



CITY OF ALBANY CITY COUNCIL AGENDA STAFF REPORT

Agenda Date: October 2, 2023
Reviewed by: NA

SUBJECT: American Rescue Plan Act (ARPA) Program Update

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SUMMARY

This staff report provides a status update on programs funded with American Rescue Plan Act of 2021 (ARPA).

STAFF RECOMMENDATION

That the Council receive an update on programs funded with ARPA.

BACKGROUND

On March 11, 2021, the federal American Rescue Plan Act (ARPA) was signed into law. The ARPA provides aid to state, tribal, and local governments for public health and economic recovery due to COVID. As a non-entitlement unit of local government, the City of Albany was allocated \$4,711,702 in ARPA funds. The City Council has approved a total of \$4,681,702 of ARPA funding for a Temporary COVID Public Assistance Program and Small Business Assistance Program including staff support. The Temporary COVID Public Assistance Program includes funding for the expansion of services provided by Albany Project HOPE, a grocery distribution program, an afterschool subsidy program, rental assistance and financial stability and debt relief programs. The Temporary COVID Small Business Assistance Program includes funding for different types of grants, eGift card program, business related events including the Solano Stroll and Stroll-ish events, and business marketing and promotion. Council also approved an allocation of \$30,000 towards City Cyber Security infrastructure improvements.

DISCUSSION

Council received an update on programs implemented with ARPA funds in October 2022. As suggested in US Department of Treasury guidance, staff is to give an update on ARPA funded programs annually.

Temporary COVID Public Assistance Program

1. Community Grocery Program

The Albany Community Grocery Program began in February 2022. Up until August 2023, the program provided groceries and essential household items to low-income Albany households every first Friday of the month at the Albany Community Center. The income limit for participation was based on the United States Department of Housing and Urban Development (HUD) Income Limits for Alameda County. Program distribution grew to approximately 135 bags of groceries and essential items bags per month at the Albany Community Center, in addition to 34 essential items bags per month for Mercy Brown Bag participants at the Albany Senior Center. From February 2022 to August 2023, the Community Grocery Program distributed 1942 grocery bags and 2493 essential items bags. 258 residents have participated in the Community Grocery Program at least once, with 75% of those participating three times or more.

As of September 2023, the program has transitioned to providing grocery gift cards on the first Friday of each month. We anticipate continuing to provide gift cards to program participants until the end of the year. Staff also provides information to residents about other available resources, including the Mercy Brown Bag program, local non-profit agencies that serve Albany and Berkeley residents, and CalFresh. Albany CARES and Senior Center staff is available to provide more individualized support to participants.

2. Friendship Club and Friendship Camp Subsidy Program

Friendship Club is the City's afterschool program for children entering 1st through 5th grades which runs 5 days per week during the school year at Ocean View Park. Monthly costs for the 5-day per week program vary depending on early/late bird schedules established by the school district. Friendship Club provides afterschool services to 58 children. The Friendship Club Subsidy Program was launched in May 2022 to provide financial subsidies to income eligible Friendship Club families who reside in Albany. Families participating in the Friendship Club afterschool program apply for the subsidy as they complete the enrollment process. Income eligibility limits are based on the HUD Income Limits for Alameda County. Depending on income level (categories include low, very low, or extremely low), eligible families can receive up to 75% off their monthly fees.

During the 2022-2023 school year, seven children from six families were approved for the Subsidy Program. Based on income level, two families received a 75% subsidy, two families received a 50% subsidy and two received a 25% subsidy. One of those families also received a partial refund of their 2021-2022 tuition. In total \$16,701 in subsidy funding was distributed. For the 2023-2024 school year, six children from five families are currently participating in the Subsidy Program. Similar to last year, the majority of participating families are receiving either a 50% or 75% discount off their monthly tuition. Any families offered spots off the waiting list during the school year will also have the opportunity to apply for the Subsidy

Program. We anticipate a similar amount of ARPA funding being utilized for the program as the previous year.

The Subsidy Program was successfully expanded to include the Friendship Camp and Junior Counselor weeklong programs during the summer of 2023. Income-eligible families living in Albany received a 50% discount code to be applied at the time of registration. Over the course of 10 weeks, 31 children from 26 different families utilized the Subsidy Program. 25 of those children participated in 2 weeks of Friendship Camp or more. In total, \$18,152 in subsidy funding was distributed to Friendship Camp participants. The Subsidy Program will be extended to the Winter Friendship Camp that takes place from December 18-22 as well as the quarterly Junior Counselor Program.

3. Albany Project HOPE Expansion

Funding for Albany Project HOPE, the City's outreach, engagement, case management and housing services program for people experiencing homelessness administered by Insight Housing, formerly the Berkeley Food & Housing Project, was augmented in FY 2021-22 to include additional funding to secure a second master leased house for up to four clients. Master leasing a house has proven to be a cost effective and reliable temporary housing option for clients to stabilize while working towards a permanent housing solution. The increased funding also provides additional Rapid Rehousing rental subsidies for 6 new clients for a duration of 12 months, emergency hotel stays for 4 clients for 7 nights, flex funding for program and outreach expenses, assistance with move-in costs, supplies and food costs. ARPA funds also cover 10% of a clinical manager's salary to assist the Albany Project HOPE team with disability verification and other necessary support for permanent housing. ARPA allocations have helped to build out the services provided by Insight Housing. To date service levels have remained consistent. Insight Housing continues to work with Albany CARES and others throughout the City to respond to the needs of individuals experiencing homelessness in Albany.

4. Rental Assistance Program

Using ARPA funds, a rental assistance program was launched in April 2023 to assist low-income tenants impacted by COVID who are experiencing a temporary financial setback and are at risk of becoming delinquent on rent or who have fallen behind on rent since the Eviction Moratorium was lifted on April 29, 2023. Income eligibility limits are based on the HUD Income Limits for Alameda County. The City has contracted ECHO Housing to administer the program with planning support from Albany CARES and the Recreation and Community Services Department.

After completing a pre-screening call with Albany CARES staff, clients are referred directly to ECHO Housing to start the application process. Tenants that have received notice of eviction proceedings are prioritized. Tenants must reside in Albany, meet income eligibility requirements, and complete the application process, including providing ID and documentation of household finances. ECHO Housing works closely with each client to verify their eligibility, provide initial financial counseling, and assess their unique situation. ECHO

Housing then helps determine an appropriate grant award. The maximum grant amount per household is six months of future rent or \$21,000. The rental assistance is paid directly to the landlord on behalf of the tenant unless an exception is approved. Assistance for a security deposit and the first 2 months of rent for a more affordable living situation may also be approved. Rent owed from before the Alameda County eviction moratorium was lifted is not covered by the program as tenants cannot be evicted from debt owed from that period.

Marketing for the rental assistance program was focused in the spring and then expanded over the summer, allowing City staff and ECHO Housing to gauge initial interest in the program and make any necessary adjustments to the program. Initial outreach included direct advertising to current and former Albany CARES clients, sharing information with non-profit housing agencies that serve local low-income residents, and tabling at a local community evacuation and safety awareness event. In July an informational postcard was sent to all known rental properties in Albany. Program information was also included in the Fall Activity Guide which all residents received by mail in August. Recent outreach has included an eNews announcement linking readers to an informational webpage and continued distribution of flyers at City facilities and events.

To date Albany CARES staff has referred 37 tenants to ECHO Housing to start the application process. Of that group, 14 tenants have been approved for financial assistance totaling \$101,700. There are currently 12 cases pending, and 10 cases in which applications were closed/did not move forward.

5. Financial Stability & Debt Relief Program

The Financial Stability & Debt Relief Program was coupled with the Rental Assistance Program and launched in April of 2023. The program is designed to help low-income tenants who are not behind on rent but have accumulated ‘shadow debt’ to keep up with their rent, pay for food and other household expenses, or navigate an unexpected financial setback. The application process is the same as the Rental Assistance Program described above. Tenants can receive up to three months of future rent not to exceed \$10,500. Debt Relief grants are coupled with financial counseling and development of an action plan to ensure individuals’ unique situations are addressed and long-term financial security is cultivated.

To ensure flexibility to meet community needs, both the Debt Relief and the Rental Assistance Programs have been marketed broadly as financial assistance for renters. Through the application process, ECHO Housing helps determine whether a client’s situation qualifies as debt relief. Of the 14 clients that have been approved for financial assistance, two have received debt relief grants (totaling \$11,800) designated specifically for addressing their accumulated debt.

Temporary COVID Small Business Assistance Program

1. Business Grants

The City has administered four grant programs to help address specific needs identified within our business community with a total of \$1,022,190 awarded to local businesses, equating to a total of 86 grant awards to date. Staff continues to promote grant opportunities through direct outreach to our business community. Outreach for the programs include in-person visits, follow-up calls and emails, distribution of program flyers translated in Spanish and Chinese (Simplified) and information shared regularly via the City's media platforms such as the weekly eNews, Business Edition eNews, eNotifications, and social media.

- COVID Small Business Assistance Grant (2022)

The COVID Small Business Assistance Grant Program was launched on April 8, 2022 to help Albany small businesses that endured long, mandated closures, as well as other businesses in the community that were hardest hit by the pandemic. Grants ranging up to \$20,000 were awarded to 67 businesses. Grant awards were based on tiered criteria that gave preference to businesses that were closed due to state mandates for long periods of time.

- Window and Door Repair Grant (2023)

The Window and Door Repair Grant was established to support businesses and nonprofits impacted by an increase in crimes of vandalism and break-ins over the Winter months. 13 Albany businesses with storefront properties were able to apply for up to \$2,500 in reimbursement funds on repairs to windows and doors damaged due to vandalism and break-ins.

- Parklet Grant (Current)

The Parklet Grant is intended to assist businesses with parklets and the business community as a whole by offering financial support to bring the parklets up to code, both in design and safety compliance.

- Business Attraction and Improvement Grant (Current & Upcoming)

The Business Attraction and Improvement Grant is intended to attract new businesses in Albany, fill vacant spaces in commercial areas, and give business owners financial support to overcome startup and facility upgrade costs as they look to grow their business in Albany. This grant is currently only available to businesses moving into a new space but will be broadened to include current Albany businesses looking to upgrade their locations.

2. Albany eGift Card

The City established an eGift card program to encourage further support for our local business community. The eGift Card program was introduced in 2022 during Albany Local Week to encourage community members to shop in Albany. During the onset of this program, a special feature was included wherein those purchasing a gift card would receive a matching gift card amount, also called a BOGO (Buy One Get One) offer. The program was incredibly popular, resulting in the matching offer selling out within the first 24 hours. A second matching offer was introduced leading up to the holiday season that sold out within 2 weeks. As of today, over \$110,000 have been redeemed supporting Albany businesses.

3. Business Marketing

Albany Local Week is one way that the City works to promote our local business community. During Albany Local Week, the City promotes events and pop-ups occurring within Albany, many hosted by the businesses. This year, the City is providing businesses with complementary “Albany Local Business” window clings to promote Albany’s commercial areas and encourage customers to continue shopping locally in Albany.

The City has also engaged in advertising efforts to promote Albany’s commercial areas with news stories and sponsored advertising, social media advertising, and street banners that were recently installed along Solano, San Pablo and Buchanan Avenues.

ANALYSIS

Due to the temporary nature of the funding, continued planning and use of staff resources are a priority. It takes significant time and effort to implement vigorous assistance programs, and once established, programs need to be managed with specific attention to timing of phasing out programs gradually with minimal impact to residents and businesses. For example, the Community Grocery Program is winding down over a period of four months with grocery gift cards so that residents will have sufficient time to identify other local resources. The business grant program continues to address different needs as they are identified.

The extended timeframe of ARPA funding through December 31, 2026 allows for programs to have an extended implementation period which will result in a greater range of applicants and overall program impact. Staff anticipates providing the programs on an ongoing basis while also evaluating the changing needs of the community.

SOCIAL EQUITY AND INCLUSIVITY CONSIDERATIONS

The Temporary COVID Assistance Programs (both the Public Assistance and Small Business) help to support Albany residents and business owners who are most in need of services due to the COVID pandemic.

CITY COUNCIL STRATEGIC PLAN INITIATIVES

- GOAL 4: Encourage Community Connectivity Through Diversity, Equity & Inclusivity

FINANCIAL CONSIDERATIONS

The City has received \$4,711,702 in ARPA funds. Council has appropriated all ARPA funds received which must be expended before December 31, 2026. As of the writing of this report 47% or \$2,223,004 has been spent. Expenditures are on track to be spent by the deadline.

ARPA Program Update



American Rescue Plan Act (ARPA) Funds Programs Update

October 2, 2023

ARPA Background

ALBANY FUNDING	<ul style="list-style-type: none">➤ \$4.7 million in one-time funds➤ Public Health & Economic recovery due to COVID➤ City Council has appropriated all ARPA funds
TIMING	<ul style="list-style-type: none">➤ Funds must be used for costs incurred from March 3, 2021 – December 31, 2026➤ Expenditures are on track➤ 47% or \$2,223,004 spent to date
EXPENDITURES	<ul style="list-style-type: none">➤ Temporary COVID Public Assistance Program➤ Temporary COVID Small Business Assistance Program➤ City Cyber Security Infrastructure Improvements



2024 Programming

- Temporary COVID Assistance Programs are fully funded by ARPA funds.
- Staff anticipates providing programs into 2024.
- Evaluation of the changing needs of the community is ongoing.
- Greater range of applicants and overall program impact.



ARPA Programs

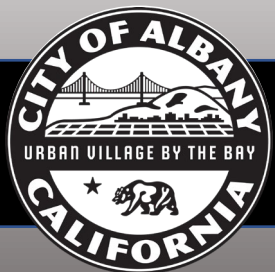
TEMPORARY COVID PUBLIC ASSISTANCE PROGRAM



- **Community Grocery Program**
 - 258 clients, regular monthly participation
 - 4,435 bags distributed (grocery and household items)

- **Friendship Subsidy Program**
 - Friendship Club Afterschool: 13 subsidies, nearly \$32,000
 - Friendship Camp and Junior Counselor: 31 subsidies, over \$18,000
 - Subsidies extending to seasonal camps and summer 2024 camp

- **Albany Project Hope Expansion**
 - House Master Lease, Rapid Rehousing, flex funding, consistent staffing
 - Continued services through Albany CARES and Insight Housing




ARPA Programs

TEMPORARY COVID PUBLIC ASSISTANCE PROGRAMS



- **Rental Assistance and Debt Relief Programs**
 - Assist tenants at risk of falling behind on rent or who are already delinquent on rent
 - Assist tenants who have accumulated “shadow” debt to pay for rent, food or household expenses
 - 37 referrals made to ECHO Housing
 - 14 clients approved to date, over \$101,000 distributed
 - Continue outreach for extended implementation period



Financial assistance is temporarily available for low-income renters in Albany!

The City of Albany is utilizing a portion of its American Rescue Plan Act Funds (ARPA) to assist low-income tenants impacted by the COVID pandemic who are at risk of becoming delinquent on rent, or who have fallen behind on rent since the Alameda County Eviction Moratorium ended on April 29, 2023.

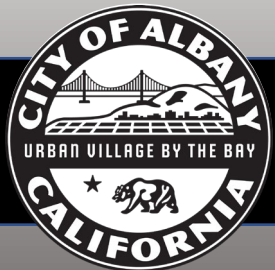
You may be eligible for a limited amount of rent paid on your behalf to your landlord.

- Applicants must meet eligibility requirements and complete an application.
- Documentation of household finances required.

For further information, contact Albany CARES at (510) 524-9283 or albanycares@albanyca.org

若要获得中文版本信息, 请拨打市政信息热线 (510) 524-9283 或发送电子邮件至 albanycares@albanyca.org

Para obtener esta información en español, comuníquese con la línea de información de la ciudad al (510) 524-9283 o por correo electrónico en albanycares@albanyca.org

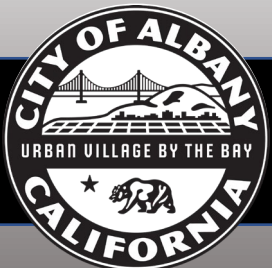


ARPA Programs

TEMPORARY SMALL BUSINESS ASSISTANCE GRANT PROGRAM

- **Business Grants Program**
 - COVID Small Business Assistance Grant (2022)
 - 67 businesses awarded up to \$20,000
 - Window and Door Repair Grant (2023)
 - 13 businesses awarded up to \$2,500
 - Parklet Grant (Current)
 - Business Attraction and Improvement Grant (Current & Upcoming)

- **Other Business Assistance Programs**
 - Albany eGift Card
 - Business Related Events & Marketing Campaigns



Thank you!

Questions?

