



City of Takoma Park
Office of the City Manager

ARPA Project Updates to City Council

- Direct Cash Assistance Program
- Library Expansion Costs

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Objectives and Anticipated Outcomes of Today's Presentation

- **Share with City Council progress to date on the development of the City of Takoma Park Direct Cash Assistance Program and the plan for implementation using ARPA/SLFRF.**
- **Provide update to City Council on Library Redevelopment Project cost elements.**
- **Obtain feedback from City Council.**

Anticipated Outcomes

- Staff to adjust Direct Cash Assistance implementation plan/program features based on Council feedback.
- Staff to finalize timeline and identify partner(s) for distribution of Direct Cash Assistance to eligible residents.
- Staff to proceed with the Council elected option for the Library Redevelopment Project



Direct Cash Assistance Program

ARPA/SLFRF Eligibility Information: Direct Cash Assistance Program

- **ARPA Eligible Use Category:** To address negative economic impacts. Respond to economic harms to workers and families.
- **Treasury Enumerated Project Type: Cash Assistance**
Use of ARPA funds for this purpose is recognized as responsive to the impacts or disproportionate impacts of COVID-19. Recipients providing enumerated uses to populations presumed to be eligible are operating consistently with the Final Rule.
- **Purpose:** Deliver assistance to workers and families, including support for unemployed workers, aid to households, and survivor's benefits for families of COVID-19 victims.
- **May use funds if provided within a Qualified Census Tract (a low-income areas as designated by the Dept of Housing & Urban Development)**
- **Recipients may undertake projects on their own or through subrecipients which carry out eligible uses on behalf of a recipient**
- **Funds may be used for direct and indirect administrative expenses involved in administering the program.**



ARPA/SLFRF Eligibility Information: Direct Cash Assistance Program

Treasury Presumptions:

Impacted Households or Communities

Low- or moderate-income households or communities; households that experienced unemployment.

Disproportionately Impacted Households and Communities

Treasury presumes the following households and communities are disproportionately impacted by the pandemic:

- ✓ Low-income households and communities
- ✓ Households residing in Qualified Census Tracts
- ✓ Households that qualify for TANF, SNAP, Free- or Reduced-Price Lunch, Medicare Part D Low-Income Subsidies, SSI, LIHEAP, Head Start, etc.



Treasury encourages recipients to provide assistance to those households, businesses, and nonprofits in communities most disproportionately impacted by the pandemic.



Staff Due Diligence

- ✓ Reviewed how other jurisdictions have provided Direct Cash Assistance to residents in need.
- ✓ Financial institutions contacted as part of researching potential distribution channels.
- ✓ Assessed City's ability to provide Direct Cash Assistance using City staff.
- ✓ Presented options to City Manager for consideration.
- ✓ Identified potential nonprofit partners.

Staff Recommendation

Work with locally based nonprofit organization(s) to (1) Conduct outreach to potentially eligible applicants, (2) Receive and process applications from residents, (3) Distribute debit cards to eligible recipients. Each debit card would provide eligible applicant with \$1,000 per household.



Staff Recommendation, *Cont'd.*

Eligible households include those with incomes of \$50,000 or less per year. In the City of Takoma Park, this represents approximately 2,131 households. A majority of these households have experienced housing cost burden.

To be impactful, City staff recommends a one-time benefit of \$1,000 per household. Operational costs will directly affect the number of recipients and/or level of benefit per card.

Recipient households may use the benefit amount at their discretion and will not be required to report on use of funds.

Build database of low- and moderate-income households from applicant pool and other available databases.



Implementation Plan

Staff Proposal and Recommendations

PARTNER WITH NONPROFIT ORGANIZATION	PROS AND CONS	IMPLEMENTATION CONSIDERATIONS
<ul style="list-style-type: none"> • Issue an RFP for open and fair competition among organizations. • Partner(s) would be a subrecipient(s) of grant funds. 	<ul style="list-style-type: none"> • Pro: Relieve City staff from additional tasks • Pro: Provide resources to nonprofit organization and obtain services in exchange • Pro: Nonprofit organization has established trust with residents • Con: Nonprofit organization may need to hire temporary staff • Con: Using an RFP process will require additional time before distributing funds 	<ul style="list-style-type: none"> • City will train partner on eligibility requirements and application process. • City to crystalize roles, processes, and expected outcomes. • Partner(s) will assist City with outreach and intake. • City to establish checks and balances to ensure approved distribution of funds. • Fees required by nonprofit organization(s) to conduct outreach, intake and distribution.



Cost Implications

- Operational Expenses: \$150,000 - \$300,000
- Debit card production: \$2.00 per card
- Debit card logo: \$300.00 one time cost



Timeline

- Obtain City Council Feedback: March 23, 2022
- **Issue RFP – Open Competition: April/May 2022**
- Enter into contract with Nonprofit Org based on competition, reasonableness of costs, expected impact: May/June 2022
- Train partner organization(s) on eligibility requirements: June 2022
- City and Partner(s) to conduct community outreach - *Ongoing*
- Receive and review applications. Authorize distribution to eligible applicants: June – December 2022
- Partner(s) to distribute Debit Cards from specified location(s): June – December 2022



QUESTIONS/FEEDBACK?



City of Takoma Park, Library Redevelopment Project Value Engineering Study Review



Objective

- 1. Provide a brief Library Redevelopment Project overview.
- 2. Summarize the Value Engineering (VE) process and findings.
- 3. Recommend next steps based on the VE study.



Library Redevelopment Project Overview

- Library Renovation

- Provide a modern, highly functional Library w/ adequate programming space
- Address the aging and failing existing infrastructure
- Create an attractive building that is a community anchor and destination

- Community Center Renovation

- Provide adequate working space for the Recreation Department staff
- Relocate the Recreation Department transaction window to a more convenient and logical location
- Provide the requisite number for restrooms for the current Community Center services (aftercare, summer camp, accessibility limitations).



Library Redevelopment Project Overview

- Project Description:

- **Project Budget**

✓ Total Sources:	\$13,800,000
• Library Infrastructure Bond Reserve:	\$7,000,000
• State Capital Grants:	\$300,000
• Cable Capital Grants:	\$2,500,000
• ARPA:	\$4,000,000
✓ Total Uses:	~\$13,800,000
• Construction Cost Estimates:	\$9.8M to \$11.6M

- Next Steps:

- **Complete Permitting**
 - **Issue Request for Qualifications**
 - **Issue Request for Proposals / Bidding**



The Value Engineering (VE) Process

Value Engineering Defined

- An organized effort directed at analyzing designed building features, systems, equipment and material selections for the purpose of achieving essential functions at the lowest life cycle cost consistence with required performance, quality, reliability, and safety.

The Takoma Park Process

- The Library Redevelopment VE Process:
 - Lead by the construction manager, Arcadis
 - Involved structural, electrical, civil and mechanical engineers
- Limitations:
 - Maintain overall aesthetic and building functionality
 - Cannot require 100% redesign
 - Limit permitting impact

Value Engineering Results

- Construction Manager, Arcadis
 - Identified seventeen (17) options to consider that 1) Save Cost or 2) Improve Design
- Project Architect, RRMM
 - Reviewed options for feasibility, redesign cost estimate, and additional permitting time
 - Eliminated seven (7) options:
 - ✓ Operationally Infeasible (HV-1, HV-3/HV-4, CE-4, E-3)
 - ✓ Structurally Infeasible (CE-10, U-2)
 - ✓ Net Cost Increase to the Project (HV-2)
 - Considered ten (10) options :
 - ✓ Design Related
 - ✓ Phasing Related



Value Engineering Results – Design

<u>Proposed Design Changes</u>	<u>Estimated Net Cost Savings *</u>
Replacing the clerestory with skylights	\$35,000
Removing the conference area glass wall	\$12,500
Removing the lounge area glass wall	\$13,000
Replacing the motorized sunshades with manually operated sunshades	\$50,000
Total Net Costs	\$110,500

** Net Costs Savings = Gross Savings - Architectural Redesign*

- Not mutual exclusive
- Not impactful, representing less than 1% of total construction costs
- Permitting resubmission will take about a month



Value Engineering Results – Phasing

<u>Phasing Option (PO)</u>	<u>Description</u>	<u>Estimated Net Cost Savings</u>
Phasing Option 1 (PO1)	Retain the Recreation Area as is and make it a construction contract Add Alternate	\$1,178,000
Phasing Option 2 (PO2)	Retain the Recreation Area as is except for the office areas and include in the construction contract as an Add Alternate	\$667,000
Phasing Option 3 (PO3)	Do not build out Computer, Senior, Lounge and MAC rooms and make these areas a construction Add Alternate	\$135,000
Phasing Option 4 (PO4)	Do not build stand-alone canopy over entrance	\$46,000

- Assumes that phasing will occur at some point in the future, important for permitting process



Staff Recommendation

- Proceed with the redevelopment of the Library and Community Center based on the current design, without incorporating VE study suggestions:
 - 1) Phasing Increases Costs
 - 2) Phasing Extends Construction
 - 3) Phasing Interrupts the Development Process
 - 4) Phasing Creates Underutilized Space



Increased Cost of Phasing

	Year 3	Year 5	Year 7
Phasing Options	Net Benefit	Net Benefit	Net Benefit
Phasing Option 1	\$ (253,601.23)	\$ (430,547.14)	\$ (629,363.57)
Phasing Option 2	\$ (127,216.66)	\$ (225,258.23)	\$ (335,417.75)
Phasing Option 3	\$ (32,933.26)	\$ (53,689.81)	\$ (77,011.87)
Phasing Option 4	\$ (11,168.77)	\$ (18,234.83)	\$ (26,174.25)

- Net Benefit = Construction Cost
- Construction Cost will increase 6% annually.
- Construction will take place in 3-7 years.



Other Considerations

1) Phasing Extends Construction

- ✓ Construction will take place at different times over multiple years
- ✓ Will impact the functionality of the City's main facility
- ✓ Increase the number of instances in which the delivery of City services is impacted

2) Phasing Interrupts the Development Process

- ✓ The City will have to solicit and hire a new project team (architect, construction manager, general contractor)
- ✓ Adds costs and decreases efficiency

3) Phasing Creates Underutilized Space

- ✓ Otherwise usable space is reduced to accommodate added hallways
- ✓ Unfinished spaces will be temporarily unusable until later redevelopment is completed



Phasing Option 1 and Phasing Option 2



REC AREA - AS DESIGNED

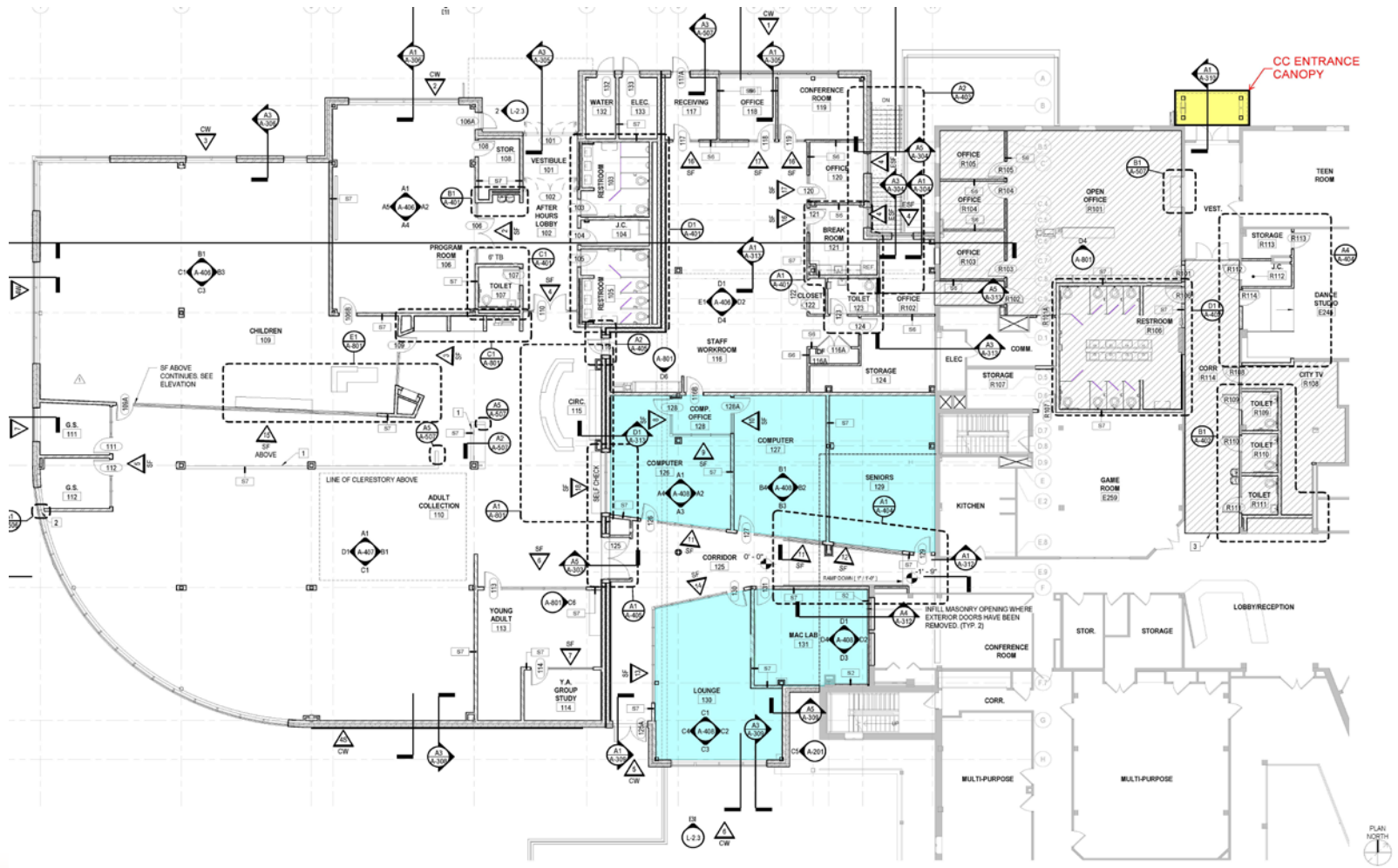
NOT TO SCALE



REC AREA - PHASING OPTION

NOT TO SCALE

Phasing Option 3



Phasing Option 4

