

## American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund – Fiscal Year (FY) 2024 Budget Development Recommendations

### PROGRAM OVERVIEW

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan Act (ARPA), allocated \$38.1 million to the City of Fort Lauderdale to support the response to, and recovery from, the COVID-19 public health emergency. SLFRF provides a framework of allowable projects including responding to the public health emergency along with its economic impacts; providing premium pay to eligible, essential workers; replacing lost public sector revenue due to the pandemic; and investing in water, sewer, and broadband infrastructure.

For the last two budget development cycles, the City has utilized the lost revenue replacement calculation, allocating \$36.2 million to the provision of public safety. This action resulted in additional resources to support the City's capital improvement projects and a number of one-time expenses.

In conjunction with the development of the FY 2024 Preliminary Budget, staff recommends that the City Commission again utilize the revenue replacement component of the SLFRF program in order to offset one-time capital costs.

### FY 2024 REVENUE REPLACEMENT RECOMMENDATION

Utilizing the revenue replacement programmatic focus will allow the greatest flexibility to allocate the resulting revenue to meet the City's highest priority infrastructure needs.

SLFRF outlines a formula to calculate the lost revenues attributable to the pandemic across all general revenue streams. Based on this calculation, the City is eligible to assign the remaining \$1.9 million in ARPA funding to revenue replacement. Once lost revenues have been identified, ARPA allows local governments to use the revenue replacement funds to provide a broad range of government services, which include the following: the building of cash funded infrastructure, the remediation of environmental impacts, and the provision of police, fire, and other public safety services. For FY 2024, staff recommends utilizing the revenue replacement funds for public safety payroll expenses.

Below is the listing of the FY 2024 Community Investment Plan Projects that will be offset by the additional resources. With the adoption of the FY 2024 budget, the City will transition ARPA resources out of the previously funded 19<sup>th</sup> Street Facility Rehabilitation project which is a part of the \$1.9 million.

FY 2024 Community Investment Plan Projects Offset	\$1,955,144
City-Owned Seawall Restoration and Replacement	1,256,725
City-wide Annual Asphalt Resurfacing	500,000
Temporary Trailer for the Ocean Rescue Headquarters	250,000

**\$38.1M**

City of Fort  
Lauderdale's Total

**\$16.2M**

Year One Revenue  
Replacement

**\$20.0M**

Year Two Revenue  
Replacement\*

**\$1.9M**

Year Three Revenue  
Replacement

*\* The Year Two Revenue Replacement calculation includes additional funding for year one based on the updated Final Rule revenue replacement methodology.*

## **CUMMULATIVE OPERATING AND COMMUNITY INVESTMENT PLAN PROJECTS OFFSET BY ARPA FUNDING**

By offsetting public safety payroll expenses over the last three years, it has allowed the City to invest \$38.1 million in one-time capital expenses. This approach enabled the City to maintain a structurally balanced budget since the non-recurring ARPA revenue was only used to offset one-time expenses.

Below is a summary of the Operating and Community Investment Plan Projects that have been possible due to the City's access to ARPA funding.

<b>Operating and Community Investment Plan Projects</b>	<b>Funding</b>
Support for New Public Safety Facilities	\$ 11.6 million
Bridge Restoration and Repairs	\$ 7.3 million
Streetscape and Mobility Improvements	\$ 4.7 million
Seawall Replacements and Repairs	\$ 4.5 million
Public Safety Equipment Replacements and Enhancements	\$ 3.7 million
Citywide Roads and Sidewalk Assessments and Repairs	\$ 2.2 million
City Facilities Internal Repair, External Repair and Roofing	\$ 2.0 million
Railroad Crossing Improvements and Signalized Crosswalks	\$ 1.3 million
Streetlight Improvements	\$ 500 thousand
Americans with Disabilities Act (ADA) Compliant Bus Stops	\$ 300 thousand
<b>Total Operating and Community Investment Plan Projects</b>	<b>\$ 38.1 million</b>