

CITY OF TAKOMA PARK

Fiscal Year 2025 Proposed Budget Overview

April 3, 2024

FY25 ARPA Budget Presentation

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Agenda

- Takoma Park ARPA Spending Plan History & Timeline
- Compliance & Deadlines
- Revised Spending Plan
- FY24 Projected
- FY25 Proposed
- Unallocated funds
- Emerging Issues

Takoma Park ARPA Spending Plan History & Timeline

- March 2021: American Rescue Plan Act signed into law
 - \$360 billion in pandemic-related aid to state and local governments
- July 2022: City received final installments for total award of \$17.5M
- Decision 1: FY22 budget \$1.91M in “revenue loss”
- Decision 2: FY22 July \$2,605,600 in initial project funding
 - Food security grants
 - Rental assistance
 - FTEs for ARPA Administration
- Decision 3: Adoption of FY23-26 spending plan
 - 23 new programs & initiatives
 - Balance of fund allocated at this time

Takoma Park ARPA Spending Plan History & Timeline

- Decision 4: FY24 Budget - \$1.28M in reallocated spending
 - Reallocations between programs
 - City grant matches
 - Support for General Fund CIP projects
- June 2023 Council Update
- Decision 5: Nov. 2023 Direct Cash Assistance
 - Wait and see – FY25 budget

FY22 Actual	FY23 Actual	FY24 Projected
\$1,983,563	\$3,469,634	\$7,737,792

Compliance & Deadlines

- Treasury Final Rule, January 6, 2022
 - How funds must be spent
 - “Revenue loss” \$10M standard allowance “any government purpose”
 - Remaining \$7.5M to be used for broad range of purposes such as:
 - Responding to a public health emergency and economic impacts
 - Premium pay for essential workers
 - Restore the provision of government services that were cut as a result of lower revenues
 - Costs associated with administering ARPA funds
 - Investments in water, sewer, and/or broadband infrastructure
- Entire award must be “obligated” by December 31, 2024
 - “Obligated” clarified by treasury. Except for costs of admin, must be a formal “IOU”
- Entire award must be spent by December 31, 2026

Revised
Spending Plan

ARPA Funded Projects	FY22-23 Spending Plan	FY24 Change	FY25 Change	FY22 (Actual)	FY23 (Actual)	FY24 (Budget Projection)	FY25 (Budget)	FY26 (5 year)	FY27
Administrative Salaries/Benefits	\$2,005,000	\$1,197,852	\$1,395,482	\$85,104	\$171,095.67	\$196,155	\$365,440	\$380,058	\$197,630
Façade Improvement Grant	\$8,000	\$8,000	\$7,500	\$0	\$7,500	\$0	\$0	\$0	\$0
Emergency Rental Assistance	\$750,000	\$750,000	\$750,000	\$286,599	\$214,361.66	\$249,039	\$0	\$0	\$0
Food Insecurity Program	\$250,000	\$250,000	\$250,000	\$0	\$65,250	\$114,750	\$70,000	\$0	\$0
Small Business Grants	\$300,000	\$300,000	\$300,500	\$149,400	\$112,600	\$38,500	\$0	\$0	\$0
Multi-Family Housing Rehabilitation Fund	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$392,453.04	\$607,547	\$0	\$0	\$0
Grants to Non-Profits (Social Services Partnerships) & Rec STEM	\$330,000	\$240,000	\$240,000	\$0	\$118,132.36	\$121,868	\$0	\$0	\$0
Community Connectors (Social Services Partnerships)	\$350,000	\$350,000	\$350,000	\$0	\$0	\$0	\$350,000	\$0	\$0
Direct Cash Assistance (Social Services Partnerships)	\$2,300,000	\$2,300,000	\$1,590,700	\$0	\$1,459,122.08	\$131,577.73	\$0	\$0	\$0
Energy Efficiency Upgrades: Weatherization, Electrification	\$500,000	\$500,000	\$500,000	\$0	\$193,110	\$306,890	\$0	\$0	\$0
Lending Program: Laptops	\$11,000	\$11,000	\$11,000	\$0	\$6,834.87	\$4,165	\$0	\$0	\$0
Lending Program: Wi-Fi Hotspots	\$3,000	\$3,000	\$3,480	\$3,000	479.70	\$0	\$0	\$0	\$0
Mental Health Crisis Counselors	\$600,000	\$600,000	\$600,000	\$0	\$0	\$50,000	\$300,000	\$250,000	\$0
Recreation Program Scholarships & Tutoring	\$320,000	\$320,000	\$320,000	\$0	\$153,124.00	\$150,000	\$0	\$0	\$0
Municipal Broadband	\$400,000	\$215,000	\$28,000	\$0	\$14,000	\$14,000	\$0	\$0	\$0
Premium Pay for Essential Workers	\$272,000	\$241,400	\$241,400	\$241,400	\$0	\$0	\$0	\$0	\$0
Public Space Management (from contingency)	\$90,000	\$90,000	\$90,000	\$0	\$66,615.73	\$23,380	\$0	\$0	\$0
Neighborhood Commercial Center Improvements	\$100,000	\$100,000	\$100,000	\$0	38,299.73	\$61,700	\$0	\$0	\$0
FY24 Add - Neighborhood Comm Ctr Improvement (same as above)	\$0	\$57,457	\$57,457	\$0	\$0	\$57,457	\$0	\$0	\$0
Revenue Replacement									
Community Center Renovation	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Recreation Center Redevelopment	\$320,000	\$320,000	\$320,000	\$0	\$130,590	\$160,000	\$0	\$0	\$0
Library Expansion	\$4,000,000	\$4,000,000	\$4,000,000	\$0	\$0	\$3,500,000	\$500,000	\$0	\$0
Community Engagement	\$100,000	\$42,800	\$42,800	\$18,000	\$9,800	\$5,000	\$5,000	\$5,000	\$0
Interactive Online Budget Tool	\$124,000	\$124,000	\$0	\$0		\$0	\$0	\$0	\$0
Takoma-Langley Crossroads Business Incubator	\$500,000	\$500,000	\$34,500	\$0	\$34,500	\$0	\$0	\$0	\$0
Document Management Platform	\$100,000	\$238,160	\$238,160	\$8,160	\$7,800	\$0	\$222,200	\$0	\$0
CIP Street Rehabilitation - FY23-25	\$273,825	\$523,825	\$948,825	\$0	\$273,825	\$250,000	\$425,000	\$0	\$0
Workforce Development	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Finance Software Update	\$165,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FY24 Add - Sidewalks CIP	\$0	\$650,000	\$850,000	\$0	\$0	\$650,000	\$200,000	\$0	\$0
FY24 Add - 4 Bulletin Boards	\$0	\$20,000	\$5,764	\$0	\$0	\$5,764	\$0	\$0	\$0
FY24 Add - Bike Improvement-CIP	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FY24 Add - Metro Branch Trail City Match 20%-HCD	\$0	\$12,000	\$12,000	\$0	\$0	\$12,000	\$0	\$0	\$0
FY24 Add - Maple Ave Connectivity Project City Match 20%-HCD	\$0	\$50,000	\$20,000	\$0	\$0	\$20,000	\$0	\$0	\$0
FY24 Add - New Hampshire Ave- City Match Fund-HCD	\$0	\$61,200	\$8,000	\$0	\$0	\$8,000	\$0	\$0	\$0
FY22 General Fund Revenue Loss Reimbursement	\$1,191,900	\$1,191,900	\$1,191,900	\$1,191,900	\$0	\$0	\$0	\$0	\$0
FY23 Bank Charges	\$0	\$0	\$140	\$0	\$140	\$0	\$0	\$0	\$0
ARPA Fund Summary Total	\$17,463,725	\$17,307,594	\$16,507,608	\$1,983,563	\$3,469,634	\$7,737,792	\$2,437,640	\$635,058	\$197,630

FY24 Projected

- \$7.7M in total spending
- \$1.28M in FY24 budget reallocations
 - Community Bulletin Boards
 - CIP Projects – Sidewalks & Street Maintenance
 - City grant matches
- \$4.5M capital projects
 - The \$1M for atrium in-fill will remain on pause
- \$1.8M community programs and grants
 - Recreation Scholarships
 - Quality of Life grants
 - Food security grants (3-year agreements)
 - Emergency Rental Assistance
 - Multi-family housing and energy efficiency grants
 - Mental health counselors
 - Direct cash assistance

FY24
Projected

FY24 Projected – Highlighted Amendments

- Municipal Broadband
 - Completed study – recommendations for community connection
- Crossroads Business Incubator
 - Completed study – feasibility challenges
- Administrative salary savings
- Bulletin board savings
- City-grant match into FY25
- More detail in budget book

FY24
Projected

FY25 Proposed

- \$625,000 in “stepped-down” general fund support
 - Approximately 50% of FY24
- Mental health counselors
- Community connectors
- Library
- FY24 program carry
 - Grant disbursements
 - Recreation center - \$160,000
 - Atrium

Programs	FY25 Proposed
Administrative Salaries/Benefits	\$365,440
Food Insecurity Program	\$70,000
Community Connectors (Social Services Partnerships)	\$350,000
Mental Health Crisis Counselors	\$300,000
Revenue Replacement	
Library Expansion	\$500,000
Community Engagement	\$5,000
Document Management Platform	\$222,200
CIP Street Rehabilitation - FY23-25	\$425,000
FY24 Add - Sidewalks CIP	\$200,000
ARPA Fund Summary Total	\$2,437,640
Prior Unencumbered	\$6,535
Total Unallocated	\$956,117
Interest	\$198,000
Remaining Unallocated	\$1,160,651

FY25
Proposed

FY25 Proposed – Bridge to General Fund

- Continuing programs beyond ARPA
- Open for Business grants
- Emergency rental assistance
- Quality of Life grants
- Rec Scholarships

Programs	<i>FY24 ARPA</i>	<i>FY25 GF</i>
Emergency Rental Assistance	\$249,039	\$75,000
Small Business Grants	\$38,500	\$50,000
Quality of Life Grants	\$110,000	\$50,000
Recreation Program Scholarships	\$150,000	\$150,000

FY25
Proposed

Unallocated balance

- Looming obligation deadline 12/31/24
- Food security program - \$155,000
 - Ensures current funding levels through first half of FY27
- Quality of Life grants - \$60,000
 - In addition to \$50,000 in general fund
- Multi-family and energy efficiency grants - \$100,000
 - Expand the number of accepted applications in current program
- Equipment replacement reserve - \$200,000
- Street Maintenance - \$125,000
- Library redevelopment - \$500,000
 - First funding source from contingency

Unallocated

Emerging Issues

- \$625,000 to “step-out” in FY26
- Looming obligation deadline 12/31/24
- Approximately \$2-3M to obligate
 - Admin salaries
 - Atrium
 - Community navigators
 - Grant and other project surplus contingency
- Potential future budget amendments to create a CIP and Community Programs Fund that aligns with the current ARPA Spending Plan



Questions & Answers

CITY OF TAKOMA PARK



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