

CITY OF TAKOMA PARK

Fiscal Year 2025 Budget Amendment #2

September 18, 2024

FY25 ARPA Budget Presentation

Presented by: Andrew Bolduc, Deputy City Manager



Agenda

- Takoma Park ARPA Spending Plan History & Timeline
- Review - Compliance & Deadlines
- FY25-27 Revised Spending Plan
- FY25 Projections
- Recommended Re-allocations
- Establishment of Surplus Spending Allocated Reserve Fund
- Next Steps

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
 - City grant matches
 - Support for General Fund CIP projects
- Decision 5: FY25 Budget - \$3.6M in total spending
 - Phasing out ARPA reliance - \$625,000
 - Bridging ARPA programs with General Funds
 - Approximately 30 total program & CIP uses
 - Reallocation of approximately \$1M between programs
- Decision 6: FY25 Budget Amendment 1
 - \$5.8M in FY24 transferred CIP spending from FY24 to FY25 (Library, Atrium)

Revised
Spending Plan

ARPA/SLFRF Funded Projects Projections FY22-FY26	Spending	FY25 Total Change (Amended)	FY22 (Actual)	FY23 (Actual)	FY24 (Actual)	FY25 (Amended)	FY25 (projected)	FY26	FY27
Administrative Salaries/Benefits		\$1,425,457	\$85,104	\$171,095.67	\$227,307	\$364,262	\$351,762	\$380,058	\$197,630
FY23 Bank Charges		\$455	\$0	\$140	\$105	\$0	\$105	\$105	\$105
Façade Improvement Grant		\$7,500	\$0	\$7,500	\$0	\$0	\$0	\$0	\$0
Emergency Rental Assistance		\$754,605	\$286,599	\$214,361.66	\$84,077	\$169,568	\$169,568	\$0	\$0
Food Insecurity Program		\$424,250	\$0	\$65,250	\$134,000	\$225,000	\$225,000	\$0	\$0
Small Business Grants		\$300,000	\$149,400	\$112,600	\$0	\$38,000	\$38,000	\$0	\$0
Multi-Family Housing Rehabilitation Fund		\$1,098,023	\$0	\$392,453.04	\$0	\$705,570	\$705,570	\$0	\$0
Grants to Non-Profits (Social Services Partnerships) & Rec STEM		\$252,932	\$0	\$118,132.36	\$74,800	\$60,000	\$60,000	\$0	\$0
Community Connectors (Social Services Partnerships)		\$350,000	\$0	\$0	\$0	\$350,000	\$0	\$0	\$0
Direct Cash Assistance (Social Services Partnerships)		\$1,542,723	\$0	\$1,426,145.75	\$116,577.73	\$0	\$0	\$0	\$0
Energy Efficiency Upgrades: Weatherization, Electrification		\$244,275	\$0	\$193,110	\$51,165	\$0	\$0	\$0	\$0
Lending Program: Laptops		\$9,016	\$0	\$6,834.87	\$2,181	\$0	\$0	\$0	\$0
Lending Program: Wi-Fi Hotspots		\$3,480	\$3,000	479.70	\$0	\$0	\$0	\$0	\$0
Mental Health Crisis Counselors		\$600,000	\$0	\$0	\$2,607	\$300,000	\$300,000	\$250,000	\$0
Recreation Program Scholarships & Tutoring		\$323,149	\$0	\$137,799.70	\$185,349	\$0	\$0	\$0	\$0
Municipal Broadband		\$28,000	\$0	\$14,000	\$14,000	\$0	\$0	\$0	\$0
Premium Pay for Essential Workers		\$241,400	\$241,400	\$0	\$0	\$0	\$0	\$0	\$0
Public Space Management (from contingency)		\$89,996	\$0	\$66,615.73	\$0	\$23,380	\$0	\$0	\$0
Neighborhood Commercial Center Improvements		\$153,224	\$0	38,299.73	\$37,850	\$77,074	\$77,074	\$0	\$0
Revenue Replacement									
Community Center Renovation		\$1,000,000	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Recreation Center Redevelopment		\$130,590	\$0	\$130,590	\$0	\$0	\$0	\$0	\$0
Library Expansion		\$4,500,000	\$0	\$0	\$0	\$4,500,000	\$4,500,000	\$0	\$0
Community Engagement		\$37,800	\$18,000	\$9,800	\$0	\$5,000	\$5,000	\$5,000	\$0
Takoma-Langley Crossroads Business Incubator		\$34,500	\$0	\$34,500	\$0	\$0	\$0	\$0	\$0
Document Management Platform		\$294,688	\$8,160	\$7,800	\$0	\$222,200	\$91,516	\$27,846	\$28,682
CIP Street Rehabilitation - FY23-25		\$1,073,825	\$0	\$273,825	\$250,000	\$550,000	\$550,000	\$0	\$0
FY24 Add - Sidewalks CIP		\$1,183,119	\$0	\$0	319,383.17	\$533,119	\$533,119	\$0	\$0
FY24 Add - 4 Bulletin Boards		\$5,764	\$0	\$0	\$5,764	\$0	\$0	\$0	\$0
FY25 Change - HCD CIP Grant Matches		\$127,639	\$0	\$0	\$0	\$127,639	\$127,639		
FY22 General Fund Revenue Loss Reimbursement		\$1,191,900	\$1,191,900	\$0	\$0	\$0	\$0	\$0	\$0
FY25 Performance Measurement RFP		\$30,000	\$0	\$0	\$0	\$30,000	\$30,000	\$0	\$0
FY25 Add - Equipment replacement - Facilities		\$195,571	\$0	\$0	\$0	\$195,571	\$195,571	\$0	\$0

Review - 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

FY25 Budget Projections

- \$9.5M total expenditures in amended FY25 Budget
 - 20 expenditure categories
 - \$4.5M Library; \$1M Atrium
 - \$700k Multi-family & energy efficiency grant program
 - \$500k Other grant programs (Quality of Life, Food Security, Rental Assistance, Small Business)
 - \$1.3M Other capital projects (Street Rehab, Sidewalks, HVAC)
 - \$30K Performance Measurement consultant
- Projected Unspent - “re-allocation”
 - Document management savings – \$74,157
 - Public space management remainder - \$23,380

FY25 Currently Projected Unobligated by December 31, 2024

FY25
Projected
Unobligated

Project	Budget	Projected Unobligated
Emergency Rental Assistance	\$169,568	\$139,568
Community Connectors	\$350,000	\$350,000
Community Center Renovation	\$1,000,000	\$1,000,000
Recreation Center Redevelopment	\$160,000	\$160,000
New unallocated savings	\$97,538	\$97,538
Total		\$1,747,105

FY25 Recommended Total Amount to Reallocate by December 31, 2024

Project	Budget	Projected Unobligated
Emergency Rental Assistance	\$169,568	\$139,568
Community Connectors	\$350,000	\$350,000
Community Center Renovation	\$1,000,000	\$1,000,000
Recreation Center Redevelopment	\$160,000	\$160,000
Unallocated Savings	\$97,538	\$97,538
Mental Health Clinician PILOT	\$600,000	\$550,000
Unanticipated Reserve	\$0	\$400,000
Total		\$2,697,105

FY25
Recommended
re-Allocations

Specific Recommended Reallocations

Project	ARPA Expenditure Category	Total Budget
Webmaster through FY25	20% ARPA administration, 80% Revenue Replacement	\$97,538
Grants Coordinator(40%)	40% ARPA Administration	\$45,220
Sustainability Manager(15%)	15% ARPA Administration	\$22,735
Community Engagement Specialist(40%)	40% ARPA Administration	\$42,422
Quality of Life Grants – Current GF	Resiliency – Grants to Non-profits	\$50,000
Speed Camera Expenditures – Wages & Benefits	Public Safety Capacity – Wages & Benefits	\$650,000
Speed Camera Expenditures – Administrative Costs	Revenue Replacement	\$1,250,000
New Sidewalk Design/Construction – General Fund	Revenue Replacement	\$100,000
Street Lights – CIP	Revenue Replacement	\$20,000
Roadway Crackfiller – ERR	Revenue Replacement	\$45,000
Rental License Inspections – County Contract	Community Health & Safety	\$305,000
Total		\$2,727,913

Recommended Reallocations

Allocated Reserve Fund – Intentional Surplus

- Special Reserve Account – created with Budget Amendment #2
- Restricted by Council only for intended purposes
- Potential reallocation through Council action if additional funding sources are secured for any of these projects

Project	FY25 Budget	Allocated Reserve
Emergency Rental Assistance	\$169,568	\$139,568
Community Connectors	\$350,000	\$350,000
Community Center Renovation	\$1,000,000	\$1,000,000
Recreation Center Redevelopment	\$160,000	\$160,000
Mental Health Clinician PILOT	\$600,000	\$550,000
Total		\$2,199,568

Allocated Reserve Fund

Next Steps

- October 9th – Work session: 2nd Budget Amendment & Allocated Reserve Resolution
- October 16th – Voting session: 2nd Budget Amendment 1st Reading
- October 23rd – Voting session: 2nd Budget Amendment 2nd Reading
- By January 31, 2025 – Q3 & Q4 US Treasury Reporting finalized with balance of ARPA funds Obligated
- Utilize Allocated Reserve Fund as formerly ARPA projects continue to advance

Next Steps



Questions & Answers

CITY OF TAKOMA PARK



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