Investing Federal ARPA Dollars – 7/29/21

The City of Newton is receiving approximately \$63 million dollars from the American Rescue Plan Act of 2021, often called ARPA. Congress created specific guidelines for how these funds can be used with two key categories being the most relevant for our City. The first category requires the funds to be used to respond to the COVID-19 public health emergency and its negative economic impacts; and the second allows investment of the funds to make up for the missed investments stemming from the City's "lost revenues" in the face of the pandemic.

I have set out several goals for how we invest these one-time ARPA funds. We should seed those initiatives that will help Newtonians and our City not just stabilize and recover but permanently be more resilient, more livable, more vibrant, more inclusive, and more sustainable. We should invest the funds using the lens of equity, ensuring all geographic areas of Newton, all ages, all ethnicities and all people are supported while we help those hurt by the pandemic.

Our ARPA investments should be strategic so as to complement those of State and Federal programs. We will want to invest early in the design of "shovel-ready" infrastructure projects so we are well positioned to take advantage of Federal and State infrastructure aid. Simultaneously we will pay close attention to Federal and State spending decisions so we don't inadvertently use Newton's ARPA monies when other funding streams are available.

Where specifically should we invest these funds?

Many people have provided great ideas. Our City Councilors and School Committee members weighed in. Residents, community groups, business owners and the heads of non-profits have spoken up. Many people sent along thoughtful emails to <u>ARPAinput@newtonma.gov</u>.

I will continue to ask for input as many of the investment decisions will be made in the future. We have 3 to 5 years to use the funds. Monies must be incurred by December 2024 or encumbered by that date (i.e., specifically set aside in a special account) and spent by December 2026. Additionally, the category of "lost revenues" is calculated each December between 2021 and 2024 using a U.S. Department of Treasury methodology comparing pre-pandemic City of Newton revenue growth to what happened during and afterwards.

Here is what I've heard from listening to all who have shared their insights and perspectives so far.

First, help those most impacted by the pandemic. This includes people with limited resources who may need help with housing and food insecurity, job skills and financial literacy, or childcare, and/or access to health resources. Support those who are unemployed or underemployed. Prioritize our youngest and oldest residents as the

restrictions necessary during the pandemic had an outsized impact on them. Focus on diversity, equity and inclusion as people of color, ethnic minorities and other specific groups were disproportionately affected. Invest in helping those needing mental health resources or other medical resources. Ensure that everyone has access to the internet, broadband, and technology, as this is crucial for getting information and services in these times. In addition, use the funds for outdoor spaces (including trees) and recreational opportunities as during the pandemic they proved vital to physical and mental health as well as shared opportunities for community, friendship and happiness.

Second, help with the recovery and rebuilding of our village centers and commercial corridors, and businesses and non-profits. Link employers to employees as so many sectors are facing staffing shortages. Improve our streets, sidewalks and village centers so drivers, bicyclists and pedestrians can get to and from our small businesses and restaurants and enjoy themselves even more when there. Invest in arts, culture and community activities as they are both economic drivers and help us connect and find joy, both of which were in short supply in the last seventeen months.

Third, support the operations of the Newton Public Schools (NPS) and the City in the face of increased needs of our students and residents and the continued revenue losses. Ensure that all our students and staff return to school in the fall in-person with the resources they need for achieving of our goals of academic excellence, educational equity and social and emotional health and wellness. Continue to upgrade the ventilation systems in our buildings as well.

Across many departments, staff are vetting ideas, shaping programs and ensuring we have the capacity to effectively implement new initiatives. This will take time and effort, so we expect to launch programs periodically in the months and years ahead. For those that need community input and planning (and many do), we will do that work sooner rather than later. That said, we are working with a deep sense of urgency as the needs right now are high and immediate help is critical.

Today, we are moving forward with three initial projects that fit both the spirit and specific requirements of APRA including:

- A community needs assessment specifically focused on the needs of our lower-resourced residents to ensure that programming responds to their specific concerns and promotes economic stability
- The renovation and expansion of the Newton Free Library's Children Room
- The creation of a new playground at the Horace Mann Elementary School

Our residents with fewer resources have been especially hard hit by the pandemic. We are contracting with a consultant who specializes in this work to conduct a community needs assessment. Our Health and Human Services Department in partnership with our Planning Department will oversee this work. The community needs assessment will specifically focus on hearing from our low-income residents regarding their needs and developing responsive strategies for promoting economic stability. The needs

assessment will take advantage of existing information and data as well as undertake surveys and focus groups designed to amplify the voices of lower-resourced residents. The assessment will be completed during the fall of 2021, with a final report and recommendations that will enable us to implement responsive programs and support during the calendar year 2022 and beyond. The Assessment itself will require \$50,000 in funding with the implementation of the programs considerably more. Additional information will be posted in August <u>here</u>.

Our young children had no play dates and little time socializing for so many months. The Library Children's Room Expansion Project is a transformative investment that will align the space with the incredible demand for our collection, services and programs. The project, which will take 8-10 months to complete, will increase the size of the Children's Room, expand the program space, make family-friendly restrooms, update furniture and add activity stations. The investment will be \$2 million. Find more information <u>here</u>.

Our elementary schools need great playgrounds and our Kindergarten through 5th grade students depend on them. The playground space at the Horace Mann School will include a larger ropes structure that challenges older elementary school children. When the school moved two years ago from Watertown Street next to Albemarle Field over to the renovated former Carr School on Nevada Street, they were not able to bring their large playground structure with them. This will serve as a modern replacement for that structure and allow for physical and social growth for the children. More information will be posted here over the next several months. This is a \$250,000 investment.

As a reminder, earlier this year I had committed \$8.35 million in ARPA funds to supplement the FY2022 City Operating Budget (including the Newton Public Schools), make up for pandemic holds on road repair and paving, and undertake a feasibility study for the renovation/addition or replacement of the Countryside Elementary School in partnership with the State's School Building Program. The programs announced today will bring the committed total to \$10.65 million.