



# City of San Antonio

## Agenda Memorandum

**File Number:**  
**23-189994**

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**Agenda Item Number:** 2

**Agenda Date:** February 15, 2023

**In Control:** Governance Committee Meeting

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**DEPARTMENT:** Office of the City Manager

**DEPARTMENT HEAD:** María Villagómez, Deputy City Manager

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

ARPA State & Local Fiscal Recovery Funds Balances

**SUMMARY:**

A briefing with possible action on the program balances from American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF).

**BACKGROUND INFORMATION:**

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law, which provided emergency funding directly to state and local governments for the purpose of supporting their recovery from the COVID-19 pandemic. The City of San Antonio was awarded \$326.9 million in State and Local Fiscal Recovery Funds (SLFRF) made available through ARPA.

The City allocated the SLFRF following a two-phase strategy. The first phase allocated \$97.5 million as part of the FY 2022 Budget Process to stabilize the City budget and address community

needs. Phase II allocated \$229.4 million after a robust community engagement process that culminated with the City Council approving a spending framework in February 2022.

As part of the spending framework, the City Council requested that seven spending categories be sent to three Council Committees for the development of implementation plans that would guide the competitive process for the use of funds.

City Council approved implementation plans in the summer of 2022 and competitive solicitation processes and awards are underway.

#### ISSUE:

On January 26, 2023, City Council received a briefing on post solicitation award recommendations from a competitive process for Mental Health Services, Non-Profit Social Services, Senior Services, and Youth Services. The proposed awards totaled \$36.4 million of the \$40.15 million allocated to the competitive process. Based on the recommendations from the evaluation committees, \$3.75 million in funds was not recommended for award.

On February 2, 2023, City Council approved the \$36.4 million in recommended awards and directed the unallocated amount \$3.75 million to the Governance Committee for discussion on the allocation of funds.

The table below reflects the funds approved and unallocated amount for each category.

<b>Council Committee</b>	<b>Spending Category</b>	<b>Total Allocation</b>	<b>RFP Amount</b>	<b>Amount Awarded</b>	<b>Unallocated Amount</b>
Public Safety	Mental Health	\$26.0 <sup>a</sup>	\$22.75	\$19.31	\$3.44
Economic and Workforce Development	Youth	10.0 <sup>b</sup>	9.90	9.66	0.24
Community, Health, Environment and Culture	Seniors	5.0	5.00	4.92	0.07
	Non-Profits	4.0 <sup>c</sup>	2.50	2.50	0.0
	<b>Total</b>	<b>\$45.0</b>	<b>\$40.15</b>	<b>\$36.40</b>	<b>\$3.75</b>

*a) Amount include \$3.3 million allocated for the expansion of hours at City's Comprehensive Senior Centers, and expansion of Teen Ambassador Program, and Stand Up SA targeted to Youth*

*b) Amount includes \$100K allocated to Youth Commission*

*c) Amount includes \$1.5 million allocated to Non-Profit & Social Services – Ph I Immigration Services*

Additionally, on February 8, 2023 the City Council was provided an update on the COVID-19 Recovery & Resiliency Plan and ARPA SLFRF Program. At this presentation, the City Council was made aware that \$3.9 million was available to be allocated from interest income and program balances. The City Council discussed adding to the February 15 Governance Committee meeting the discussion on the use of the \$3.9 million in ARPA funds.

**FISCAL IMPACT:**

No fiscal impact to the City.

**ALTERNATIVES:**

The Governance Committee can discuss other alternatives to the staff recommendation at the February 15 meeting.

**RECOMMENDATION:**

Staff recommends the following:

- \$3.7 million in available balances from the competitive process for mental health, youth and seniors be sent back to the respective committees that developed the implementation plans for further discussion; and
- \$3.9 million in available funds from ARPA SLFRF interest income and program balances be used for:
  - Small business construction grants; or
  - Non-Profit social agencies with strong applications who were not awarded for lack of funds