

# American Rescue Plan Act Recovery Funds

2021

Master Plan

CITY OF JAMESTOWN, NEW YORK





# Our Plan for ARP Recovery Funds

To the Members of City Council and the Jamestown Community:

Due to the COVID-19 pandemic, we have experienced one of the strongest challenges to public health and fiscal stability that Jamestown has ever seen. The City government, due to disciplined budgeting, spending restrictions, and the hard work of the Council, staff, and administration, has emerged fiscally strong, with a 2020 budget surplus. The rest of Jamestown, however, is clearly hurting, with unemployment still sky-high and investment low; the pandemic having wreaked havoc on all of our residents, workers, and businesses.

To help local governments, which have borne the brunt of the costs of the pandemic, the American Rescue Plan Act of 2021 (ARP) established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. The City of Jamestown is in line to receive more than 28 million in federal funding, half of which was received in May 2021, and the second half scheduled to be delivered in 2022. The funds are intended for a number of purposes including to replace lost public sector revenue, support economic stabilization for households and businesses, and address systemic public health and economic challenges.

The recovery funds are intended to be expended quickly. The timeframe for the use of these funds runs through July 1, 2024, with the funds needing to be completely expended by 2026. Time is of the essence, and the City must start planning eligible capital projects, new initiatives, and build the capacity to carry these projects out immediately to help assist the economic recovery of our residents and businesses. The City of Jamestown has taken a proactive approach to put together a plan that allows for broad funding allocations to classifications that are eligible expenditures. These categories will set the basis for the use of these stimulus funds into the future. These classifications include:

1. Economic Development
2. Lost Revenue
3. Housing & Mental Health Funds
4. Water, Sewer, & Broadband Projects
5. Transparency & Tracking of Recovery Funds

Our plan focuses on spurring economic development for a sustainable future, delivering a shot in the arm to complete needed City projects, and making the City of Jamestown a better place to live and do business in.



# Our Plan for ARP Recovery Funds

The City will also make it a priority to seek public input and ensure the funds are spent appropriately and transparently, holding public meetings in the community on the use of recovery funds. This plan proposes the creation of a new position to manage projects, track and administer the funds, and to maintain a public dashboard to show progress on how the funds are being spent.

The American Rescue Plan provides a much-needed injection of capital into our community. The City of Jamestown intends to use these funds in an efficient, effective, and open manner. With your help, we can work together to create the path to a sustainable and prosperous future for our City.

Respectfully,

**Edward A. Sundquist, Mayor**



# Funding Allocations Overview

<i>Eligible Use Allocations (American Rescue Plan Act)</i>	<b>2021 Proposed Allocations</b>	<b>2022 – 2024 Proposed Allocations</b>	<b>Total</b>
<b><i>Total Allocation to the City from Federal Government</i></b>	<b>\$14,039,572.50</b>	<b>\$14,039,572.50</b>	<b>\$28,079,145.00</b>
<i>Lost Revenue</i>	\$2,287,046	\$7,892,099	\$10,179,145
<i>Economic Development</i>	\$5,000,000	\$5,000,000	\$10,000,000
<i>Water, Sewer, and Broadband</i>	\$3,500,000	\$1,500,000	\$5,000,000
<i>Housing &amp; Mental Health Initiatives</i>	\$500,000	\$1,500,000	\$2,000,000
<i>Transparency &amp; Tracking (these expenses may run through 2026)</i>	\$70,000	\$830,000	\$900,000
<b><i>Total</i></b>	<b>\$11,357,046</b>	<b>\$16,722,099</b>	<b>\$28,079,145.00</b>



# Eligible Use Classification – Lost Revenues

**Lost Revenues**

**Total Funds: \$10,000,000**

## **Breaking Down Lost Revenues**

Using a standard formula for growth from a baseline revenue year of 2019, the American Rescue Plan allows the City of Jamestown to establish lost revenue for the fiscal years 2020-2023. For administrative convenience, Treasury’s Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. The City will have the opportunity to re-calculate revenue loss at each year throughout the program. Importantly, once a shortfall in revenue is identified, the City has broad latitude to use this funding to support government services, up to this amount of lost revenue. This is the most flexible category of funding; however, some restrictions do apply. Prohibited uses include funding pension costs, establishing or transferring to reserve fund, payment of legal settlements or court judgements, and funding the City’s debt service.

## **Funding Oversight**

Funding oversight of all recovery funds is key to program success. Funds in the “Lost Revenue” eligible use allocation will be incorporated into the normal City budgeting process as proposed capital and non-capital expenses. Projects and expenses not included in the official City budget will be proposed to the City Council, which will maintain oversight and approval of expenditures. Any resolution on approving spending will note that the monies for the project are from American Rescue Plan Recovery Funds. We note that the approximately ten (10) million dollars allocated to this classification is a conservative estimate based on projection models and the formulas provides by the U.S. Treasury Department.



# Eligible Use Classification – Lost Revenues (Cont.)

## Lost Revenue Projection Model (Estimated Loss)

### City of Jamestown

ARP Recovery Funds

Estimated Revenue Losses

	2020	2021	2022	2023	Grand Total
<b>PY Eligible Revenues</b>	\$ 32,572,133	\$ 33,907,590	\$ 35,297,801	\$ 36,745,011	
<b>Growth Factor</b>	4.10%	4.10%	4.10%	4.10%	
<b>Baseline</b>	\$ 33,907,590	\$ 35,297,801	\$ 36,745,011	\$ 38,251,557	
<b>Eligible Actuals/Estimates*</b>	\$ 31,620,544	\$ 32,688,383	\$ 34,028,607	\$ 35,423,780	
<b>Revenue Losses</b>	\$ 2,287,046	\$ 2,609,418	\$ 2,716,404	\$ 2,827,777	

\*2021 Estimate assumes the City receives the total budgeted revenue, while 2022-2023 assume a 4.1% growth rate



# Eligible Use Classification – Lost Revenues (Cont.)

## Sample Projects

Among the many potential projects that this funding could be used for, here is a list of sample projects to enhance the services to Jamestown residents and businesses.

<b>Lost Revenue Sample Projects</b>		
<b>Project Title</b>	<b>Description</b>	<b>Estimated Cost</b>
<b>Parks Expansion</b>	Investments in our parks increase quality of life, attract tourists and new residents, as well encourage the community to become more active. A world-class parks system is desirable for the City and there are a number of relatively low cost, high-impact additions that can be made to parks throughout all of Jamestown. Examples of projects that could be completed include a Splash Pad that could convert into a skating rink in the winter, a BMX Pump Track, Dog Park, Frisbee Golf course, an expanded network of walking and bike trails, and various sports courts, among other potential projects.	\$1,000,000 - \$2,000,000+
<b>Fire Station Renovations &amp; Improvements</b>	The four fire houses in Jamestown are all in need of extensive renovation. A certain amount of money could be set aside each year to upgrade and make necessary repairs to the fire stations to ensure their usefulness for years to come.	\$500,000
<b>West Third Streetscape Redesign</b>	The unfortunate but necessary removal of the 3 <sup>rd</sup> Street Cathedral Oaks has created an opportunity to redesign one of Jamestown signature avenues. The planting of new trees, replacing sidewalks, upgrading lighting and other utility improvements would revitalize the area.	\$500,000



# Eligible Use Classification – Economic Development

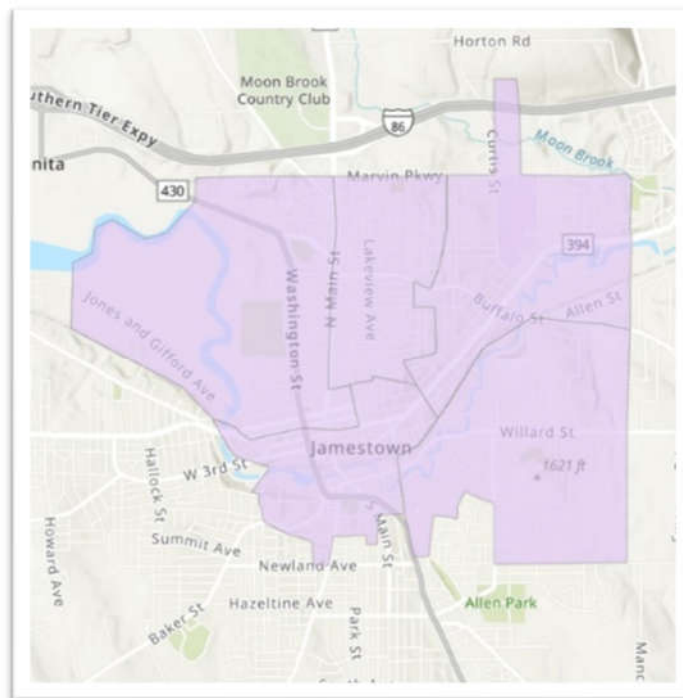
**Economic Development      Total Funds: \$10,000,000**

## **Building Economic Development Capacity**

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, travel declined precipitously, and over 20 million jobs were lost between February and April 2020. In light of this, the City has an interest in using its wholly-owned non-profit organizations to manage programs intended to support economic development projects around the City, including but not limited to, support for business and industry, activation of public space to both increase public health and to attract tourism and business, and investment in affordable housing.

The City may use Coronavirus State and Local Fiscal Recovery Funds to support additional services in Qualified Census Tracts (“QCT”) as a direct support to businesses, COVID-recovery related projects, speeding the recovery of impacted industries, and projects that increase public health and wellbeing. Funding directed to QCTs are presumed to meet the test for eligibility under the American rescue Plan Act and therefore have more flexibility in use.

## **Qualified Census Tracts**



*Qualified Census Tracts, 2021, Jamestown NY*





# Funding Classifications – Economic Development (Cont.)

## Funding Oversight

The City proposes a transfer of these funds to the Jamestown Local Development Corporation (“JLDC”) a qualified not-for-profit organization, as authorized by the American Rescue Plan Act. JLDC will receive two tranches \$5,000,000 each, one in 2021 and the second in late 2022. The JLDC Board would provide necessary oversight and approval of the use and disbursement of any of the funds, with the City Council requiring to sign off on any project exceeding the \$100,000 threshold. This will ensure funds are directly accountable to both a public board and to our publicly elected body.

## Sample Projects

<b>Economic Development Sample Projects</b>		
<b>Project Title</b>	<b>Description</b>	<b>Estimated Cost</b>
<b>Chadakoin River Basin Investments</b>	This would promote activation of the Chadakoin River Basin area, and a navigable waterway from Chautauqua Lake to the river basin, Panzarella Point and the Comedy Center Park area. Potential projects include clearing the waterways to allow for safe small watercraft navigation, a dock(s), kayak launches, enhancements to the Riverwalk public art, and a tiered amphitheater, among others. This would be in conjunction with a larger County, City, and Non-profit initiative to activate the water spaces in Jamestown and would connect with County investment.	\$300,000 - \$1,500,000+
<b>Programming Fund &amp; Events Coordinator</b>	This would make a fund for programming in the downtown area more robust and easily accessible, driving tourism and business activity in Jamestown. An events coordinator would be funded out of this allocation to work directly with businesses, non-profits, and residents to facilitate year-round programming and ensuring that people are utilizing Jamestown’s public spaces to their fullest potential.	\$1,000,000



# Eligible Use Classification – Economic Development (Cont.)

<b>Receivership Program</b>	<p>This program would ensure vacant buildings are preserved utilizing the vacant property receivership program and/or Article 19-A real property actions. The receivership program would designate the City as a court appointed receiver of a neglected property. Once appointed, the receiver has physical control of the property, and can borrow and spend money to rehabilitate the property. They can also place liens against the property for to recoup the amount invested to bring the property back up to habitable standards. Once the property has been rehabilitated, the owner may be able to regain control by making the receiver whole, or the property is sold by the court or by the receiver. This has the opportunity to both improve much of the City’s housing stock as well as be a self-sustaining program from a revenue standpoint after the initial investment.</p>	\$675,000
-----------------------------	--	-----------



# Funding Classifications – Housing & Mental Health

**Housing & Mental Health    Total Funds: \$2,000,000**

## **Addressing Housing & Mental Health Disparities**

The pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color, and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts, including our community. The funding allocated would address health disparities, social determinants of health, and make investments into housing and neighborhoods. This funding shows that the City is committed to addressing the root of social problems, poverty, and mental health issues.

## **Statistics**

According to the National Institute on Mental Health, nearly one in five U.S. adults live with a mental illness (51.5 million in 2019), and one in five young people are affected by mental, emotional and behavioral disorders, including conduct disorders, depression and substance abuse. In the City alone, 6.5% of all calls for service from the Jamestown Police Department are to check on the well-being of an individual (City of Jamestown Police Reform and Reinvention Collaborative, 2021). This, coupled with an increasing homeless population in the City, creates the need to radically change how we address housing and mental health disparities in our community.

## **Funding Oversight**

The City intends to fund “Housing & Mental Health” eligible use allocation projects immediately through a budget amendment process. In future years, these funds will be incorporated into the normal City budgeting process as proposed expenses. Projects and expenses not included in the official City budget will be proposed to the City Council, which will maintain oversight and approval of expenditures. Any resolution on approving spending will note that the monies for the project are from American Rescue Plan Recovery Funds.



# Funding Classifications – Housing & Mental Health (Cont.)

## Sample Projects

<b>Housing &amp; Mental Health Sample Projects</b>		
<b>Project Title</b>	<b>Description</b>	<b>Estimated Cost</b>
<b>Mental Health Rapid Response</b>	The City will work with mental health not-for-profits to have on call and in person social workers to respond to police and emergency service calls. These positions would work directly in and with the Police Department to coordinate responses based on the call intake.	\$600,000
<b>Housing Improvements</b>	The City will make direct investment in housing rehabilitation programs by working with not-for profits (such as supporting City-wide painting program) or providing direct support for home improvements, resulting in increased neighborhood stabilization.	\$1,400,000



# Funding Classifications – Water, Sewer & Broadband

**Water, Sewer & Broadband**

**Total Funds: \$5,000,000**

## **Investing in Physical & Digital Infrastructure**

The Pandemic has shown the need for critical investments in our City’s aging physical and digital infrastructure. From our children not being able to access essential internet needed for virtual classroom to replacement of storm sewers, now, more than ever, infrastructure funding is necessary. The Recovery Funds explicitly allow for the investment in necessary improvements to our water, sewer, and broadband infrastructures, including priority projects that address the impacts of climate change.

## **Funding Oversight**

The City will work with the Jamestown Board of Public Utilities (BPU) to determine which projects will be completed by the City or BPU. Depending on the project, the City may transfer these funds to the BPU and their board to manage or keep the funds in the City to be used for projects approved by City Council. This will ensure these funds will be directly accountable to a public board and to our publicly elected body.



# Funding Classifications – Water, Sewer & Broadband (Cont.)

## Sample Projects

<b>Water, Sewer &amp; Broadband Sample Projects</b>		
<b>Project Title</b>	<b>Description</b>	<b>Estimated Cost</b>
<b>Water Main Replacements</b>	Replace essential water mains throughout the City. BPU would coordinate this project. All projects that are eligible to be funded through the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund program are eligible to be funded through Recovery Funds.	\$500,000+
<b>Stormwater Management Projects</b>	This could fund essential stormwater management projects throughout the City. These funds would be administered through the City and be completed by the Department of Public Works (DPW).	\$500,000+
<b>Broadband Infrastructure Buildout</b>	Build out broadband infrastructure, using the Jamestown BPU’s existing fiber-ring. This money could be used on the City or BPU side. The BPU is currently conducting a feasibility study to see if Municipal Broadband is feasible as well as a rough cost estimate for the system based on Jamestown’s assets and needs.	\$3,000,000+



# Funding Classifications – Transparency & Tracking

**Transparency & Tracking Total Funds: \$900,000**

## **Accountable Administration & Transparency**

The City may use this funding to build internal capacity to successfully implement, track, and execute economic relief programs. The need for project tracking, federal reporting, and transparency on the use of these funds requires the hiring of a Project Manager. This position would track projects and related finances, while also preparing the interim, quarterly, and annual reports on the use of Recovery Funds to the Treasury department as required by law. This position would also develop a public dashboard which would directly show how the Recovery Funds are being spent and the status of projects. This position would report directly to the City Comptroller and would work with the Mayor's Office, department heads, related boards, and the City Council on coordinating and reporting projects. Note, Recovery Fund projects must be committed by Fiscal Year 2024 and completed by Fiscal Year 2026.

A second position would help with public communications and coordination. This position would relay and showcase the successes of the projects as well as gather feedback and help with messaging on the use of the funds.

## **Funding Oversight**

Due to the nature of the positions, especially considering the first interim report being due August 31, 2021, the City Council would be asked to authorize the creation of these positions as soon as possible after adoption of this plan. The City Council would approve the funds set aside. Thereafter, the City intends to use these funds through the formal budget process for the next fiscal year. These funds may be dispersed through the 2024 Fiscal Year, as projects must be completely expended by then.



# Funding Classifications – Transparency & Tracking (Cont.)

## Allocation Per Year

Year	Project Manager	Public Communications & Coordination	Grand Total
Year 1 - 2021	\$ 37,620.93	\$ 31,703.43	\$ 69,324.35
Year 2 - 2022	\$ 79,003.94	\$ 66,577.19	\$ 145,581.14
Year 3 - 2023	\$ 82,954.14	\$ 69,906.05	\$ 152,860.19
Year 4 - 2024	\$ 87,101.85	\$ 73,401.36	\$ 160,503.20
Year 5 - 2025	\$ 91,456.94	\$ 77,071.42	\$ 168,528.36
Year 6 - 2026	\$ 96,029.79	\$ 80,924.99	\$ 176,954.78
<b>5 Year Total</b>	<b>\$ 474,167.58</b>	<b>\$ 399,584.44</b>	<b>\$ 873,752.02</b>