

ST. PETERSBURG CITY COUNCIL
Consent Agenda
Meeting of March 3, 2022

To: The Honorable Chair Gina Driscoll and Members of City Council

Subject: Approving a transfer in the amount of \$10,000,000 from the unappropriated balance of the American Rescue Plan Act Fund (1018) to the General Fund (0001); approving a transfer in the amount of \$10,000,000 from the increase in the unappropriated balance of the General Fund (0001), resulting from the above transfer, to the Housing Capital Improvement Fund (3000); approving supplemental appropriations from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), resulting from the above transfer, in the amount of \$6,500,000 to the Deuces T/H & Comm Development Project (18286) and \$3,500,000 to the Affordable Housing GAP Financing Project (18992); and providing an effective date.

Explanation: The Final Rule for the Coronavirus State Fiscal Recovery Fund (CSFRF) and the Coronavirus Local Fiscal Recovery Fund (CLFRF) established under the American Rescue Plan Act (ARPA) was released in January 2022. Before the final rule we were basing the City's ARPA plan on the Interim Rule issued by the Department of Treasury. Under the interim rule, a specific methodology and time period for the calculation of revenue loss was provided. Under that methodology we did not show any lost revenue during the covered period of time provide in the rule. Because we did not have any revenue loss, we had to assume that all investments contemplated would be eligible under the rule – so we had very little flexibility.

In the final rule, they have made a standard allowance of \$10M that a local government can claim as “lost revenue”. Once this standard allowance is claimed, the local government can use those resources on “government services” – thus granting us additional flexibility for the investment of these funds. In short, we would reduce our reporting requirements and not have to meet the eligibility requirements for this portion of the funds. Administration recommends exercising this standard allowance as it will give the city flexibility and reduce the reporting requirements to the Treasury on that \$10M.

The transfer to the General Fund would reimburse the General Fund for government services expenditures that occurred during FY21, specifically under the award eligibility period March 3, 2021, to September 30,2021. This transfer of funds would then free up \$10 million in the General Fund to be used on the Deuces Rising and other affordable housing projects. The transfer from the General Fund to the Housing Capital Projects Fund will provide funding for these projects. By choosing the standard allowance it gives the city more flexibility on the use of funds for these projects than would be allowable if ARPA funds were used.

Cost/Funding/Assessment Information: Funds will be available after the approval of a transfer in the amount of \$10,000,000 from the unappropriated balance of the American Rescue Plan Act Fund (1018) to the General Fund (0001), a transfer in the amount of \$10,000,000 from the increase in the unappropriated balance of the General Fund (0001), resulting from the above transfer, to the Housing Capital Improvement Fund (3000), and supplemental appropriations from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), resulting from the above transfer, in the amount of \$6,500,000 to the Deuces T/H & Comm Development Project (18286) and \$3,500,000 to the Affordable Housing GAP Financing Project (18992).

Attachments: Resolution

Approvals:

Administrative: Thomas Greene

Budget: E Makofska

RESOLUTION NO. 2022-____

A RESOLUTION APPROVING A TRANSFER IN THE AMOUNT OF \$10,000,000 FROM THE UNAPPROPRIATED BALANCE OF THE AMERICAN RESCUE PLAN ACT FUND (1018) TO THE GENERAL FUND (0001); APPROVING A TRANSFER IN THE AMOUNT OF \$10,000,000 FROM THE INCREASE IN THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND (0001), RESULTING FROM THE ABOVE TRANSFER, TO THE HOUSING CAPITAL IMPROVEMENT FUND (3000); APPROVING SUPPLEMENTAL APPROPRIATIONS FROM THE INCREASE IN THE UNAPPROPRIATED BALANCE OF THE HOUSING CAPITAL IMPROVEMENT FUND (3000), RESULTING FROM THE ABOVE TRANSFER, IN THE AMOUNT OF \$6,500,000 TO THE DEUCES T/H & COMM DEVELOPMENT PROJECT (18286) AND \$3,500,000 TO THE AFFORDABLE HOUSING GAP FINANCING PROJECT (18992); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the final rule for the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act (ARPA) was released in January 2022; and

WHEREAS, the final rule offers a standard allowance for revenue loss of \$10 million, which may be used for government services; and

WHEREAS, Administration desires to select the standard allowance for revenue loss and use such funding for the Deuces Rising project and other affordable housing projects; and

WHEREAS, Administration recommends that City Council approve the budgetary actions set forth in this Resolution to provide funding for the Deuces Rising project and other affordable housing projects.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that there are hereby approved the following transfers for FY22:

<u>American Rescue Plan Act Fund (1018)</u>	
Transfer to: General Fund (0001)	\$10,000,000
<u>General Fund (0001)</u>	
Transfer to: Housing Capital Improvement Fund (3000)	\$10,000,000

BE IT FURTHER RESOLVED that there are hereby approved from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), the following supplemental appropriations for FY22:

Housing Capital Improvement Fund (3000)

Deuces T/H & Comm Development Project (18286) \$6,500,000

Housing Capital Improvement Fund (3000)


Affordable Housing GAP Financing Project (18992) \$3,500,000

This Resolution shall become effective immediately upon its adoption.

Approved by:



City Attorney (Designee)
00609639



Budget Director