

RESOLUTION NO.

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7 **WHEREAS**, the federal government will be providing approximately one-
8 half billion dollars to the City of Austin and Travis County area as part of the
9 American Rescue Plan (ARP) and related funding; and

10 **WHEREAS**, some of this funding is needed to provide emergency and
11 immediate relief from the health and economic impacts of the novel coronavirus
12 (COVID-19) pandemic; and

13 **WHEREAS**, given its scale, much of this funding could be used to help both
14 the City of Austin and Travis County so that one or more of our most serious and
15 significant challenges might be addressed and met in ways, and with urgent timing,
16 that might not otherwise have been possible; and

17 **WHEREAS**, the City of Austin, partnering and joining with Travis County,
18 needs to be deliberate and strategic if we are to take greatest advantage of the unique
19 opportunity to help bring about transformational and generational progress; and,

20 **WHEREAS**, a deliberate and strategic spending framework might be
21 different from that employed by the City for the CARES Act funding, which was
22 focused on immediate and emergency relief when the virus first hit, its immediate
23 impact was the greatest, and the future was most uncertain; and

24 **WHEREAS**, Council has allocated the CARES Act and other funds to
25 provide relief services and assistance to Austin residents to address both the needs
26 and risks created by this public health emergency, with a lesser emphasis on
27 providing longer-term resiliency for Austin residents and the Austin economy; and

28 **WHEREAS**, Council passed Resolution No. 20200507-060 requesting a
29 framework specific to the available CARES Act and the other available relief
30 funding for the City, and subsequently approved Resolution No. 20200604-040,
31 which established allocations toward emergency response, medical and public health
32 needs, and economic support; and

33 **WHEREAS**, under the CARES Act, county governments were provided
34 coronavirus relief funds based on a formula with guidelines that limited counties
35 from spending funding in incorporated areas within the counties, thus limiting the
36 opportunities for Austin and Travis County to co-invest and work together; and

37 **WHEREAS**, the City and Travis County developed separately their spending
38 frameworks without extensive coordination given the limitations and guidelines
39 associated with that funding; and

40 **WHEREAS**, since Council adopted the initial framework for spending the
41 CARES Act funding, conditions have changed and the City now has an opportunity
42 to implement a spending framework for the ARP funds with greater collaboration
43 and a greater focus on “capacity building” rather than “relief” efforts. Such a new
44 framework should take into account the change in immediate needs and recognize
45 the potential for ARP funding to address future opportunities for our community;
46 and

47 **WHEREAS**, the ARP includes funding for:

- 48 • Direct recovery rebates for individuals
- 49 • Earned Income Tax Credit
- 50 • Child Tax Credit
- 51 • Child & Dependent Care Tax Credit
- 52 • Food banks and community partners
- 53 • Supplemental Nutrition Assistance program (SNAP)

- 54 • Women, Infants and Children (WIC) program
- 55 • Senior nutrition
- 56 • Youth nutrition
- 57 • Nutrition for the homeless
- 58 • Elementary and secondary school education relief fund
- 59 • Colleges and universities
- 60 • School libraries, broadband, and special education
- 61 • Public health testing, contact tracing, surveillance, and mitigation
- 62 • Technical assistance to localities for public health efforts
- 63 • Medical supplies such as personal protective equipment (PPE)
- 64 • Public health workforce
- 65 • Childcare and development block grant program
- 66 • Head Start
- 67 • Centers for Disease Control (CDC) funding for vaccine distribution
- 68 capabilities
- 69 • Research and development for vaccines and therapeutics
- 70 • Mental health and substance use
- 71 • Health surveillance and data modernization
- 72 • Public health volunteers and strengthening response
- 73 • National Health Service Corps and loan repayment
- 74 • Community Health Centers
- 75 • In-house services for older Americans
- 76 • Medicaid
- 77 • Children's Health Insurance Program (CHIP)
- 78 • Low Income Home Energy Assistance Program
- 79 • Water assistance

- 80 • Federal Emergency Management Agency (FEMA) disaster and
- 81 humanitarian relief
- 82 • First responder grants
- 83 • Cybersecurity risk mitigation
- 84 • Grants to identify and address disproportionate environmental or public
- 85 health harms and risks in minority or low-income populations
- 86 • Emergency rental assistance
- 87 • Homeowner assistance fund
- 88 • Homelessness
- 89 • Small Business Paycheck Protection Program (PPP)
- 90 • Restaurant Revitalization Fund
- 91 • Economic Injury Disaster Loan (EIDL) Program
- 92 • Community Navigator Pilot Program
- 93 • Unemployment insurance
- 94 • Payroll tax credit extension for paid sick, family and medical leave
- 95 • Amtrak
- 96 • Aviation
- 97 • Public transit
- 98 • Cultural agencies; and

99 **WHEREAS**, funding related to the ARP includes funding associated with
100 initiatives such as the Coronavirus Response and Relief Supplemental Act of 2021
101 (CRRSA) which included items such as \$15 billion for struggling live venues, movie
102 theatres and museums and \$325 billion for small businesses; and

103 **WHEREAS**, the ARP includes local funding based on a new formula that
104 awards funding to cities, directly to those eligible for Community Development
105 Block Grants and indirectly and through the State to other cities; and

106 **WHEREAS**, allocations to counties will be based in significant part on total
107 population and also unemployment rates and will be available for county-wide use,
108 including for residents in any cities located within county boundaries; and,

109 **WHEREAS**, ARP funding for Travis County and its included cities are
110 estimated to be the following:

111 Direct Allocation – CDBG Entitlement City

- 112 • Austin - \$195.8 million
- 113 • Pflugerville - \$6.71 million
- 114 • Round Rock - \$16.84 million
- 115 • Travis County - \$247.08 million

116 Sub-Allocation from the State

- 117 • Bee Cave - \$1.49 million
- 118 • Cedar Park - \$17.33 million
- 119 • Creedmore - \$50,000
- 120 • Elgin - \$2.25 million
- 121 • Jonestown - \$460,000
- 122 • Lago Vista - \$1.65 million
- 123 • Lakeway - \$3.48 million
- 124 • Leander - \$13.65 million
- 125 • Manor - \$3.02 million
- 126 • Mustang Ridge - \$210,000

- 127 • Rollingwood - \$350,000
- 128 • Sunset Valley - \$150,000
- 129 • West Lake Hills - \$720,000; and

130 **WHEREAS**, Council has consistently placed homelessness as its top budget
131 priority, a challenge that significantly raises issues of housing and housing
132 insecurity, mental health, and substance use assistance and intervention, but funding
133 necessary to meet these challenges has been difficult to scale to the level needed;
134 and

135 **WHEREAS**, in 2018 the City Council approved the Action Plan to End
136 Homelessness, setting out a blueprint for the strategies our community must deploy
137 to end homelessness in our city; and

138 **WHEREAS**, the City of Austin has implemented multiple city programs and
139 funded others in the community aimed at supporting individuals in moving from
140 homelessness into safe and stable housing; and

141 **WHEREAS**, Council passed Resolution No. 20210204-049, initiating the
142 Homeless Encampment Assistance Link (HEAL) program to further address the
143 priority of unsheltered homelessness, but funding necessary to house individuals
144 without homes and to help them move out of encampments will be difficult to obtain
145 and sustain at the scale needed; and

146 **WHEREAS**, Austin and Travis County have maintained amongst the lowest
147 rates of evictions in the country throughout the pandemic, but any wave of evictions
148 in the pandemic recovery could significantly worsen the levels of homelessness; and

149 **WHEREAS**, a summit to address unsheltered homelessness is being
150 convened with broad community and subject matter expert involvement to propose
151 a timeline with the actions and transformational investments needed to reach net-

152 effective zero homelessness that will require both public and private participation
153 and funding at levels commensurate with the scale of the challenge; and

154 **WHEREAS**, Austin and Travis County have other priority challenges
155 including early childhood care and education, workforce development and work
156 programs, and food insecurity that could also benefit from significant and material
157 investment of a scale that would not be available absent this ARP opportunity and
158 for which the ARP can provide long-term capacity building; and

159 **WHEREAS**, there still remain present, immediate, and emergency relief and
160 planned public health needs that need to be met from the ARP and related funding,
161 some of which will come from the individual ARP-designated funding programs and
162 some of which will need to come from the general allocation to cities and counties;

163 **NOW THEREFORE,**

164 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

165 The City Manager is directed to inventory Austin, Travis County, and other
166 regional funding available for relief and recovery needs from the ARP and any other
167 related federal, state or local assistance. This inventory should include programs
168 administered by local government entities, as well as those distributed through
169 federal agencies or directly through designated partners.

170 **BE IT FURTHER RESOLVED:**

171 The City Manager is directed to identify Austin priority need(s) or
172 challenge(s) that could be addressed in a transformational and generational way with
173 funding at a sufficient scale that is not as available absent the opportunity presented
174 by the ARP and related funding.

175 A focused list of transformational investments for the region would not
176 prevent support for an additional group of programs, but the extent to which
177 transformational results can be achieved will be limited by a lack of focus in
178 prioritization. The City Manager’s evaluation should include the following priority
179 (ies) and challenge(s), listed in priority order, and recognizing that sufficient funding
180 might not be available to address all priorities and challenges at the desired scale:

- 181 • Homelessness, and related housing, mental health, and substance use
182 issues;
- 183 • Early childhood care and education that is high quality and affordable;
- 184 • Jobs for working class Austinites that include good wages, benefits, and
185 workplace protections, and associated ~~W~~workforce development and
186 work programs
- 187 • Food and housing insecurity.

188 **BE IT FURTHER RESOLVED:**

189 The City Manager is directed to identify immediate and emergency
190 relief needs and planned public health expenses (such as were identified in the
191 CARES Act spending framework) that are so significant that they should be
192 considered for funding from the ARP and related funds. Ending the pandemic public
193 health crisis is the top priority for addressing the economic disaster and saving lives.

194 **BE IT FURTHER RESOLVED:**

195 The City Manager is directed to work with regional partners, especially
196 including Travis County because of the greatest overlap of residents, to identify
197 shared priorities, challenges and opportunities for joint investment and action.

198 **BE IT FURTHER RESOLVED:**

199 The City Manager is directed to find and develop leveraging opportunities that
200 may have a maximum impact in addressing priorities and challenges.

201 **BE IT FURTHER RESOLVED:**

202 The City Manager is directed to prioritize building long-term capacity and
203 making transformative change rather than ~~relief and~~ returning to pre-existing
204 conditions wherever appropriate and available.

205 **BE IT FURTHER RESOLVED:**

206 The City Manager is directed to identify opportunities to maximize the
207 recovery for residents and for businesses of funding that is awarded to them directly
208 with the strategic use of navigators or facilitators. For example, the federal
209 government will make approximately \$16 billion available to shuttered venue
210 operators (from both the APR and the CRRSA) and approximately \$29 billion for
211 restaurants, both on a first-come, first-served basis; as many of our qualifying local
212 creative venues and restaurants as possible should be prepared with the support of
213 the city to submit their applications for this funding the moment the Small Business
214 Administration opens up its online application process.

215 **BE IT FURTHER RESOLVED:**

216 In implementing the finalized spending framework, the City Manager is
217 directed to deploy the various funding sources in a manner that reserves the most
218 flexible funding sources for purposes that may not fit within the guidelines of more
219 restrictive funds.

220 **BE IT FURTHER RESOLVED:**

221 The City Manager shall designate one or more city staff members to oversee
222 the process, to ensure that individual departments are first exploring to the fullest

223 extent opportunities which may exist outside of the general allocation, and to
224 encourage creative and innovative ways to address immediate needs in ways that
225 produce longer-term, sustainable support.

226 **BE IT FURTHER RESOLVED:**

227 Taking into account the elements identified above, the City Manager is
228 directed to present to the City Council a proposed strategic framework for spending
229 the ARP funding, with initial recommendations no later than April 12, 2021, that
230 focuses to the greatest extent possible on our key priority(ies) and challenge(s), and
231 those investments should be deployed in a manner that allows for the greatest
232 transformational and generational advances.

233 **BE IT FURTHER RESOLVED:**

234 The City Manager is directed to report to City Council by April 12, 2021 with
235 a clear accounting of the City's year to date revenue gaps, expected Fiscal Year 2021
236 revenues relative to the Fiscal Year 2021 projected budget, and, where feasible,
237 updated projections for Fiscal Year 2022 revenues. Where an existing or projected
238 loss of revenue is tied to a specific department's activities, the City Manager should
239 provide details on potential impacts to programming and staffing.

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242 **ADOPTED:** _____, 2021 **ATTEST:** _____

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Jannette S. Goodall
City Clerk