupants per household, percentage of adults in essential healthcare-related occupations, percentage of adults in essential non-healthcare occupations, percentage of adults 25+ with less than a college degree, and percentage of households with income less than 200% of federal poverty limit) effected key COVID outcomes, such as testing, positivity rates, hospitalization, and death rates varied among these groups.

The dashboard shows that rates of COVID-19 cases, hospitalization, and deaths were greatest for people of color, those without a college degree, and low-income individuals.

All of the above provided context that led to the development of the three recommended investment categories for 2022:

1. Emergency support for ongoing COVID Crisis Response (Category A);
2. Investments in services providing direct service support to historically underserved populations disproportionately impacted by COVID (Category B); and
3. Investments to strengthen civic infrastructure hampered by COVID to build the ongoing capacity of historically underserved communities for long-term impact (Category C).

Staff also discussed the challenge of long-term thinking as COVID remains unpredictable. With that in mind, staff is bringing forward recommendations only for 2022 expenditures at this time. This will allow ongoing assessment of the most critical needs and gaps while allowing staff time to plan accordingly for 2023 and 2024. Staff's recommendations for 2022 total \$518,000, which represents 34.2% of the \$1,512,500 still available. Staff does not know if all funds will be needed in 2022, so there may be additional funds to carry forward into the 2023-2024 biennial budget.

2022 Recommendations

Proposal for Category A-- Emergency support for ongoing COVID Crisis Response

This Flexible funds that can be used to provide emergency support for individuals and families are needed. Staff are familiar with a few programs that have procedures in place for managing flexible assistance funds, and the recommendations include allocations to those organizations. Additional investments in grocery cards for distribution by other community organizations are also included. Everyone needs to purchase food, so the rationale is that by providing grocery cards, families are able to spend their money on other items.

- **\$87,500—Grocery cards for Shoreline Schools Holiday Baskets 2022**

This amount provides \$125 grocery cards to 700 families. The Shoreline PTA Council and School District's Family Advocate program reported that 714 families registered for the event in 2020, therefore the City provided 700 grocery cards to meet the potential need. In 2021, 646 families registered, and 500 families attended the event. Due to unforeseen circumstances, the registration process started later than usual, and many families were not present at the event. Since then, Family Advocates continue to request grocery support for families who did not attend. With continued unemployment and financial instability due to COVID, we expect that those who were eligible will continue to request support in 2022.

- **\$50,000— Additional grocery cards** for distribution throughout the year in partnership with community-based organizations, as needs are identified. Shoreline individuals and families who are not served through the school district Family Advocates, such as older adults, households without children, or families with children who are not enrolled in the Shoreline School District can be served with these additional cards.
- **\$100,000—Flexible Financial Assistance** –Staff are recommending \$50,000 for the Center for Human Services and \$25,000 each for Canopy (formerly Turning Point) and Shoreline Community Care. These funds may be used to address emergency crisis needs in support of keeping folks housed and/or employed.

Proposal for Category B-- Investments in services providing direct service support to low-income, historically underserved populations disproportionately impacted by COVID

These recommendations are responsive to gaps identified by staff during the research and fact-finding phase above. Due to the temporary nature of ARPA funds, agencies were clearly informed that continued City funding cannot be assumed. These human services investments are to address immediate needs due to COVID most negatively impacting low-income and historically underserved communities, including those experiencing homelessness, immigrant and refugee individuals and families, as well as those who identify as Black, Indigenous, and People of Color.

- **\$50,000** to Charmd LLC to provide mental health support for Immigrant and Refugee individuals and families
- **\$28,500** to Grounded to support a part-time Youth Mental Health Specialist of Color to specifically support Black youth and other Youth of Color
- **\$120,000** to the Center for Human Services (CHS) Family Support Program for an Information and Assistance Specialist and COVID program support. The Family Support program provides early childhood caregiver education, parenting classes, kinship

caregiver support, and academic and social support activities to low-income and Latinx/Latine families. COVID has increased requests for referrals to resources and services related to the pandemic and requires more staff time, planning, and equipment/supplies to provide COVID safe programming for CHS employees and their participants.

- **\$57,000** to Canopy for a part-time Family Coordinator and part-time Tutor Coordinator to strengthen the organization’s internal capacity and expand the number of students and families that can be offered tutoring support. Many students experienced significant learning loss during the many months of remote teaching, increasing demand for tutoring support. Canopy works largely with East African families.
- **\$10,000** for emergency hotel vouchers to be distributed by Shoreline Police and/or Lake City Partners Outreach Specialist.
- **\$5,000** to purchase bus tickets or other transportation means for individuals utilizing hotel vouchers, severe weather shelter, or who are living unhoused and need assistance getting to a safer location.

Proposal for Category C—Investments to strengthen civic Infrastructure hampered by COVID to build the ongoing capacity of historically underserved communities for long-term impact

This recommendation responds to staff findings regarding overall community fatigue, especially for individuals and communities that continue to face unstable employment and financial strain. This category also aligns with the goals of the City’s Anti-Racism Resolution.

- **\$10,000** to expand the Love Your Community Grant Program to encourage resident-driven efforts to build an anti-racist community as part of an overall COVID recovery process. This is a City mini-grant pilot program currently in operation and funded at \$8,800 for the 2021-2022 biennium. The additional funds recommended here would support organizing efforts of historically underserved Shoreline communities, including anti-racism training and other resident driven efforts.

SUMMARY TABLE

INVESTMENT CATEGORY	2022
A. Emergency support for ongoing COVID Crisis Response	\$ 87,500 2022 Holiday Basket Grocery Cards \$ 50,000 Other Grocery Cards \$100,000 Flexible Financial Assistance \$237,500 Subtotal
B. Investments in services providing direct service support to historically underserved populations known to have been disproportionately impacted by COVID	\$ 50,000 Charmd LLC \$ 28,500 Grounded \$120,000 CHS Family Support Center \$ 57,000 Canopy \$ 10,000 Hotel Vouchers \$ 5,000 Bus/Transportation Tickets \$270,500 Subtotal
C. Strengthen civic Infrastructure hampered by COVID to build the ongoing capacity of historically underserved communities for long-term impact	\$ 10,000 Love Your Community Grants Expansion \$ 10,000 Subtotal
Total	\$ 518,000

Council Discussion Questions

Tonight, staff is seeking Council's feedback on the following discussion questions:

1. Does Council have any questions regarding the recommended investment categories?
2. Does Council have any questions regarding the specific recommended investments?
3. Does Council support the proposed 2022 Human Services ARPA allocation recommendations?

RESOURCE/FINANCIAL IMPACT

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RECOMMENDATION

Staff recommends that the City Council discuss staff's recommended 2022 Human Services ARPA funding recommendations. If there is Council consensus to support these recommendations, staff will move forward with implementation and prepare a budget amendment to authorize the proposed expenditures.