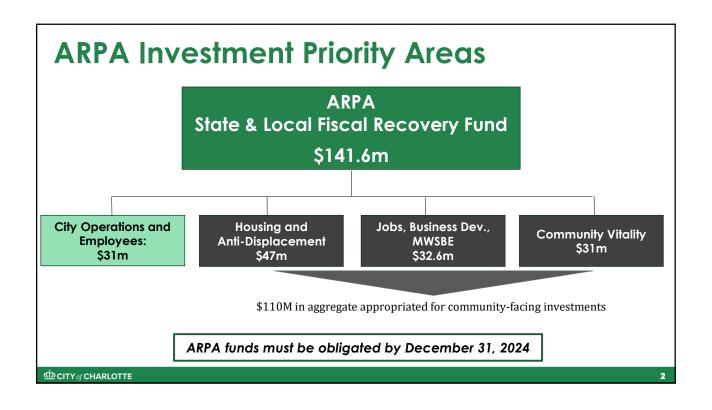


# American Rescue Plan Update

**OCTOBER 28, 2024** 



### **ARPA Highlights**



#### **Employee-Centered Investments**

- **1. \$14 million** for employee retention incentives and premium pay (emphasis on hourly employees)
- 2. \$8 million in I&T investments to enable remote work (as appropriate, based on job function)
- **3. \$6 million** to help absorb COVID-related spike in healthcare costs



#### **Community-Centered Investments**

- **1. \$20 million** supporting creation and preservation affordable housing stock (approximately 1,000 units)
- 2. \$17 million supporting over 100 non-profit organizations aligned with Council priorities
- 3. \$10 million supporting digital inclusion for low-income households
- **4. \$7 million** supporting a range of workforce development initiatives
- 5. \$7 million supporting small business ecosystem
- 6. \$5 million supporting water bill assistance and property tax relief

© CITY of CHARLOTTE

9

## **ARPA Deployment Status**

| Category                   | Total        | Spent          | Obligated     | Unobligated   |
|----------------------------|--------------|----------------|---------------|---------------|
| City Operations            | \$31M        | \$30.4M        | \$300K        | \$300K        |
| Housing, Anti-Displacement | \$47M        | \$27.5M        | \$6M          | \$13.5M       |
| Jobs, Business Dev., MWSBE | \$32.6M      | \$15.6M        | \$6.7M        | \$10.3M       |
| Community Vitality         | <u>\$31M</u> | <u>\$18.4M</u> | <u>\$8.4M</u> | <u>\$4.2M</u> |
| Total                      | \$141.6M     | \$91.9M        | \$21.4M       | \$28.3M *     |

80% of ARPA funds spent or obligated as of October 25, 2024

\* Refer to slide 5 for plans to address the unobligated balance

CITY of CHARLOTTE

4

### Game Plan for Unobligated Balances

| Strategies   | Balances<br>(approximate) |  |
|--|---------------------------|--|
| 1. Ten projects will obligate funds prior to 12/31/24  | \$4.8M                    |  |
| <ol> <li>Revenue replacement treatment planned for the following Council-approved projects:         <ol> <li>Anti-Displacement programs recommended by NEST (\$6M)</li> <li>Multi-family affordable housing development (\$4.5M for DreamKey project)</li> <li>Workforce development funding earmark (\$3M*)</li> <li>Digital inclusion project (\$2.7M)</li> <li>Faith-based affordable housing initiative (\$1.5M*)</li> <li>Economic development projects (\$500K)</li> </ol> </li> </ol> | \$18.2M                   |  |
| <ul> <li>3. Projects available for redeployment of funds:</li> <li>1. HIRE Charlotte-related projects</li> <li>2. Housing-related pilot program</li> </ul>   | \$3.85M<br>\$1.5M         | \$5.35M<br>available for<br>redeployment |
| Total  | \$28.3M                   |  |

- \* Council discussion and vote required at future Council Business Meetings
- + Faith-based housing initiative has an additional \$1M of ARPA interest programmed via FY 2025 Budget

© CITY of CHARLOTTE

5

### Council Discussion Regarding Available ARPA Funds

| Summary of Current Available ARPA funds                  | Amount         |
|--|----------------|
| ARPA funding to be redeployed (see slide 5)              | \$5.35M        |
| ARPA interest (estimated balance as of November 1, 2024) | <u>\$4.55M</u> |
| Total  | \$10M          |

#### <u>Investment Options for Council Consideration</u> (illustrative, for discussion)

- 1. Support city operations, such as:
  - a) Reimburse medical expenses in employee benefits plan
  - b) Pre-order replacement vehicles needed in FY 2026
- 2. Support non-profit organizations, through one or more approaches:
  - a) Set-aside funds to support the FY 2026 Financial Partner program
  - b) Support previously identified needs (e.g., Big Brothers Big Sisters, Care Ring, Charlotte Water Foundation, Do Greater Charlotte, etc.)

CITY of CHARLOTTE

6