

The Coronavirus Pandemic and COVID-19 Funding

During the past two years, more than 6 million people worldwide and approximately 980,000 people in the United State have died with COVID-19, a highly infectious disease that had not been identified until December 2019.

Since then, the worldwide economy turned off as we learned to “physically distance.” On the heels of one of the most robust periods of economic growth, many of us were asked or “ordered” to stay home, and stay away from in-person work, school, restaurants, and more.

The health of so many people was compromised as was the financial wherewithal of individuals, businesses, non-profits, cities, states and countries. Unemployment reached a high of 14.7% or 24.9 million people in May 2020, dropping to 3.6% or 6 million people in March 2022 and lately much closer to the very steady 3.5% or 5.8 million people which the country experienced for each of the six months prior to the onset of the virus. Across the country, countless restaurants and retail establishments closed their doors permanently. Entire industries, ranging from travel, hotels and tourism, sports and performing arts, and higher education, saw revenues plummet. Statistics showed that oftentimes the financial and health impacts disproportionately impacted people of color.

More than two years into this pandemic, too many people in Newton have suffered. Local businesses saw revenues plunge and some have closed. Residents had been laid off or furloughed and have been trying to make ends meet while they get “back on their feet.” Newtonians struggled with food insecurity and requests for help from our food pantries and Grab “n” Go Meals skyrocketed. People had trouble paying their rent or mortgage. Through March 2022, 12,804 Newtonians have had confirmed cases of COVID-19 and 199 have died with it, based on the updated definition. Others had loved ones succumb to this virus, or some other condition, alone and afraid with no opportunity to spend final moments together to comfort each other and say “goodbye.”

3.1 Recovering, Rebounding, and Rebuilding

Throughout the course of the pandemic, Mayor Fuller firmly believed that her responsibility was to do everything possible to work with our entire community: our residents, our municipal and school employees, our businesses, our institutions of higher learning, our hospital, our congregate living establishments, and our visitors to stop the spread of this virus, especially to our youngest children (particularly when they were not yet vaccine eligible but back to in-person learning), and to our neighbors who are immunocompromised or face health challenges.

The science proves that the three vaccines used in the United States are very effective against COVID-19 and most importantly being fully vaccinated significantly decreases the risk of infection, hospitalization, and death. The numbers in Massachusetts are clear: the risk of being hospitalized is only 0.15% while the risk of death is even lower at 0.04%. This is a remarkable achievement. The vaccines have been working.

Moreover, being vaccinated helps stop new variants from emerging which could be even more contagious and/or less susceptible to our current vaccines.

The School Committee (of which Mayor Fuller is a member) voted unanimously on a policy to require vaccination of all Newton Public School educators and school department employees. There are exemptions for some medical and religious reasons, and those who are exempt will be tested weekly.

Our team at City Hall also developed a plan for having our municipal employees fully vaccinated to protect the health of everyone who works for the City as well as the public whom we serve. This involved bargaining respectfully with our unions and providing testing to those exempted for medical or sincerely held religious reasons. The policy went into effect in the late fall of 2021 through January 2022.

3.2 Responding to the Coronavirus - Federal, State and Local Funding

Beginning immediately in March 2020, the Fuller Administration focused on helping people, businesses and non-profits during the pandemic and took advantage of a variety of funding opportunities to support those efforts.

Federal and state agencies created a wide array of programs and the rules and restrictions of each often changed. We kept track of each of them and moved quickly to take advantage of the help they offered. We kept re-thinking what we needed to do locally to support our community even as federal and state legislation and the virus itself kept evolving. We also retained detailed records of our expenditures so we could take full advantage of reimbursement opportunities. When a program expanded what expenses and how much of them could be reimbursed (e.g., the Federal Emergency Management Agency (FEMA)), we nimbly reallocated our expenses to match those opportunities.

To track these revenues and expenditures, the City of Newton established several accounts, comprised of state and federal reimbursements, grants, and taxpayer funds. The two most significant federal aid packages were the federal Coronavirus Aid, Relief, and Economic Security Act (known as the CARES Act) and the American Rescue Plan Act (known as ARPA).

3.3. The CARES Act - \$7.8 Million

The Federal Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), enacted on March 27, 2020, was a \$2.2 trillion economic stimulus bill in further response to the economic fallout of the COVID-19 pandemic in the United States. The legislation provided for a one-time cash payment to certain individuals (typically \$1,200); increased unemployment benefits; created the Paycheck Protection Program that provided forgivable loans to small businesses; gave loans to corporations; and provided funding for state and local governments.

The CARES Act included funds for local governments to use to pay costs incurred in responding to the COVID-19 outbreak. Under federal law, eligible uses must have met three conditions:

1. “Necessary expenditures incurred due to the public health emergency with respect to ... COVID-19.” Funds could not be used to substitute for lost revenue.
2. Expenditures not budgeted as of March 27, 2020 when the CARES Act was enacted. The funds could not supplant municipal spending.
3. Expenditures must have been incurred on or after March 1, 2020 up to December 31, 2021 (including the time extension).

The City of Newton received \$7,838,462. The Fuller Administration focused over 80 percent of our CARES funding (\$6.4 million of our \$7.8 million appropriation) on the Newton Public Schools. \$4.9 million was spent to improve the ventilation systems throughout all school buildings, almost \$1.0 million was spent

on the health and safety of our educators, staff, and students through COVID-19 medical screenings and testing, and another approximately \$500K was spent on tents for outdoor learning, reconfiguration of space, and other social distancing strategies in our schools. In addition, the Fuller Administration invested CARES funds to help vulnerable residents with housing and utility costs, new COVID election related expenditures, and municipal COVID expenses such as ventilation upgrades, PPE and cleaning services. See the table below for more details.

FEDERAL CARES ACT FUNDS				
CITY OF NEWTON GRANT - \$7,838,462				
	FY20 ACTUAL	FY21 ACTUAL	FY22 ACTUAL	TOTAL
<u>CARES FUNDS - CITY DEPT OPERATIONS</u>				
2020 PRESIDENTIAL ELECTION		\$ 125,682		\$ 125,682
CLEANING/CUSTODIAL SUPPLIES & SVCS	\$ 39,711	\$ 187,443	\$ 99,629	\$ 326,783
PUBLIC HEALTH STAFFING			\$ 19,517	\$ 19,517
UNEMPLOYMENT BENEFITS		\$ 85,120	\$ 16,983	\$ 102,103
MISC MUNICIPAL EXPENSES		\$ 38,874		\$ 38,874
TOTAL CITY DEPT OPERATIONS	\$ 39,711	\$ 437,119	\$ 136,129	\$ 612,959
<u>CARES FUNDS - CITY INFRASTRUCTURE</u>				
BUILDING VENTILATION/RECONFIGURATIONS		\$ 364,707		\$ 364,707
TOTAL CITY DEPT INFRASTRUCTURE	\$ -	\$ 364,707	\$ -	\$ 364,707
<u>CARES FUNDS - NPS OPERATIONS</u>				
REGULAR OVERTIME		\$ 151,497		\$ 151,497
CLEANING/CUSTODIAL SVS		\$ 6,739		\$ 6,739
MEDICAL SCREENINGS		\$ 909,876		\$ 909,876
MEDICAL SERVICES		\$ 23,900		\$ 23,900
OFFICE SUPPLIES		\$ 56,231		\$ 56,231
BUILDING MAINT SUPPLIES		\$ 134,004		\$ 134,004
TENTS THROUGHOUT DISTRICT		\$ 247,623		\$ 247,623
TESTING SUPPLIES		\$ 27,232		\$ 27,232
CONSTRUCTION SUPPLIES		\$ 13,130		\$ 13,130
PUBLIC SAFETY SUPPLIES		\$ 2,431		\$ 2,431
TOTAL NPS OPERATIONS	\$ -	\$ 1,572,663	\$ -	\$ 1,572,663
<u>CARES FUNDS - NPS INFRASTRUCTURE</u>				
NPS HVAC/VENTILATION/RECONFIGURATION		\$ 4,514,031	\$ 249,372	\$ 4,763,403
NPS PROJECT- PUB BLDG'S PT MGMT		\$ 106,730		\$ 106,730
TOTAL NPS INFRASTRUCTURE	\$ -	\$ 4,620,761	\$ 249,372	\$ 4,870,133
<u>CARES FUNDS - VULNERABLE RESIDENTS</u>				
ASSISTANCE TO RESIDENTS FOR HOUSING & UTILITY COSTS			\$ 418,000	\$ 418,000
CARES ASSISTANCE-VULNERABLE RESIDENTS	\$ -	\$ -	\$ 418,000	\$ 418,000
TOTAL NEWTON CARES GRANT	\$ 39,711	\$ 6,995,250	\$ 803,501	\$ 7,838,462

3.4. The American Rescue Plan Act – (ARPA) - \$63.2 Million

By far, the largest federal pandemic package is the American Rescue Plan Act of 2021 (ARPA), a \$1.9 trillion economic stimulus package signed into law by President Biden on March 11, 2021 to further respond to the economic and health effects of the COVID-19 pandemic.

The American Rescue Plan Act provides funding for expanded unemployment benefits; \$1,400 direct payments to certain individuals; emergency paid sick leave; extension of a 15% increase in food stamps; child tax credits and other tax credit provisions; grants to small businesses; funds to reopen schools; funds for housing and rental assistance, vaccines, testing and contact tracing, health care and public health; public transit; and funds to state and local governments to bridge budget shortfalls and mitigate the fiscal impact of the pandemic.

The City of Newton will receive approximately \$63.2 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. Category (A) requires the funds be used to respond to the COVID-19 public health emergency and/or its negative economic impacts; and Category (C) 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.

The original legislation as passed in March 2021 outlined the requirements as follows:

REQUIREMENTS:

(1) USE OF FUNDS.—Subject to paragraph (2), and except as provided in paragraph (3), a State, territory, or Tribal government shall only use the funds provided under a payment made under this section, or transferred pursuant to section 603(c)(4), to cover costs incurred by the State, territory, or Tribal government, by December 31, 2024—

(A) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

(B) to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;

(C) for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal government due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or

(D) to make necessary investments in water, sewer, or broadband infrastructure.

(2) *FURTHER RESTRICTION ON USE OF FUNDS.—*

(A) *IN GENERAL.—A State or territory shall not use the funds provided under this section or transferred pursuant to section 603(c)(4) to either directly or indirectly offset a reduction in the net tax revenue of such State or territory resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit, or otherwise) or delays the imposition of any tax or tax increase.*

(B) *PENSION FUNDS.—No State or territory may use funds made available under this section for deposit into any pension fund.*

The U.S. Department of the Treasury issued the “*Final Rule*” effective April 1, 2022 to implement the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act. It includes the following guidance:

Section (1A) - ARPA Funds - Responding to the Public Health Emergency and Negative Economic Impact

*Accordingly, to assess whether a program or service is included in this category of eligible uses, a recipient should consider whether and how the use would respond to the COVID-19 public health emergency. Assessing whether a program or service “responds to” the COVID-19 public health emergency requires the recipient to, first, identify a need or negative impact of the COVID-19 public health emergency and, second, identify how the program, service, or other intervention addresses the identified need or impact. While the COVID-19 public health emergency affected many aspects of American life, **eligible uses under this category must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency.***

Section (1C) - Reduction in Revenue due to the COVID-19 Health Emergency

*Sections 602(c)(1)(C) and 603(c)(1)(C) of the Act allow **recipients facing budget shortfalls to use payments from the Fiscal Recovery Funds to avoid cuts to government services** and, thus, enable State, local, and Tribal governments to continue to provide valuable services and ensure that fiscal austerity measures do not hamper the broader economic recovery. The Interim Final Rule implements these provisions by establishing a definition of “general revenue” for purposes of calculating a loss in revenue and by providing a methodology for calculating revenue lost due to the COVID-19 public health emergency.*

Calculation of Loss. In general, recipients will compute the extent of the reduction in revenue by comparing actual revenue to a counterfactual trend representing what could have been expected to occur in the absence of the pandemic. This approach measures losses in revenue relative to the most recent fiscal year prior to the COVID-19 public health emergency by using the most recent pre-pandemic fiscal year as the starting point for estimates of revenue growth absent the pandemic.

*For purposes of measuring revenue growth in the counterfactual trend, **recipients may use a growth adjustment of either 4.1 percent per year or the recipient’s average annual revenue***

growth over the three full fiscal years prior to the COVID-19 public health emergency, whichever is higher.

Recipients should calculate the extent of the reduction in revenue as of four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023.

Upon receiving Fiscal Recovery Fund payments, recipients may immediately calculate revenue loss for the period ending December 31, 2020.

3.4.1 Lost Revenue Calculation for the City of Newton

Calculating the lost revenue for the City of Newton using the formula provided by the Department of Treasury begins with the City of Newton's most recent fiscal year prior to the COVID-19 public health emergency which was Fiscal Year 2019 (FY2019). FY2019 covered the twelve-month period beginning July 1, 2018 and ending June 30, 2019. FY2019 total City of Newton Revenue from all sources was \$656 million, while net revenue after adjustments for federal funds, bond sale proceeds, interfund transfers and other miscellaneous revenues totaled just over \$486 million. This net FY2019 Revenue amount of \$486 million is used as the most recent pre-pandemic fiscal year and will be the starting point for estimates of revenue growth absent the pandemic.

Based on the Department of Treasury's *Interim Final Rule*, the City must next determine whether the growth adjustment of 4.1 percent per year *or* the City's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency is higher. We have done these calculations; we have determined that the City's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency is not higher than 4.1%. Therefore, we will use the U.S. Treasury guideline of 4.1% for all calculations for the growth adjustment for the counterfactual trend.

The Administration has now calculated the Calendar Year (CY) 2020 and 2021 Counterfactual Revenue as well as CY 2020 and 2021 Actual Revenue. This calculation has yielded a CY 2020 Lost Revenue factor of just under \$30.8 million and a CY 2021 Lost Revenue factor of just over \$16 million. Simply put, this means that to date, the City is able to use the guidelines of "the provision of government services" for \$46.9 million of the \$63.2 million of ARPA funds that have been allocated to the City of Newton. While the Lost Revenue expenditures in Category (C) are less restrictive than those in Category (A), we are mindful of the importance of using the ARPA funds to respond to the negative impacts of the pandemic. We will continue to measure our "lost revenue" as of Dec. 31, 2022, and Dec. 31, 2023, so as to determine exactly which guidelines we will have to follow for our ARPA expenditures.

The *Final Rule* also includes the guideline that in Category (C) which allows ARPA funds to provide government services to the extent of the reduction in revenues from COVID-19 that the definition of government services is broad, including infrastructure, health services, education and public safety. Specifically, the guideline states: *Government services can include, but are not limited to, maintenance or pay-go funded building of infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.*

AMERICAN RESCUE PLAN ACT - ARPA - \$63.2 MILLION	
CALCULATION OF LOST REVENUE	
MOST RECENT FULL FISCAL YEAR PRE-PANDEMIC - FY2019	
FISCAL YEAR 2019 NET REVENUE	\$ 486,267,673
COUNTERFACTUAL GROWTH RATE	4.10%
ALLOWABLE REVENUE CALENDAR YEAR 2020	\$ 516,581,843
CALENDAR YEAR 2020 ACTUAL REVENUE	\$ 485,795,813
REVENUE LOSS CALENDAR YEAR 2020	\$ 30,786,030
ALLOWABLE REVENUE CALENDAR YEAR 2021	\$ 537,761,698
CALENDAR YEAR 2021 ACTUAL REVENUE	\$ 521,679,721
REVENUE LOSS CALENDAR YEAR 2021	\$ 16,081,977
TOTAL REVENUE LOSS THROUGH DECEMBER 31, 2021	\$ 46,868,007

3.4.2 Investing ARPA Funds to Recover and to Build a Better Future

The Mayor has 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.

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 ARPAinput@newtonma.gov.

Mayor Fuller 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 year, beginning with calendar year ending December 31, 2020 through calendar year ending December 31, 2023 using the U.S. Department of Treasury methodology comparing pre-pandemic City of Newton revenue growth to what happened during and afterwards.

Here is what we have 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. Provide 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 during the pandemic.

Third, continue to upgrade the ventilation systems in our buildings and 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. That said, we have focused these one-time ARPA funds heavily on one-time costs such as facility improvements and COVID related expenses. We all know that using one-time funding sources to address any structural deficit in operations is not responsible. In fact, a foundational fiscal rule makes clear that spending one-time dollars on on-going operations is unwise. -

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.

As of March 31, 2022, we have approved a number of projects that fit both the spirit and specific requirements of this grant funding.

For further details on each initiative see below and please visit:

<https://www.newtonma.gov/government/mayor-fuller/special-projects-and-initiatives/american-rescue-plan-act-arpa>.

AMERICAN RESCUE PLAN ACT (ARPA) GRANT				
CITY OF NEWTON GRANT - \$63.2 MILLION				
	FY21 ACTUAL	FY22 ACTUAL	FY23 BUDGET	TOTAL
ARPA FUNDS - CITY DEPT OPERATIONS				
FY22 CITY OPERATING BUDGET		\$ 1,611,276		\$ 1,611,276
FY23 CITY OPERATING BUDGET			\$ 1,050,000	\$ 1,050,000
TOTAL CITY DEPT OPERATIONS	\$ -	\$ 1,611,276	\$ 1,050,000	\$ 2,661,276
ARPA FUNDS - CITY INFRASTRUCTURE				
ROAD REPAIR & PAVING		\$ 2,500,000		\$ 2,500,000
CHILDREN'S ROOM - LIBRARY		\$ 2,000,000		\$ 2,000,000
POLICE HQ HVAC		\$ 1,000,000		\$ 1,000,000
FIRE STATIONS 1 & 2		\$ 500,000		\$ 500,000
MUNICIPAL BLDGS - HVAC/RECONFIG		\$ 300,000		\$ 300,000
NEWCAL DESIGN		\$ 500,000		\$ 500,000
BIKE/PED MASTER PLAN		\$ 80,000		\$ 80,000
FEASIBILITY NEWTON CENTRE PAVILLION		\$ 50,000		\$ 50,000
PARKS & CONSERVATION TRAIL ACCESS		\$ 150,000		\$ 150,000
STREET TREE INVESTMENT		\$ 250,000		\$ 250,000
NEWTON HIGHLANDS VILLAGE CENTER		\$ 250,000		\$ 250,000
TOTAL ARPA - CITY INFRASTRUCTURE	\$ -	\$ 7,580,000	\$ -	\$ 7,580,000
ARPA FUNDS - NPS OPERATIONS				
FY22 NPS OPERATING BUDGET		\$ 2,992,369		\$ 2,992,369
PUBLIC BUILDING R-M		\$ 750,000		\$ 750,000
MEDICAL SUPPLIES		\$ 60,000		\$ 60,000
INSTRUCTIONAL TECHNOLOGY		\$ 1,060,000		\$ 1,060,000
REIMBURSEMENT - REMAINING COVID EXPENSE		\$ 1,100,000		\$ 1,100,000
HIGH SCHOOL GUIDANCE POSITION		\$ 100,000		\$ 100,000
SUMMER PROJECTS - VENTILATION, ETC		\$ 310,000		\$ 310,000
FY23 NPS OPERATING BUDGET			\$ 1,950,000	\$ 1,950,000
TOTAL ARPA - NPS OPERATIONS	\$ -	\$ 6,372,369	\$ 1,950,000	\$ 8,322,369
ARPA FUNDS - NPS INFRASTRUCTURE				
COUNTRYSIDE FEASIBILITY STUDY		\$ 1,250,000		\$ 1,250,000
HORACE MANN PLAYGROUND		\$ 250,000		\$ 250,000
LINCOLN ELIOT DESIGN		\$ 350,000		\$ 350,000
FRANKLIN FEASIBILITY STUDY		\$ 100,000		\$ 100,000
HORACE MANN DESIGN		\$ 100,000		\$ 100,000
HIGH SCHOOL FIELD LIGHTS		\$ 1,400,000		\$ 1,400,000
LAND ADJACENT WILLIAMS 50%		\$ 1,225,000		\$ 1,225,000
TOTAL NPS INFRASTRUCTURE	\$ -	\$ 4,675,000	\$ -	\$ 4,675,000
ARPA FUNDS - STAFF RECOGNITION				
CITY STAFF RECOGNITION		\$ 1,100,000		\$ 1,100,000
NPS STAFF RECOGNITION		\$ 3,000,000		\$ 3,000,000
TOTAL ARPA - STAFF RECOGNITION	\$ -	\$ 4,100,000	\$ -	\$ 4,100,000
ARPA FUNDS - VULNERABLE RESIDENTS				
COMMUNITY NEEDS ASSESSMENT		\$ 50,000		\$ 50,000
NEWTON HIRES		\$ 28,600		\$ 28,600
EMERGENCY HOUSING & UTILITY RELIEF		\$ 582,000		\$ 582,000
LAND WILLIAMS/AFFORD HOUSING 50%		\$ 1,225,000		\$ 1,225,000
HELP FOR RESTAURANTS		\$ 12,830		\$ 12,830
COVID ANTIGEN TESTS		\$ 76,100		\$ 76,100
REVITALIZE CREATIVE NEWTON		\$ 75,000		\$ 75,000
NEIGHBORHOOD PARKS & GARDENS		\$ 300,000		\$ 300,000
TOTAL ARPA - VULNERABLE RESIDENTS	\$ -	\$ 2,349,530	\$ -	\$ 2,349,530
TOTAL NEWTON ARPA COMMITMENTS	\$ -	\$ 26,688,175	\$ 3,000,000	\$ 29,688,175

ARPA FUNDS – NPS OPERATIONS

FY2022 NPS School Operations - \$2,992,369

The partial shutdown of the economy continues to have a negative impact on many of the City's revenue sources with lower revenues expected to continue from sources such as Rooms & Meals Taxes, Parking Meter Receipts, Payments of Parking Violations, and more, approximating \$7 million in FY2022. Therefore, in May 2021, the Mayor committed \$4.6 million in ARPA funds to supplement the FY2022 overall City Operating Budget with the Newton Public Schools receiving close to \$3 million of this in their allocation. The utilization of these funds to augment our projected revenues enabled the School Department to have additional funds to continue supporting the teaching and learning.

AR30104 - NPS CCOVID-19 Related Expenditures - \$750,000

The COVID-19 pandemic created significant costs for the Newton Public Schools along with revenue losses, both somewhat offset by direct state and federal grants to NPS. The City of Newton, separate from NPS, has also faced new costs and revenue losses and also received state and federal grants. As the grants to NPS have only partially made up for pandemic costs and revenue losses, the City has invested significant portions of its state/federal grants to assist our students. We provided NPS with \$750,000 in ARPA funds to cover important COVID-19 related expenditures. These include Classroom air quality monitoring devices (\$690K) and air purifiers (\$60K).

AR30103 - NPS CCOVID-19 Medical Supplies - \$60,000

The health and safety of our faculty, students, and staff are of utmost importance. Therefore, the Mayor provided the Newton Public Schools with an additional \$65,000 for medical supplies.

AR30102 – NPS Technology - \$1,060,000

Prior to the pandemic, the Newton Public Schools had invested heavily in technology and various types of computers for both students and educators. During the pandemic, NPS expanded the program so all students from Kindergarten on had an age-appropriate computer/laptop loaded with educational software. Learning could be done remotely, homework would be facilitated, communicating between teachers and students improved, and in-class pedagogy and individualized learning supported. During 2021-2022-2023, Newton Public Schools continues to update their Chromebook program for students and classrooms and make several one-time technology infrastructure improvements, including improving their complex network. In addition, NPS made hotspots available to students to allow better internet access from home, facilitating remote learning and communication.

FY2023 NPS School Operations - \$1,950,000

As overall City revenues have not yet fully recovered, the Mayor committed \$3 million in ARPA funds to supplement the FY2023 overall City Operating Budget with the Newton Public Schools receiving close to \$2 million of this in their allocation. The utilization of these funds to augment our projected revenues enabled the School Department to have additional funds to continue supporting teaching and learning.

NPS COVID Expenditures Not Covered by Other Grants - \$1,100,000

As we begin to finalize which grant funds will cover the expenses incurred by both the City departments and the Newton Public Schools, we have come to realize that NPS has incurred almost \$1.1 million in COVID expenses that have not yet been covered by any of the grants that the City received. Therefore, the Mayor has committed \$1.1 million of ARPA funds to cover those additional NPS expenditures.

[NPS Unit Ventilators – Building Maintenance - \\$250,000](#)

The City remains committed to the health and wellbeing of the NPS faculty, staff and students, and is therefore installing 12 unit ventilators in school buildings throughout the district. The Mayor has committed \$250K of ARPA funds for this initiative.

[NPS High School Guidance Counselor - \\$100,000](#)

The COVID-19 pandemic created significant social, emotional, and mental health needs for many of the NPS students. Therefore, the Mayor has committed \$100K for a high school guidance counselor position.

[NPS Summer Projects for New SPED Initiative - \\$60,000](#)

As part of the FY2023 NPS Budget, the school district has established a special education initiative designed to keep more students in district. In order to move forward with this program in September, some modifications must be made to the kitchen at the F.A. Day Middle School (\$20K) and the bathroom at the Williams Elementary School (\$40K). The Mayor has set aside \$60K of ARPA funds for this purpose.

ARPA FUNDS – NPS INFRASTRUCTURE

[Countryside Elementary School Renovation/Replacement Feasibility Study - \\$1,250,000](#)

The City of Newton and the Newton Public Schools continue to plan for the renovation and renewal of our school buildings. As part of this process, we often look for financial help to the Massachusetts School Building Authority (MSBA). In June 2021, the Massachusetts School Building Authority (MSBA) voted to “invite” the City to participate in its “Feasibility Phase” for the Countryside Elementary School. The City has appropriated \$1,250,000 of ARPA funds to pay the costs of professional services for the Feasibility Study/Schematic Design and for the Site Plans needed for the approval of the Countryside Elementary School renovation or replacement.

[Horace Mann Elementary School Playground Equipment - \\$250,000](#)

When the Horace Mann Elementary School community moved in September 2019 to a recently renovated former elementary school, they were not able to bring their large playground structure with them. We will invest \$250,000 of ARPA funds to provide new playground equipment that will allow for the physical and social growth of the Kindergarten through 5th grade students.

[Lincoln Eliot Elementary School - Schematic Design - \\$350,000](#)

The City of Newton and the Newton Public Schools continue to plan for the renovation and renewal of our school buildings. As part of this program, we are investing \$350,000 of ARPA funds to allow us to continue the schematic design phase for a wonderful facility, new playgrounds, fields, and so much more at 150 Jackson Road, the future home of the Lincoln Eliot community.

[Franklin Elementary School – Feasibility Study - \\$100,000](#)

The City of Newton and the Newton Public Schools continue to plan for the renovation and renewal of our school buildings. As part of this program, we are investing \$100,000 of ARPA funds to allow us to begin the feasibility phase for a renovation/addition or new building as well as new playgrounds and fields for the Franklin School and neighborhood.

Horace Mann Elementary School – Feasibility Study - \$100,000

In addition to \$250,000 of ARPA funds for a new playground at Horace Mann, \$100,000 of ARPA funds will be invested to allow us to further the design efforts that began before COVID for much needed additional space at the new home of the Horace Mann Elementary School.

High School Field Lights - \$1,400,000

Throughout the pandemic, it became clear that outdoor recreational space was critical. That fact, coupled with the change to a later high school start time and the limited number of playing fields in the City, highlighted the need for high-quality lighting systems to allow for late afternoon/evening playing time at our two unlit artificial turf fields (one at Newton South High School known as the Brandeis Field and the other at Newton North High School's stadium on the Lowell Avenue side). The Mayor has committed \$1,400,000 of ARPA funds for this purpose. Of note, the Newton North Boosters will mount a fundraising campaign to reimburse some of this funding.

Acquire Land/Buildings for Affordable Housing & Williams Elementary School Expansion - \$1,225,000

We invested ARPA funds in the amount of \$2,450,000 to acquire land and buildings located in the village of Auburndale directly adjacent to the Williams Elementary School and its playground and ballfield. The land will help us to expand the playground, have flexibility for future school renovations, while also allowing us to preserve four existing homes for permanently affordable family-sized homes next to an elementary school and playground, in walking distance to three forms of mass transit, and nestled into a residential neighborhood. We are attributing half of the purchase price to helping the Williams Elementary School.

ARPA FUNDS – CITY DEPARTMENT OPERATIONS

FY2022 City Operations - \$1,611,276

The partial shutdown of the economy continues to have a negative impact on many of the City's revenue sources with lower revenues expected to continue from sources such as Rooms & Meals Taxes, Parking Meter Receipts, Payments of Parking Violations, and more, approximating \$7 million in FY2022. Therefore, in May 2021, the Mayor committed \$4.6 million in ARPA funds to supplement the FY2022 overall City Operating Budget with the non-Public Schools departments receiving just over \$1.6 million of this. The utilization of these funds to augment our projected revenues enabled the City Departments to have additional funds to continue supporting the vulnerable, recovering and reopening, and running municipal operations.

FY2023 City Operations - \$1,050,000

As overall City revenues have not yet fully recovered, the Mayor committed \$3 million in ARPA funds to supplement the FY2023 overall City Operating Budget with the non-Public Schools departments receiving just over \$1 million of this. The utilization of these funds to augment our projected revenues enabled the City Departments to have additional funds to continue supporting the vulnerable, recovering and reopening, and running municipal operations.

ARPA FUNDS – CITY INFRASTRUCTURE

Road Repair and Paving - \$2,500,000

As we prepared the FY2021 City Operating Budget in April 2020, we recognized that the City would experience significant reductions in revenues and created a multi-pronged plan. That plan included the difficult decision in May 2020 to forego \$2.5 million of spending on our Transportation Network Improvement Program in order to repurpose those funds to soften the COVID-19 impact on revenues and expenditures. One of the first decisions we made was to authorize the spending of \$2.5 million from ARPA for much needed road repairs.

Library Children’s Room Expansion - \$2,000,000

The Library Children’s Room Expansion Project is a transformative investment that will align the inefficient space with the incredible demand of our families with young children for our collections, services and programs. The project will increase the size of the Children’s Room, allow for expanded program space, and will provide ventilation system upgrades that will sustain a high-quality indoor environment.

COVID-19 Building Adaptations – Police Headquarters - \$1,000,000

These ARPA funds will allow us to replace the rooftop air handling units, chillers, controls, and also make improvements to the insulation and efficiency of the various equipment. These systems will all be fully electric with no use of fossil fuels onsite. This work will be coordinated with the installation of new emergency communication equipment and computer upgrades.

COVID-19 Building Adaptations – Fire Stations 1 & 2 - \$500,000

Upgrades at two fire stations will allow for a significant increase in the passive and active ventilation rates and fresh air introduction which are both pillars of the layered prevention strategy recommended by CDC and DPH. The work will include:

- Replacement of all windows at Station #2 with operable units to compliment the restoration of the central ventilation system in the attic completed in 2020, and
- Installation of central and localized ventilation systems at Station #1 to compliment the window replacement project completed in 2020.

COVID-19 Building Adaptations – City Hall (\$300,000)

The ventilation system at the War Memorial auditorium in City Hall will receive upgrades to allow us to once again use this incredible asset for community events, public meetings, cultural programs, and staff meetings. Additionally, we will improve the basement spaces at City Hall, including operable windows to allow for increased fresh air flow and better ventilation.

Newton Center for Active Living (NewCAL) Design Funds - \$500,000

Prior to the pandemic, we were scheduled to break ground on a new senior center in the summer of 2023 with a planned opening in the summer of 2025. To support this project, we are investing ARPA funds to move from the feasibility phase into the beginning of schematic design. This will include a schematic structural design, architectural site and building design, building renderings, floor plans and the detailed cost estimate for construction. We continue to hold community meetings where we work with all stakeholders to refine the design and site plan.

[Bicycle/Pedestrian Master Plan - \\$80,000](#)

ARPA funds are being used to enable the administration to develop a comprehensive, long-term bicycle and pedestrian master plan to help reduce greenhouse gas emissions, increase public health, and support community and economic development. The goal is to support safe, smart, accessible, livable and sustainable multi-modal transportation.

[Newton Centre Outdoor Pavilion Architecture & Engineering \(A&E\) Feasibility Study - \\$50,000](#)

Mayor Fuller has authorized the use of \$50,000 in American Rescue Plan Act (ARPA) funding to conduct a feasibility study for an outdoor pavilion in the Newton Centre bowl. An outdoor performance venue in Newton Centre could be a wonderful new community resource and gathering spot, while also creating economic benefits. The ideas of our artists, performers, non-profits, businesses, residents, and City Councilors will shape our decisions during the feasibility study.

[Parks, Conservation Trails, Accessible Improvements - \\$150,000](#)

We will use ARPA funds to upgrade our conservation trails and create accessible pathways to provide greater opportunities improved physical, mental and emotional health. By investing \$150,000 of ARPA funds into our trails and accessible pathways, more residents will be able to enjoy the natural beauty of our wonderful city.

[Street Trees and Tree Canopy Program - \\$250,000](#)

We know trees provide beauty and make Newton more livable, improve air quality, help stormwater runoff, and reduce temperatures in hot weather. We will use ARPA funds to help revitalize our tree canopy through strategic planting and care of young trees, identification and removal of dangerous trees, and stump removal and grinding. Funds will also be used to purchase a new watering truck that will be designed and built specific to the tasks of tree planting, watering, tree mulching, and young tree care.

[Newton Highlands Village Center Design - \\$250,000](#)

ARPA funds are being used to begin the engagement and design process for a streetscape improvement project that will update the heart of Newton Highlands. Upon completion, this exciting infrastructure project will support a multi-modal, business-friendly, resilient, inviting village center to accommodate all modes of transportation (pedestrian, bicycle, vehicular, and public transit users).

ARPA FUNDS – VULNERABLE RESIDENTS & ECONOMIC RECOVERY

[Community Needs Assessment - \\$50,000](#)

The community needs assessment focused specifically on hearing from our low-income residents regarding their needs and how we could best develop responsive strategies for promoting economic stability. The Center for Governmental Research consulting group delivered the assessment report in February 2022. They found that the most pressing challenges faced by lower-resourced Newton households included the ability to pay bills, finding a job or sufficient hours, meeting mental and physical health needs, finding stable housing, securing affordable childcare and having food security. Our team is working on responsive programs that we look forward to implementing during the calendar year 2022 and beyond.

[Newton Hires - \\$28,600](#)

The Newton Hires program offered cash incentives of up to \$1,000 to unemployed or underemployed individuals who registered with MassHire, secured employment of up to 20 hours per week or more with a qualifying Newton employer, and remained employed with the business/non-profit for at least four weeks for an initial \$500 cash award and an additional \$500 cash award for individuals who stayed as employees with the same employer for at least an additional four weeks. While the City had set aside \$200,000 for this program, ultimately only \$28,600 was utilized.

[Emergency Assistance to Residents - \\$582,000](#)

We have committed \$582,000 of ARPA funds to our Emergency Housing and Utility Relief Program to provide eligible households with up to two months of rental or mortgage assistance, with possible extensions, and up to \$700 of utility assistance. The program will cover 70% of a household's monthly rent or mortgage payment, with a maximum monthly assistance amount of \$2,500 per household. Eligible recipients must currently live in Newton, have had a negative economic impact caused by COVID-19, and have a total household income at or below 80% of the area median income.

[Acquire Land/Buildings for Affordable Housing & Williams Elementary School Expansion - \\$1,225,000](#)

We invested ARPA funds in the amount of \$2,450,000 to acquire land and buildings located in the village of Auburndale directly adjacent to the Williams Elementary School and its playground and ballfield. The land will help us to expand the playground, have flexibility for future school renovations, while also allowing us to preserve four existing homes for permanently affordable family-sized homes next to an elementary school and playground, in walking distance to three forms of mass transit, and nestled into a residential neighborhood. We are attributing half of the purchase price to helping provide affordable housing.

[Assistance to Restaurants - \\$12,830](#)

Over the last two years we expedited licensing and permitting of outdoor dining throughout the City, created brightly decorated communal picnic areas near village restaurants, and created on-street dining with free jersey barriers painted by Newton artists. ARPA funds have been used for one-time payments to restaurants to assist with breakdown, storage and reassembly of their on-street dining equipment (platforms, lighting, heaters, planters, tables, chairs, etc.) during the winter of 2021-2022. While we set aside \$50,000 originally for this program, only \$12,830 was utilized.

[Health & Human Services Rapid Antigen Tests - \\$76,100](#)

Testing plays a key role in our efforts to contain and mitigate the COVID-19 pandemic by identifying infected individuals to help prevent further person-to-person transmission of the virus. Therefore, the City has utilized \$76,100 of ARPA funds to secure 7,560 over the counter at-home rapid antigen test kits to be distributed to our financially disadvantaged and/or our vulnerable residents in order to provide another tool to combat the spread of COVID-19.

[Revitalize Creative Newton Grants - \\$75,000](#)

The City has committed \$75,000 of ARPA funds to develop a grant program for the arts and culture sector of Newton to cover expenses related to reopening and resuming cultural programming and services. Newton arts and cultural organizations of any budget size that demonstrated they have been

economically impacted by COVID-19 were eligible to apply. This funding provided much needed support to organizations within our arts community as they work to recover, rebuild and re-energize our community.

[Investing in Neighborhood Parks & Gardens - \\$300,000](#)

Funds have been allocated for our Parks, Recreation and Culture staff (PRC) and residents to explore the possibility of a community garden at Spears Park, a small quarter acre green space, and to supplement neighborhood-funded park projects in village centers and pocket parks, as well as within traffic islands. These funds will be used toward smaller-scale park improvements as well as bike racks, benches, waste receptacles, and signage.

ARPA FUNDS – STAFF RECOGNITION

[City Employee Public Health & Public Service Stipend - \\$1,100,000](#)

In recognition of the commitment of our municipal employees to public service and public health, we have provided a one-time stipend to every permanent employee in the unions that signed agreements with the City as well as our permanent non-union employees. Those who worked through the most challenging months of the pandemic have received a stipend of \$1,500. Employees who joined our team more recently received \$500. In all cases, these amounts were pro-rated for part-time employees.

[School Employee Public Health, Public Service & Public Education Stipend - \\$3,000,000](#)

The Mayor has allocated \$3 million in ARPA funds to NPS so they provide stipends to NPS employees in recognition of their commitment to public service, public health and public education. Like City employees, those NPS employees who worked through the most challenging months of the pandemic will receive a stipend of \$1,500. Employees who joined our team more recently will receive \$500. In all cases, these amounts will be pro-rated for part-time employees.