

AMERICAN RESCUE PLAN ACT (ARPA) – SURVEY RESULTS

**CITY COUNCIL STUDY SESSION
OCTOBER 18, 2021**

ARPA OVERVIEW

AMERICAN RESCUE PLAN ACT OF 2021

- City of Merced Allocation (entitlement city)
 - \$27,427,882
 - Payments in two tranches
 - First half (\$13,713,941) after submission of executed award terms and conditions (received 6/28/21)
 - Second half one year later (\$13,713,941)
 - Separate Fund 087-American Rescue Plan Act
 - Transparency
 - Keep funds separate
 - Tracking and Reporting

REVENUE CALCULATIONS

Revenue Source	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19 (Base Year)
Governmental Funds Total	\$50,832,868	\$55,827,148	\$62,393,623	\$71,214,982
Governmental Funds Excluded	(2,567,524)	(2,038,844)	(1,239,565)	(3,663,358)
Proprietary Funds Total	48,182,322	47,799,428	53,303,420	61,521,510
Proprietary Funds Excluded	<u>(12,127,789)</u>	<u>(11,547,321)</u>	<u>(12,455,380)</u>	<u>(12,655,044)</u>
Net Total Revenue	\$84,319,877	\$90,040,411	\$102,002,098	\$116,418,090
Percent Change		6.8%	13.3%	14.1%
Three Year Average				11.4%

ACTUAL REVENUE COMPARISON

Revenue Source	January 1, 2020- June 30, 2020	July 1, 2020- December 31, 2020	Calendar Year Total
Governmental Funds Total	\$52,489,446	\$25,866,328	\$78,355,774
Governmental Funds Excluded	(1,068,955)	(1,189,248)	(2,258,203)
Proprietary Funds Total	33,623,352	33,778,045	67,401,397
Proprietary Funds Excluded	<u>(5,525,643)</u>	<u>(6,664,525)</u>	<u>(12,190,168)</u>
Net Total Revenue	\$79,518,200	\$51,790,601	\$131,308,801

REVENUE LOSS SUMMARY

<p>Base Year Revenue: The amount of revenues collected in the most recent fiscal year prior to the public health emergency (i.e., the last fiscal year before January 27, 2020), called the base year value.</p>		\$116,418,090		
<p>Growth Adjustment: The average percent revenue growth in the three full fiscal years prior to the COVID-19 public health emergency -or- 4.1 percent, whichever is greater.</p>		11.4%		
<p>Fiscal Year End Date: The date for the most recent full fiscal year prior to the declaration of public health emergency on January 27, 2020.</p>		June 30, 2019		
Revenue Loss Summary				
Reporting Period	Months Elapsed	Counterfactual Revenue	Actual Revenue	Revenue Loss
January 1, 2020 - December 31, 2020	18	\$ 136,883,929	\$131,308,801	(\$5,575,128)

APRA FUNDING RECONCILIATION

Budget	Description	General Services
\$13,713,941	1 st ARPA Traunch	\$2,500,000
(\$8,524)	FY 20/21 COVID-19 costs	
(\$102,267)	FY 20/21 Personnel	
(\$350,000)	FY 20/21 Personnel	(\$203,916)
(\$460,791)	FY 20/21 Total	
(\$100,000)	FY 21/22 COVID-19 costs	
(\$105,000)	Unrepresented Premium Pay	
(\$70,926)	Fire Premium Pay	
(\$41,463)	MAPS Premium Pay	
(\$122,976)	MACE Premium Pay	
(\$49,368)	AFSCME Premium Pay	
(\$121,508)	MPOA Premium Pay	
(\$489,733)	FY 21/22 Est. Total	\$2,296,084
(\$950,524)	Total ARPA Appropriated	

OUTREACH STRATEGY

	Element	Description	Est Cost	Actual Cost
1	Mailer*	Mailer	\$16,100	\$14,586
3	Large Banner	30x6 Street Banners	\$2,400	\$2,400
6	News Paper Ads	Sunstar & County Times Print & Online	\$5,000	\$5,000
7	Radio Commercials	Local Stations, 30 Sec Ads	\$6,000	\$6,000
9	Text Notification*	City residents – 2 mass text efforts	\$15,000	\$4,413
10	Commercial Creation	Graphic work for commercial	\$2,000	\$3,060
		Total	\$46,500	\$35,459

* All Content Subject to FFPC Regulations as Mass Mailer

SURVEY RESULTS

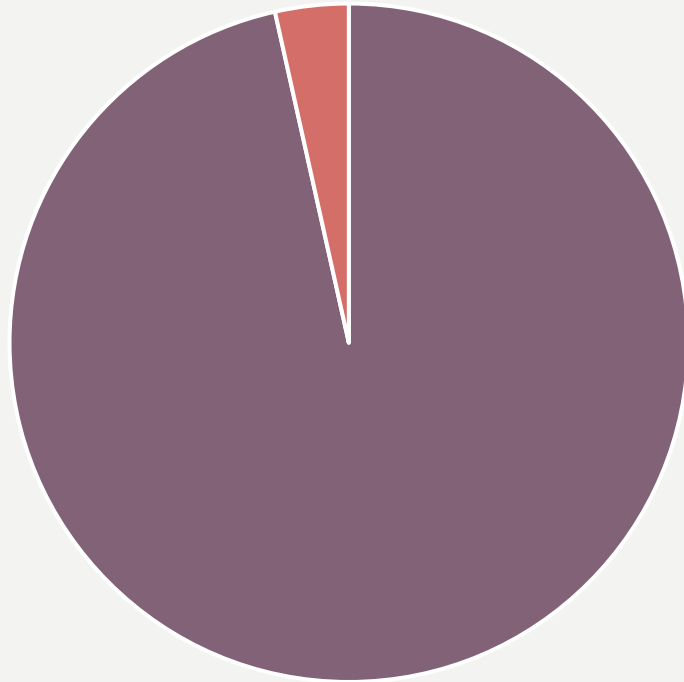
OUTREACH SUMMARY

- Survey active from August 24, 2021 to September 30, 2021
- Number of Responses – 3,004
 - 2,790 Responses from Online Survey
 - 215 Responses from Mailer
- Most impactful outreach effort:
 - Mass Text Messages
 - Radio Advertisements

Q 1. ARE YOU A RESIDENT OF MERCED, CALIFORNIA?

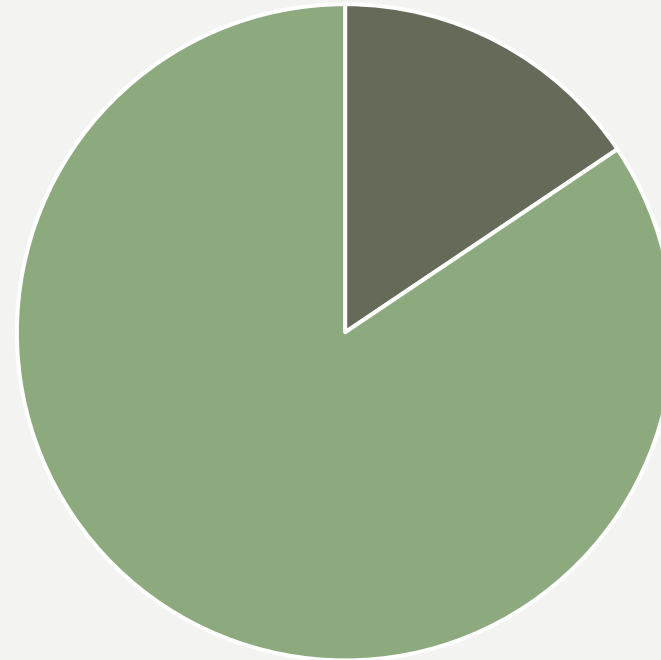
Q 2. ARE YOU A BUSINESS OWNER IN MERCED, CALIFORNIA?

Resident



■ Yes 2899 ■ No 105

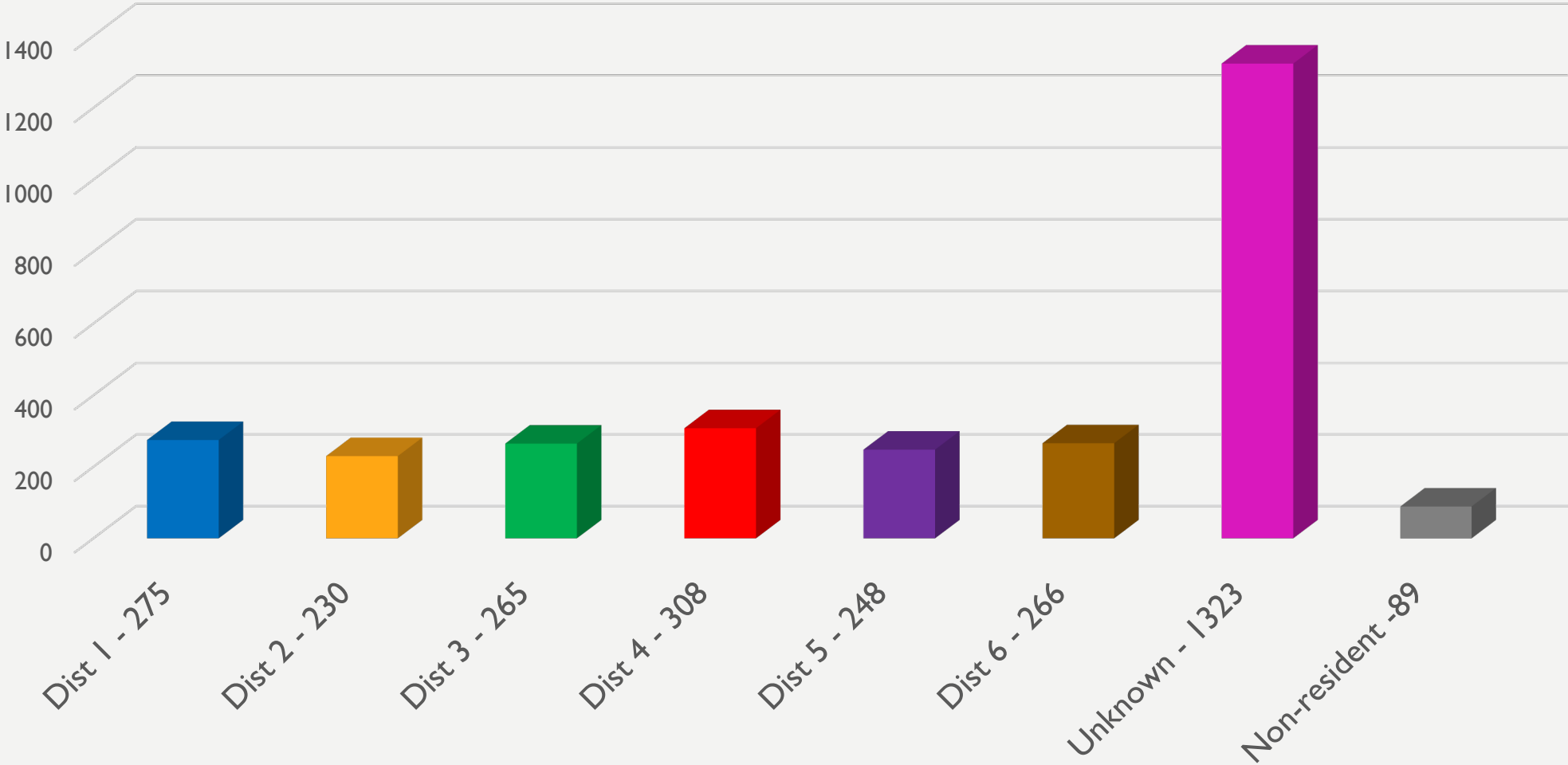
Business Owner



■ Yes 468 ■ No 2536

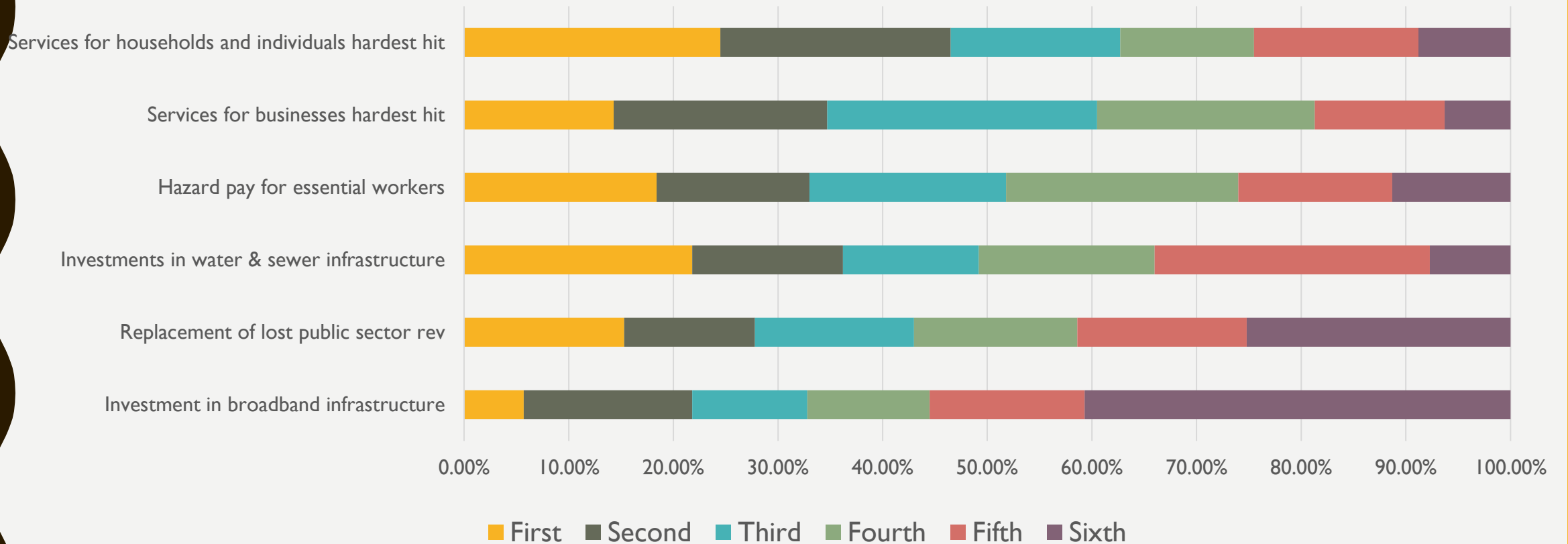
Total survey responses = 3,004

Q 3. IN WHICH DISTRICT DO YOU LIVE?



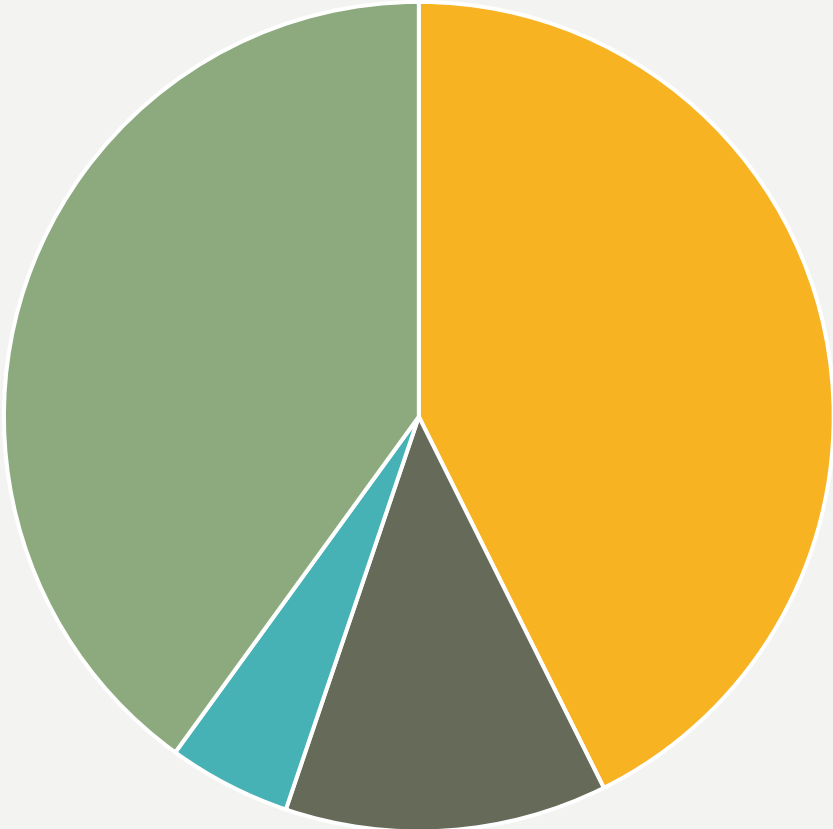
Q 4. PLEASE RANK EACH CATEGORY IN ORDER OF PRIORITY FOR THE CITY'S USE OF ARPA FUNDS TO RECOVER FROM THE PANDEMIC.

ARPA INVESTMENT CATEGORIES



Q 5. FOR EMPLOYEES: I AM AN EMPLOYEE WHO WAS ECONOMICALLY IMPACTED BY COVID-19 DUE TO...

Employees



■ Not economically impacted -1281 ■ Temporary layoff -377 ■ Permanent job loss -144 ■ Not applicable -1202

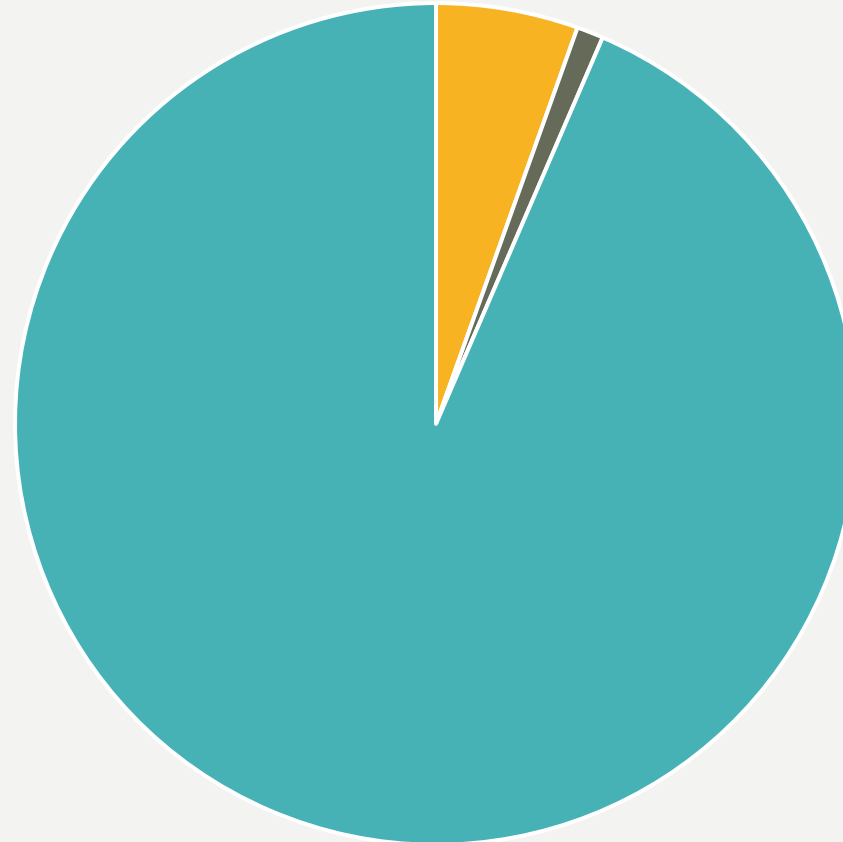
Q 6. FOR BUSINESS OWNERS: I AM A BUSINESS OWNER WHO WAS ECONOMICALLY IMPACTED BY COVID-19 DUE TO...

Business Owners



Q 7. FOR RESIDENTIAL LANDLORDS: I AM A RESIDENTIAL LANDLORD WHO WAS ECONOMICALLY IMPACTED BY COVID-19 DUE TO...

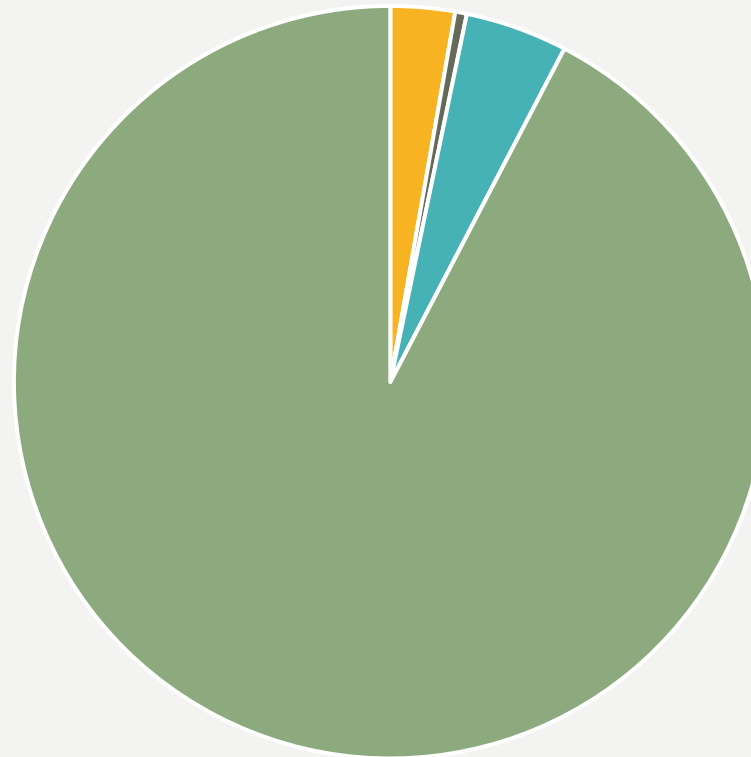
Residential Landlords



- Tenants did not pay, or paid only partial rent -160
- Tenants moved without paying rent -30
- Not applicable -2814

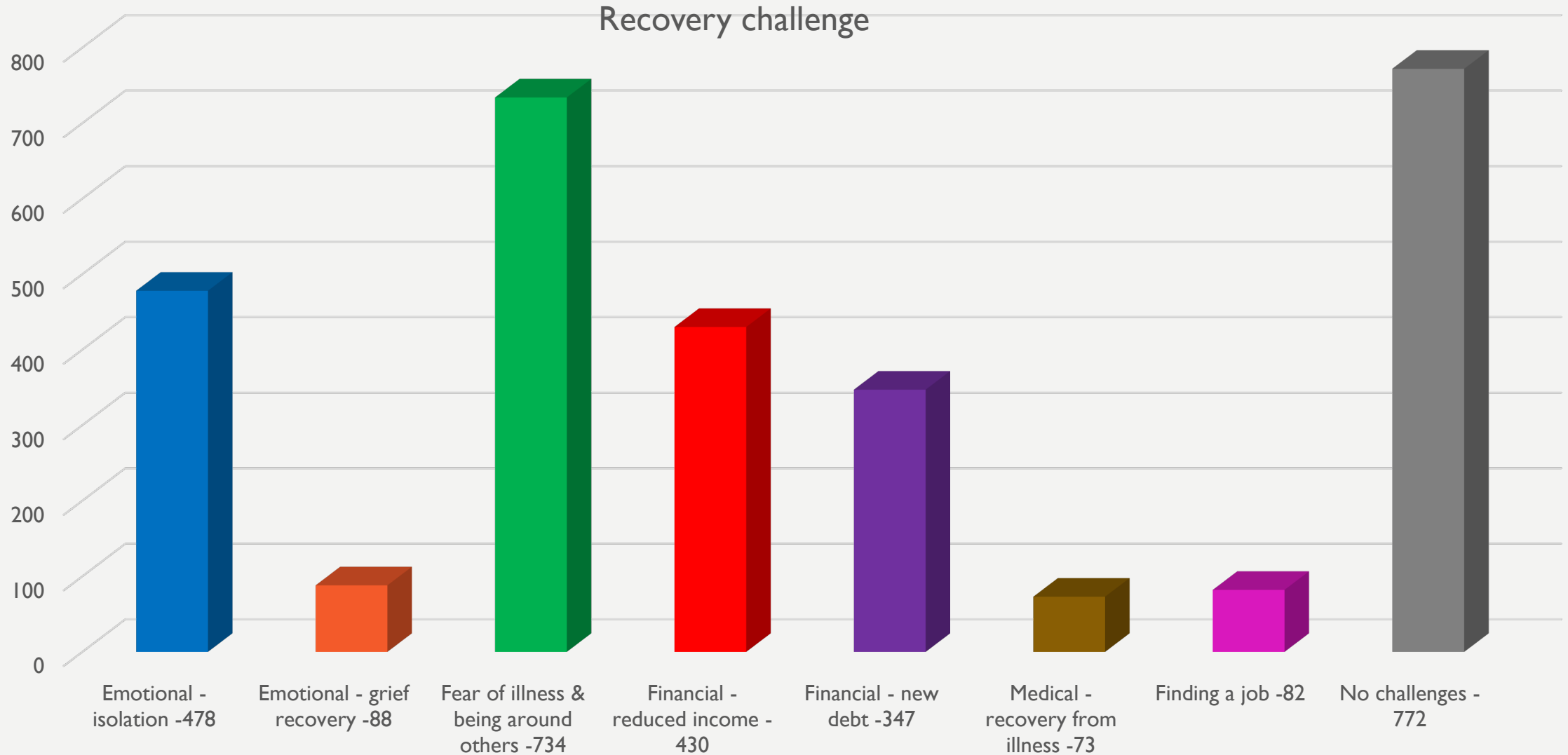
Q 8. FOR COMMERCIAL LANDLORDS: I AM A COMMERCIAL LANDLORD WHO WAS ECONOMICALLY IMPACTED BY COVID-19 DUE TO...

Commercial Landlords



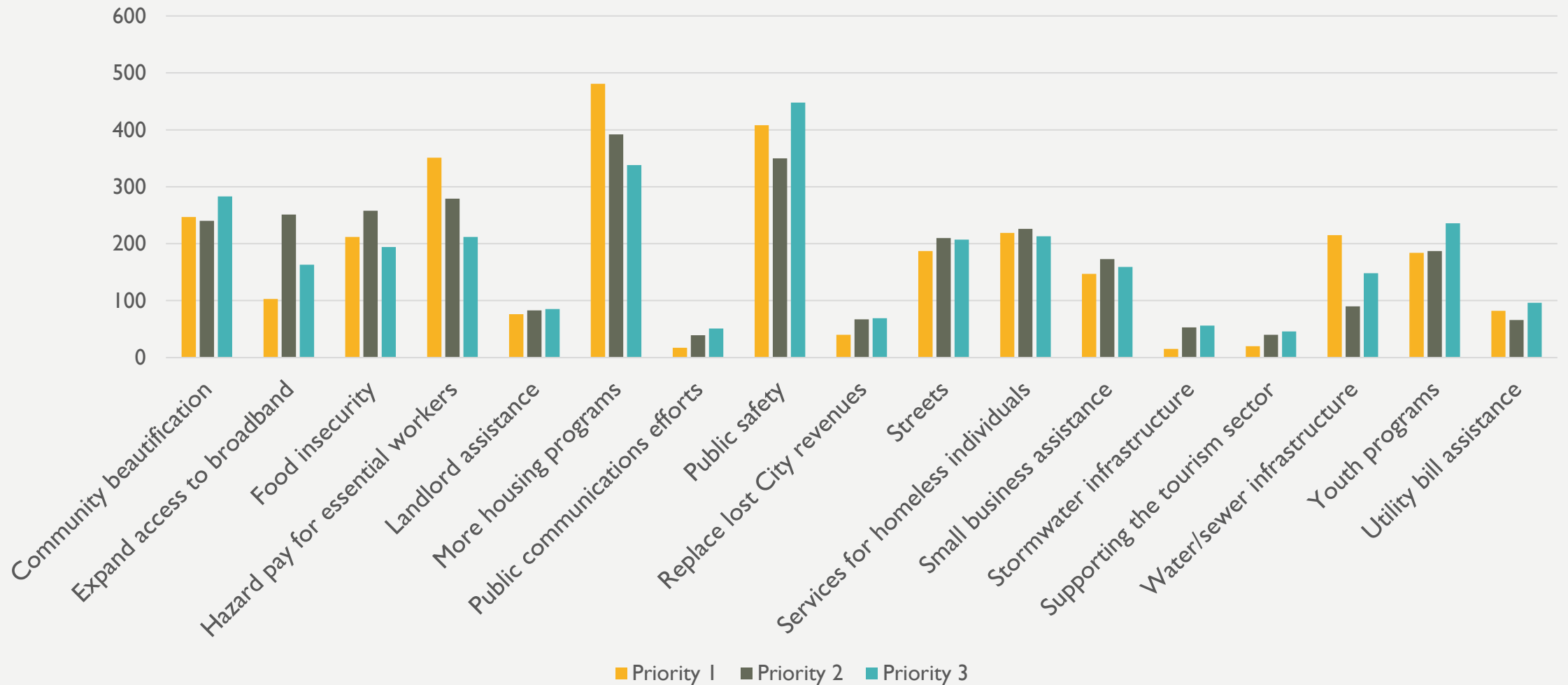
- Tenant did not pay or partially paid rent -83
- Tenants moved without paying -15
- Inability to rent vacant space 132
- Not applicable 2774

Q 9. WHAT IS YOUR BIGGEST CHALLENGE IN RECOVERING FROM THE PANDEMIC?



Q 10. WHAT IS ARE THE TOP THREE ISSUES YOU BELIEVE THE CITY OF MERCED SHOULD ADDRESS WITH THIS FUNDING?

Top Three Issues



Financial Assistance for Families
Homeowner Assistance
New PD Headquarters
Repair Safety
Sewer Tenants Youth
Expand Social Services
Invisible Homeless Project
Street Repair
Affordable Childcare
Broadband
Water Streets Traffic Storm
Utility Rental Assistance
Fix the Merced Mall
Homeless Services
Job Training Opportunities
Trash Worker
Parks Cleanup
Create Bikepaths That Connect
Community Beautification
Strengthen Broadband

Utility Bill Assistance
Sports
Senior

ELIGIBLE USES

Public Health & Economic Impacts

To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.

Premium Pay

To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.

Reduction in Revenue

For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency (FY 2018-19).

Infrastructure Investments

To make necessary investments in water, sewer, and broadband infrastructure

RESTRICTIONS ON USE

Direct or indirect offsets of a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation.

Deposits into Pension Funds

Contributions to rainy day funds or similar reserves

Pay expenses related to financing, outstanding debt, or settlement agreements.

Non-Federal Match for other Federal Programs

COUNCIL DIRECTION

Feedback

Provide Initial Comments on Projects & Programs



Public Input

Public Hearings: November 1st & December 6th



Plan

Develop a Strategic Plan for Future Consideration