



CITY OF SOMERVILLE, MASSACHUSETTS
American Rescue Plan Act (ARPA)
KATJANA BALLANTYNE
MAYOR

To: Somerville City Council
From: Kate Hartke, Director of Grants Development & External Funds
Date: April 4, 2024
Re: File Number: 24-0326 Resolution: 216663

To the Honorable City Council:

In response to resolution #216663, the City's American Rescue Plan Act (ARPA) Fund program and finance staff are providing an update on the spending of Somerville's ARPA allocation of \$77.5M to date.

Staff have worked tirelessly since the spring of 2021, when ARPA funds were first received by the City, to launch a community process and dialogue with constituents that would assist the Administration in prioritizing needs and ensuring these once-in-a-lifetime federal funds were utilized in an equitable, prudent, and responsible manner. The ARPA team is now comprised of five program staff and three finance staff who are shepherding 135 projects through the process of idea generation; compliance and risk assessment; Mayoral, Council, and community need alignment; approval through the established workflow; project launch; budget maintenance and monitoring; execution of contract and grant agreement extensions and amendments; reporting to the Treasury, data collection, and program evaluation; and, finally, project close-out.

ARPA staff are currently reviewing active projects for underutilized funding that can be reallocated to other projects. At this point in time, we are planning on reallocating to shovel-ready infrastructure projects that have already been in discussion. From the inception of the ARPA program, Treasury has encouraged the use of ARPA for immediate public safety needs, to address secondary impacts of the COVID-19 pandemic, and for infrastructure projects. Using these funds for infrastructure assists in offsetting future bonding and other debt financing the City would need to incur to complete these projects and is the most expedient and sizable use of these dollars. Please note that the City Council's FY25 budget priorities and requests, submitted in the March 14, 2024 City Council meeting, will be considered in the Mayor's final plans for these ARPA funds; the community-established priorities will also factor into our final allocation planning.

I've attached the following reports to this memo:

- ARPA FY24 Year-to-date Budget report for all ARPA projects, showing expenditures, encumbrances/obligations, and remaining budget amounts by project
- ARPA FY24 Year-to-date Budget report for Personal Services projects, listing all staffing projects funded by ARPA, their weekly costs, and total payroll costs for FY24
- ARPA FY24 Personnel Costs summary sheet, with year-to-date expenditures and FTE totals

I hope my presentation on April 4 will provide answers to any additional questions you may have!

Thank you,
Kate