

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CITY MANAGER J. CRYSTAL DYCHES

SUBJECT: UPDATE OF THE AMERICAN RESCUE PLAN ACT (ARPA) FUNDS

DATE: JANUARY 28, 2025

I. Executive Summary

The City of El Mirage strategically allocated \$11,940,792 in Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA) to address pandemic-related challenges and enhance community resilience. To date, \$10.94 million has been invested in infrastructure, public safety, and community services, while the remaining \$1 million is reserved for affordable housing initiatives. These funds are on track to be fully utilized by the federal deadline of December 31, 2026. Achievements include regional connectivity improvements, public safety enhancements, and expanded community services.

II. Background of ARPA and SLFRF

Legislative Overview:

The American Rescue Plan Act (ARPA), enacted in March 2021, provided \$350 billion in economic stimulus to state, local, and Tribal governments. Through the SLFRF program, El Mirage received \$11,940,792 to mitigate the economic and public health impacts of the COVID-19 pandemic.

Updates:

- Final Rule (January 6, 2022): Simplified reporting requirements with a \$10 million revenue replacement allowance.
- ARPA Flex (August 10, 2023): Expanded eligible spending categories, including emergency relief, transportation infrastructure, and HUD-aligned projects.

These updates enabled the City to adapt its priorities and maximize the benefits for the community.

III. El Mirage Allocation and Spending Framework

The City of El Mirage received \$11,940,792 in SLFRF funds, distributed in two equal installments:

- June 2021: \$5,970,396
- July 2022: \$5,970,396

Spending Framework:

Initial allocations were established in September 2021 and revised in response to evolving needs and federal guidelines in April 2022, May 2023, and February 2024 to address changing needs and align with federal guidance. These adjustments utilized the \$10 million revenue replacement allowance and prioritized infrastructure, public safety, and community assistance programs.

Category	Allocation	Initiatives
Infrastructure and Equipment	\$6,721,906	Northern Parkway Corridor, Library Expansion, Hohokam Multi-Use Trail, Communication Upgrades
Public Safety	\$3,176,256	Police NET Team, Retention Programs, Firefighter/Paramedics
Community Services	\$1,042,630	Senior Transit, Grant Writer Staffing, Utility and Rent Assistance, Senior Meals Program
Affordable Housing (Remaining)	\$1,000,000	Partnerships with Maricopa County and Newtown Community Land Trust

IV. Detailed Spending Overview

A. Infrastructure and Equipment: \$6,721,906

1. Northern Parkway Corridor: \$5,974,600
 - Collaborative project spanning 12.5 miles, enhancing regional connectivity and economic development.

2. Library Expansion: \$428,192
 - Added 1,100 square feet for broadband access, job training resources, and workforce development.
3. Hohokam Multi-Use Trail: \$207,097
 - Recreational trail promoting health, recreation, and safe outdoor activities.
4. Communication Infrastructure: \$112,017
 - Upgraded Council Chambers technology (\$29,981), Emergency Operations Center (\$41,848), and mobile message boards (\$40,188).

B. Public Safety (Police & Fire): \$3,176,256

1. Police Neighborhood Enforcement Team (NET): \$1,568,611
 - Established a specialized team to combat gun violence with salaries, vehicles, and equipment.
2. Police Officer Retention: \$1,336,052
 - Supported salaries to address retirements and enhance staffing.
3. Firefighter/Paramedics: \$271,593
 - Addressed public health emergencies, including vaccination programs.

C. Community Services and Assistance: \$1,042,630

1. Community Services Staffing: \$417,525
 - Funded essential positions, including a Grant Writer and Special Events Coordinator.
2. Transit Services: \$439,309
 - New senior bus and enhanced dial-a-ride services for elderly and disabled residents.
3. Community Assistance Programs: \$185,796
 - Utility, Rent, and Mortgage Assistance: \$27,449
 - Homeless Outreach (Phoenix Rescue Mission): \$39,933
 - Senior Meals: \$118,414, providing nearly 25 meals daily at the Senior Center.

D. Remaining Funds - Affordable Housing: \$1,000,000

- Partnered with Maricopa County and Newtown Community Land Trust to develop affordable housing opportunities for low- and moderate-income households. These funds will ensure long-term housing stability and address critical community needs.

V. Reallocations

1. Flora Statler Apartments:

- The \$500,000 allocation was reallocated to police and fire staffing due to the Housing Authority's project financing challenges and federal timelines. While this ensures critical public safety services, the delay in affordable housing redevelopment highlights a continuing need for additional funding solutions.

2. Community Assistance Programs:

- El Mirage residents benefitted from \$4.58 million in rental assistance and \$1.71 million in utility assistance through Maricopa County ARPA funding, allowing the City to reallocate funds to other priorities.

VI. Summary

The City of El Mirage has effectively utilized ARPA funds to address urgent pandemic-related needs and invest in long-term community improvements. Achievements such as the Northern Parkway Corridor, library expansion, and public safety initiatives demonstrate the City's commitment to enhancing residents' quality of life. The remaining \$1 million for affordable housing remains a top priority, with partnerships and strategies in place to address housing affordability by the federal deadline. The City will continue to monitor federal policy changes that may impact this initiative and adjust as needed to ensure compliance and maximize community benefits.

Activity Number	Activity Title	Expended FY 2022	Expended FY 2023	Expended 7/1/23 thru 9/30/23	Project Expenditures Reported to US Treasury for QE 12/31/23	Total Expended thru 12/31/23	Project Expenditures Reported to US Treasury for QE 9/30/24	Project Expenditures Reported to US Treasury for QE 12/31/24	Intended Use	Total Expended thru 12/31/24	Designation for Grant Reporting
202111001	NORTHERN PARKWAY	-	500,000.00	5,474,600.00	-	5,974,600.00	-	-		5,974,600.00	Revenue Replacement
202111002	1ST AVE ROADWAY DRAINAGE IMPROVEMENTS	-	-	-	-	-	-	-		-	
202111003	PEORIA & DYSART ROADWAY DRAINAGE IMPROVEMENTS	-	-	-	-	-	-	-		-	
202111004	POLICE NEIGHBORHOOD ENFORCEMENT TEAM (NET)	352,214.06	741,834.62	145,647.06	75,990.88	1,315,686.62	-	-		1,315,686.62	Non Rev Replacement
202111004	POLICE NEIGHBORHOOD ENFORCEMENT TEAM (NET)	-	-	-	-	-	135,540.40	117,384.95		252,925.35	Revenue Replacement
202111005	POLICE OFFICER ATTRITION	455,663.01	571,873.44	109,674.93	-	1,137,211.38	90,942.34	107,898.23		1,336,051.95	Revenue Replacement
202111006	PARAMEDIC/FIREFIGHTER	48,732.51	156,078.12	14,909.04	3,638.68	223,358.35	-	48,234.08		271,592.43	Revenue Replacement
202111007	EMERGENCY OPERATIONS CENTER	-	35,765.84	6,081.99	-	41,847.83	-	-		41,847.83	Revenue Replacement
202111008	UTILITY, RENT & MORTGAGE ASSISTANCE	6,704.77	20,743.76	-	-	27,448.53	-	-		27,448.53	Non Rev Replacement
202111009	HOME REPAIR ASSISTANCE AND WEATHERIZATION PROGRAM	-	-	-	-	-	-	-		-	
202111010	PHOENIX RESCUE MISSION	11,184.27	18,080.19	5,807.79	4,861.04	39,933.29	-	-		39,933.29	Non Rev Replacement
202111011	I-HELP	-	-	-	-	-	-	-		-	
202111012	SENIOR MEALS	41,104.00	49,308.00	9,156.00	18,846.00	118,414.00	-	-		118,414.00	Non Rev Replacement
202111013	TRANSIT	143,920.29	90,000.00	41,716.36	77,630.93	353,267.58	-	-		353,267.58	Non Rev Replacement
	SENIOR BUS	-	86,041.79	-	-	86,041.79	-	-		86,041.79	Non Rev Replacement
202111014	LIBRARY EXPANSION	428,192.23	-	-	-	428,192.23	-	-		428,192.23	Revenue Replacement
202111015	SMALL BUSINESS HAZARD MITIGATION	-	-	-	-	-	-	-		-	
202111016	DYSART-CACTUS TRAIL	-	139,723.81	55,276.19	12,097.27	207,097.27	-	-		207,097.27	Revenue Replacement
202111017	FIRE ENGINE REPLACEMENT	-	-	-	-	-	-	-		-	
202111018	MESSAGE BOARDS - ALN 21.027 CSLFRF	-	40,187.54	-	-	40,187.54	-	-		40,187.54	Revenue Replacement
202111019	COUNCIL CHAMBER TECH UPGRADE - ALN 21.027 CSLFRF	-	29,980.53	-	-	29,980.53	-	-		29,980.53	Revenue Replacement
202111020	COMMUNITY SERVICES WAGES - ALN 21.027 CSLFRF	-	322,758.28	94,766.59	-	417,524.87	-	-		417,524.87	Revenue Replacement
202111021	MARICOPA COUNTY/NEWTOWN	-	-	-	-	-	-	-		-	Revenue Replacement
	TOTALS	1,487,715.14	2,802,375.92	5,957,635.95	193,064.80	10,440,791.81	226,482.74	273,517.26		10,940,791.81	
	Non Revenue Replacement TOTALS	555,127.39	1,006,008.36	202,327.21	177,328.85	1,940,791.81	-	-		1,940,791.81	
	Revenue Replacement TOTALS	932,587.75	1,796,367.56	5,755,308.74	15,735.95	8,500,000.00	226,482.74	273,517.26		9,000,000.00	
	VARIANCE	-	-	-	(0.00)	-	-	-		-	

Coronavirus State & Local Fiscal Recovery Fund (CSLFRF) / American Rescue Plan Act (ARPA)

June-21 Tranche #1 5,970,395.91
 July-22 Tranche #2 5,970,395.90

Total 11,940,791.81

Expended through 12/31/2024 10,940,791.81

Unexpended @ 12/31/2024 1,000,000.00

Revenue Replacement Allowance 10,000,000.00

Revenue Replacement Allocations through 12/31/2024 9,000,000.00

Unexpended Revenue Replacement Allowance @ 12/31/2024 1,000,000.00

Beginning Non-Revenue Replacement Balance 1,940,791.81

Non-Revenue Replacement Expenditures through 12/31/2024 1,940,791.81

Unexpended Non-Revenue Replacement Balance @ 12/31/2024 -

Unexpended @ 12/31/2024 1,000,000.00