

# City of Chandler, Arizona



## State and Local Fiscal Recovery Funds

### Recovery Plan: 2022 Report

2022 Recovery Plan

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### **Executive Summary**

The American Rescue Plan Act (ARPA) of 2021 is a \$1.9 trillion economic stimulus bill signed into law by the President in March 2021. Within ARPA, the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) was established which provides \$350 billion for state, local, territorial, and tribal governments to respond to impacts from the COVID-19 pandemic. Chandler's first allocation of \$17,280,397 was received in May of 2021 with the same amount received in May of 2022 for a total allocation of \$34,560,795. The focus of the SLFRF is in four key program areas identified in the ARPA language:

1. Respond to the public health emergency or its negative economic impacts
2. Provide premium pay for essential workers
3. Replace lost revenue, and
4. Make necessary investments in water, wastewater or broadband infrastructure.

Additionally, ARPA specifically prohibits the deposit of any SLFRF funds towards pension liabilities, debt service payments or contributions to fiscal reserves. The funds must be obligated by December 31, 2024 and expended by December 31, 2026. This time is designed to provide prolonged support and recovery with the understanding that the recovery from COVID-19 will take more than one year.

Initial funding recommendations were presented to Mayor and Council in a public meeting where community input could be voiced, and a variety of projects were identified as potentially being funded by ARPA dollars. This process was done prior to additional Treasury guidance being received, and some of the identified projects do not meet the recommendations. Additional feedback on altered recommendations that are fully within the recommended guidelines have been identified and this plan has been adjusted to comply with the Final Rule. Through these initial discussions with City Council and community partners, City staff have identified eligible programs/purchases that are grouped in this report by the SLFRF reporting classifications below:

1. Public Health (EC 1)
2. Negative Economic Impacts (EC 2)
3. Public Health-Negative Economic Impact: Public Sector Capacity (EC 3)
4. Premium Pay (EC 4)
5. Infrastructure (EC 5)
6. Revenue Replacement (EC 6)
7. Administrative (EC 7)

Once the usage of these funds begins in earnest, the desired result will be to support a strong and equitable recovery from the COVID-19 pandemic and economic impacts. Some keys goals will be:

- Encourage a rebound in the Tourism, Travel, or Hospitality sector that was significantly impacted by closures due to COVID-19.

- Improve the quality of parks and outdoor spaces to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- Ensure public sector staffing is again at pre-pandemic levels to allow for effective administration of municipal services provided for all areas with a special emphasis on Police department staffing which is facing significant issues in finding qualified candidates.
- Provide premium pay to essential employees.
- Purchase land to build a 167 multifamily affordable housing complex for seniors adjacent to a qualified census tract.
- Ensure continued access to reliable broadband access provided at City facilities to unserved and underserved households and businesses.

With these goals in mind, the City has moved forward to ensure we were able to continue to meet the needs of our residents. The biggest issues the City has faced over has been simply receiving and reviewing all the guidance, evaluating what is allowable versus not allowable, making recommendations, and getting projects started. While several projects have begun we still have several projects in early stages.

## **Uses of Funds**

The approach Chandler is taking to use these funds helps support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. The City has identified a variety of programs with impacts across multiple sections of the associated ARPA categories. Given the eligible uses of funds and the specific needs of our jurisdiction, the program descriptions in the Project Inventory are detailed out to show how each program will support the community, population, and/or individuals in Chandler. Additionally, one of the items specifically included is a column in the Expenditure Category Chart that identifies which program areas have been identified for an allocation of funds. This will assist in showcasing where these funds will be used and in which of the below categories the programs fall.

1. Public Health (EC 1)
2. Negative Economic Impacts (EC 2)
3. Public Health-Negative Economic Impact: Public Sector Capacity (EC 3)
4. Premium Pay (EC 4)
5. Infrastructure (EC 5)
6. Revenue Replacement (EC 6)
7. Administrative (EC 7)

Other funding programs under the American Rescue Plan outside of the SLFRF funding, such as Emergency Rental Assistance, Housing Assistance, and so forth, provide additional funding opportunities to meet the overall pandemic recovery needs in the City. The Neighborhood Resources Department is providing a variety of services to residents in need through these other funding streams.

## Promoting Equitable Outcomes

One of the underlying goals of ARPA funding is to ensure those disproportionately impacted by COVID-19 have additional services that can help them mitigate the impacts of the pandemic. As such, the planning that was done to identify programs and projects for funding was done with this in mind. With a focus on equity, there was also consideration to ensure that programs or projects were also available to all residents who have a desire to use those services.

The City's efforts to promote equitable outcomes are discussed below in an overview of how programs were designed with equity in mind. Using four focus areas to try and focus efforts on these equitable outcomes, below is a description of how each focus area gave guidance while selecting programs.

- a. **Goals:** The intention of many of the programs outlined in this report is to assist the historically underserved, marginalized, or adversely affected groups. The goal of each program was determined within a framework of equity. The City focused on supporting the needs of these groups through providing general municipal services which require adequate staffing levels, providing funding specific to ensuring housing and other social services are available, ensuring recreational facilities are maintained at a high level to serve the needs of these residents, and ensuring that the broadband and computer services provided to those who are underserved in this area meet, and will continue to meet, those needs at a high level.
- b. **Awareness:** Ensuring all residents that may qualify for assistance, or who will have access to the services provided are aware of what is available to them is important. The City initiated a CARES team to ensure all residents who needed information or assistance with the process had access to it. The City is also using social media, its website, staff, and printed materials to let residents know of opportunities for assistance.
- c. **Access and Distribution:** Every effort is being made to ensure levels of access to benefits and services across groups are equitable.
- d. **Outcomes:** Intended outcomes are focused on reaching universal levels of service.

The specific services or programs offered by the City in the following Expenditure Categories are specifically designed to meet the needs of underserved or unserved populations:

- a. **Negative Economic Impacts (EC 2):** Assistance with housing and recreational facilities (such as residents of low-income neighborhoods, minorities, disconnected youth, the unemployed, formerly incarcerated people, seniors, veterans, and people with disabilities); and other programs that provide disadvantaged groups with access to services.
- b. **Negative Economic Impact: Public Sector Capacity (EC 3):**

To serve those impacted the city is committed to rehiring to pre-pandemic staffing levels and is actively recruiting and providing remote testing for police recruits along with hiring incentives.

- c. Infrastructure (EC 5): Replacing and expanding broadband will enhance and expand services at City facilities providing access to underserved and underserved populations.

## Community Engagement

The City's current planned use of funds incorporates any written, oral, and other forms of input received that captured feedback from constituents, community-based organizations, and the community as a whole. All feedback was taken into account, a public meeting was held at which additional public feedback could be offered.

## Labor Practices

Any infrastructure projects being pursued (as shown in section EC 5), use strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects while supporting the economic recovery through employment opportunities for workers. Procurement efforts utilized by the City ensure the best product can be provided to the residents by the most responsive bidder.

## Use of Evidence

Detailed evidence information for each project is, or will be, included in the Project Inventory if the SLFRF funds being used require evidence-based interventions. Specifically, in the Project Inventory, we describe the overall approach for using evidence and evaluation. All Expenditure Categories that meet the requirement for Use of Evidence as defined in the Reporting Guidance have been included. Those with projects that are still being designed may have only preliminary data about how and what methods will be used as evidence until additional details are determined. Once those have been better identified this report will be updated accordingly.

Expenditure Category		Total ARPA Funding Assigned (\$)
<b>2</b>	<b>Expenditure Category: Negative Economic Impacts (EC2)</b>	
	<b>Assistance to Households</b>	
2.18	Housing Support: Other Housing Assistance	\$2,625,000
	<b>Aid to Impacted Industries</b>	
2.35	Aid to Tourism, Travel, or Hospitality	200,000
2.36	Aid to Other Impacted Industries	8,825,000
<b>3</b>	<b>Public Health-Negative Economic Impact: Public Sector Capacity (EC 3)</b>	
3.2	Public Sector Workforce: Rehiring Public Sector Staff	14,046,270
<b>4</b>	<b>Expenditure Category: Premium Pay</b>	

Expenditure Category		Total ARPA Funding Assigned (\$)
4.1	Public Sector Employees	4,864,525
<b>5</b>	<b>Expenditure Category: Infrastructure</b>	
5.21	Broadband: Other Projects	4,000,000
	<b>Total</b>	<b>\$34,560,795</b>

## **Project Inventory**

### **Public Health: (EC1)**

Currently there are no projects identified in this category.

### **Negative Economic Impacts: (EC2)**

#### **RAD Land Purchase**

Project [Identification Number]: Program 6NR001, Project ARPA20

Funding amount: \$2,625,000

Project Expenditure Category: 2.18 Housing Support: Other Housing Assistance

#### **Project Overview**

- The project includes a voluntary purchase of a residential multi-family 14-unit property, comprised of two privately owned parcels and totaling 35,720 sq ft (~0.82 acres). \$2.625 million will be used for land purchases only. Non-ARPA funding will be utilized to cover project activities including demolition of the existing structures, removal of the foundation and asphalt parking lot, removal of trees/vegetation, and grading the lot.
- The conversion of existing units to new housing will have a net increase of affordable housing units. Chandler's current local housing market conditions have seen significant rent increases, with households paying more than 30 percent of their income to housing causing rent burdens for families especially for low-income families.
- The proposed development plan includes building a 157-unit low-income (for households below 60 percent Area Median Income) affordable housing complex and tenants will pay 30 percent of their income for rent.
- The location was selected as it would assist seniors living in close proximity to a qualified census tract.

#### **Tourism Recovery Program**

Project [Identification Number]: Program 3ARP01, Project ARPA19

Funding amount: \$200,000

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

### Project Overview

- Marketing and promotion tools to aid the recovery of our hospitality industry through a targeted marketing campaign directed at meeting and event planners.

### **Sportsplex Synthetic Field Conversion**

Project [Identification Number]: Program 6PR655, Project ARPA12

Funding amount: \$1,375,000

Project Expenditure Category: 2.36 Aid to Other Impacted Industries

### Project Overview

- Multipurpose fields will be converted to turf, improving field conditions for those disproportionately impacted populations and all residents of the City.
- Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- The City saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.
- This project did not experience an employment loss from pre-pandemic levels. However, this capital expenditure project was selected due to an increased pandemic use to support to the public health of negatively impacted areas that were in or near a qualified census tract.

### **Dobson Park Irrigation Renovation**

Project [Identification Number]: Program 6PR049, Project ARPA13

Funding amount: \$750,000

Project Expenditure Category: 2.36 Aid to Other Impacted Industries

### Project Overview

- Complete replacement of irrigation system, improving park conditions for those disproportionately impacted populations and all residents of the City.
- Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- The City saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.
- This project did not experience an employment loss from pre-pandemic levels. However, this capital expenditure project was selected due to an increased pandemic use to support to the public health of negatively impacted areas that were in or near a qualified census tract.

### **Mesquite Groves Leak Detection & Repair**

Project [Identification Number]: Program 6PR630, Project ARPA14

Funding amount: \$400,000



Project Expenditure Category: 2.36 Aid to Other Impacted Industries

Project Overview

- Pump room leak detection, improving facility conditions for those disproportionately impacted populations and all residents of the City.
- Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- The City saw significantly increased use of parks and park facilities during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.
- This project did not experience an employment loss from pre-pandemic levels. However, this capital expenditure project was selected due to an increased pandemic use to support the public health of negatively impacted areas that were in or near a qualified census tract.

**Gazelle Meadows/Galveston Neighborhood**

Project [Identification Number]: Program 6PR653, Project ARPA15

Funding amount: \$4,000,000

Project Expenditure Category: 2.36 Aid to Other Impacted Industries

Project Overview

- Rebuild park after drainage work and add neighborhood amenities and beautification.
- Gazelle Meadow provides a public outdoor recreation space to meet the needs of disproportionately impacted communities promoting healthier living environments.
- Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- The City saw significantly increased use of parks and park facilities during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.
- This project did not experience an employment loss from pre-pandemic levels. However, this capital expenditure project was selected due to an increased pandemic use to support to the public health of negatively impacted areas that were in or near a qualified census tract to provide access to persons that are disproportionately impacted.

**Brooks Crossing Rebuild**

Project [Identification Number]: Program 6PR049, Project ARPA16

Funding amount: \$2,300,000

Project Expenditure Category: 2.36 Aid to Other Impacted Industries

Project Overview

- Refresh the park equipment, irrigation, and structures to ensure a beautiful park for residents in that area.

- Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19.
- The City saw significantly increased use of parks and park facilities during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.
- This project did not experience an employment loss from pre-pandemic levels. However, this capital expenditure project was selected due to an increased pandemic use to support to the public health of negatively impacted areas that were in or near a qualified census tract to provide access to persons that are disproportionally impacted.

### **Public Health-Negative Economic Impact: Public Sector Capacity (EC 3)**

#### **Police Hiring Incentives**

Project [Identification Number]: Program 3ARP04, Project ARPA01

Funding amount: \$650,000

Project Expenditure Category: Public Sector Workforce: 3.2 Rehiring Public Sector Staff

#### Project Overview

- Incentivize the hiring of lateral sworn police officers, sworn police officers, detention officers and dispatchers. Included as "other costs" under the ARPA hiring regulations. Actual number of incentives will be reported in the quarterly ProJet and Expenditure report.
- Recruitment in Sworn Police positions has become more challenging. Prior to 2021, typically two recruitments were conducted per year with an average posting of two weeks. These recruitments included both Recruit and Lateral applications and yielded 500+ applicants. In 2019, due to decreasing number of applicants, the number of recruitments per year was increased and Recruit and Lateral applicants were separated to streamline the processes for both.
- The goal of the incentive is to ensure we can hire and retain qualified applicants for our Police sworn positions.

#### **Remote Police Testing**

Project [Identification Number]: Program 3ARP04, Project ARPA10

Funding amount: \$30,000

Project Expenditure Category: Public Sector Workforce: 3.2 Rehiring Public Sector Staff

#### Project Overview

- Provide electronic testing for new Police hires through the national testing network to ease the complexity of applying and testing for Police sworn positions. Included as "other costs" under the ARPA hiring regulations.

#### **Workforce Recruitment Effort**

Project [Identification Number]: Program 3ARP04, Project ARPA11

Funding amount: \$500,000

Project Expenditure Category: Public Sector Workforce: 3.2 Rehiring Public Sector Staff

Project Overview

- Provide for additional coverage of job notifications through a national recruitment campaign. Included as "other costs" under the ARPA hiring regulations.

**Staffing Levels**

Project Identification Number]: Program 3ARP03, Subaccount 5AZB

Funding amount: \$12,866,270

Project Expenditure Category: Public Sector Workforce: 3.2 Rehiring Public Sector Staff

Project Overview

- Allows for staffing levels to be reset to pre-pandemic levels. Eighty-three (83) positions were identified as eligible for reporting.

**Premium Pay: (EC 4)**

**Exceptional Performance Awards**

Project Identification Number]: Program 3ARP03, Subaccount 5AZA

Funding amount: \$4,864,525

Project Expenditure Category: 4.1 Public Sector Employees

Project overview

- Premium pay for essential employees as authorized by the ARP Act. All City employees that received this pay had been identified as essential employees.
- A written Justification to be provided.

**Infrastructure: (EC 5)**

**Fiber Project**

Project Identification Number]: Program 6DS099, Project 6DS099

Funding amount: \$4,000,000

Project Expenditure Category: 5.21 Broadband: Other Projects

Project overview

- Replace and expand existing fiberoptic cabling to increase resiliency of service and speed of operation.
- Services at City facilities will be enhanced or expanded including facilities that provide broadband and computer access to underserved or unserved populations.
- Fiber project will ensure proper speeds will be available at all locations served, meeting or exceeding symmetrical uploads and at least 100 Mbps downloads.

### **Revenue Replacement:**

Currently there are no projects identified in this category.

### **Administrative:**

Currently there are no projects identified in this category.

### **Performance Report**

#### **Category**

#### **Negative Economic Impacts: (2.18, 2.35 & 2.36)**

##### **23% Obligated**

City of Chandler Housing and Redevelopment Division has undertaken a project known as Trails End Relocation and Demolition. The project included voluntary purchase of the residential multi-family 14-unit property, comprised of two privately owned parcels and totaling 35,720 sq ft (~0.82 acres). Non-ARPA funds will be utilized for project activities including demolition of the existing structures, removal of the foundation and asphalt parking lot, removal of trees/vegetation, and grading the lot. Once current residents have been relocated and the existing multi-family residence has been demolished the City plans to build a 157 multi-family affordable housing complex.

Marketing and promotion tools to aid the recovery of our hospitality industry through a targeted marketing campaign directed at meeting and event planners.

Investments in outdoor spaces is needed to respond to the needs of disproportionately impacted communities by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of COVID-19. The City saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs, which decreases the City's ability to effectively administer services thereby creating a negative economic impact.

City parks remained open to support to the public health of negatively impacted areas that were in or near a qualified census tract to provide access to persons that are disproportionately impacted.

Multipurpose fields will be converted to turf, improving field conditions for those disproportionately impacted populations and all residents of the City.

#### **Public Sector Workforce: Rehiring Public Sector Staff: (3.2)**

##### **49% Obligated**

Provide for additional coverage of job notifications through a national recruitment campaign. Included as "other costs" under the ARPA hiring regulations. Recruiting positions to reset staffing levels to pre-pandemic levels. Increasing the level of public safety and services provided to economically impacted areas.

Providing focus to these areas allows for staffing levels to be reset to pre-pandemic levels and testing to ensure we can hire and retain qualified applicants for our Police sworn positions. Eighty-three (83) positions were identified as eligible for reporting.

Recruitment in Sworn Police positions has become more challenging. Prior to 2021, typically two recruitments were conducted per year with an average posting of two weeks. These recruitments included both Recruit and Lateral applications and yielded 500+ applicants. In 2019, due to decreasing number of applicants, the number of recruitments per year was increased and Recruit and Lateral applicants were separated to streamline the processes for both.

#### **Premium Pay: (4.1)**

##### **100% Obligated**

Premium pay for essential employees as authorized by the ARP Act designed to compensate workers that, by virtue of their employment, were forced to take on additional burdens and make great personal sacrifices as a result of the COVID-19 pandemic

The City chose to use Premium Pay and issued Exceptional Performance Awards as a one-time payment to full and part time employees. Due to the impacts of COVID, vacant City positions were held for several months as part of the budget considerations, which placed additional responsibilities on employees. The City was committed to maintain the continuity of its fiscal responsibilities and provide the residents of Chandler essential services. These efforts could not have been accomplished without the employees who served during this critical time.

Employees who were employed as of December 31, 2020, and who remained employed through March 27, 2021, were provided the one-time Exceptional Performance Award for full-time employees was \$3,000 and for part time employees was \$1,500 each. 1522 full time and 29 part time City Employees received Premium pay.

#### **Infrastructure: (5.21)**

##### **2% Obligated, currently in planning stages**

Replace and expand existing fiberoptic cabling to increase resiliency of service and speed of operation. Fiber project will ensure proper speeds will be available at all locations served, meeting or exceeding symmetrical uploads and at least 100 Mbps downloads. Services at City facilities will be enhanced or expanded including facilities that provide broadband and computer access to underserved or unserved populations. The City Capital Improvement Program includes 83.5+ miles of fiber to be constructed or upgraded to serve approximately 40 locations.

