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Discussion of ARPA funds distribution continues at council

By Lou Fancher

The city council on Nov. 8 received a staff report and updates on Lafayette's American Rescue Plan Act (ARPA) funding and related community survey results. HdL Companies' Managing Director Barry Foster began his reports with a brief overview of the processes undertaken by HdL, the council subcommittee, council members Carl Anduri and Gina Dawson, city managers and others.

A Business Survey taken earlier and presented to the council on Sept. 13 showed input from local businesses negatively impacted by COVID-19 and feedback about the city services they suggested might best mitigate their losses. The community survey was then developed and refined by the subcommittee with input from the council, resulting in six easy-to-answer questions. Foster said the response was "significant," with just over 1,000 groups and individuals participating in the survey.

Drawing out responses he called "compelling," Foster highlighted the 63% who said they would support and participate in a community e-gift card program that promotes Lafayette businesses and encourages shopping, dining and purchasing services in the local downtown area. The survey showed that 79% of residents have eaten at temporary outdoor dining spaces during the pandemic. Of that percentage, a full 82% support the continuation of outdoor dining located in public spaces and parking lots; with 62% suggesting aesthetic and permanent enhancements would be worthwhile improvements to sustain the continuation of outdoor dining.

Overall, Foster said that even though some of respondents' 11 suggested uses of ARPA funds did not fit the program's tight criteria for eligibility, they demonstrated the important priorities of people living in Lafayette: traffic and pedestrian safety, police and fire services, affordable housing, parks and ADA-compliant playgrounds, vibrant and stable performing venues, and more.

Foster said recapturing lost revenues with ARPA funds is complicated, with a specific methodology for calculating the loss. The 2020 revenue loss actually gathered by Tracy Robinson of \$880,555, he said, can be submitted to ARPA and after an audit all cities must receive, can be moved into the General Fund. The money can be applied to water, sewer and broadband improvements, but not to roads, safety mitigation improvements near schools and other spaces, and other general city services.

Robinson said overall General Fund losses that include the hardest hit categories of sales tax, transient occupancy taxes and parking revenue show a total of \$2.9 million. Yet to be determined are totals for 2021 and as the second tranche of ARPA roles out, for the years 2022 and 2023.

Foster emphasized repeatedly that ARPA funds can be used for fiscal recovery beyond General Fund revenue loss (such as the water, sewer and broadband infrastructure), but must fit specific criteria relating to the pandemic. Households, small businesses, nonprofits negatively impacted by the public health emergency and premium pay for essential workers responding and providing services during the pandemic are examples of other needs that can be supported by the ARPA funds.

Mayor Susan Candell asked Foster to provide examples for each of the four priorities identified in the report. He said making sure the city has the resources to continue high quality services will be addressed by the \$880,555 request. Asked to define what constitutes "small businesses" and differentiates it from large businesses in Lafayette - entities that, along with households, the second priority seeks to support - he said all businesses in Lafayette are small and will be included in considerations.

Applications of the third priority, to solve immediate, specific problems, he said, include upgrading the HVAC systems in city buildings and community centers, and improving broadband to better handle the city's Zoom meetings. Other examples included school lunches and laptops for children who need them. To hasten the economic recovery of the city and local businesses, Foster said assisting the Chamber of Commerce with funding and marketing support would stimulate business recovery and boost community involvement.

Public comment from Grace Dixon urged the council to proceed slowly as the guidelines for use of ARPA funds are fluid, especially for the second tranche, but also due to bills pending in state and federal government. Requesting investment in public parks and playgrounds that promote community gathering and public health, she said, would best meet Lafayette residents' interests.

Council Member Dawson emphasized the subcommittee is not rushing and is still "finessing" the details of their report. The subcommittee, Foster and city staff will continue to partner with businesses, nonprofits, and individuals as they work on refinements to the ARPA plan. Council Member Anduri said having received far more requests for funds than what is available, the next month will have them deciding what application of funds to recommend based on what will have the greatest long-term benefit. The discussion was scheduled to continue on Nov. 22, after press time.

Reach the reporter at: info@lamorindaweekly.com

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