

RESOLUTION NO. 10, 2022

**A RESOLUTION OF THE CITY OF VALPARAISO, INDIANA COMMON COUNCIL
AMENDING THE AMERICAN RESCUE PLAN ACT PLAN FOR THE CITY**

WHEREAS, the Common Council (the "Council") of City of Valparaiso, Indiana (the "City") has given consideration to identifying certain projects as will be described in greater detail in the City of Valparaiso, Indiana American Rescue Plan Act Plan ("ARP Plan") which may be amended from time to time by the Council after its approval of the ARP Plan;

WHEREAS, on March 28, 2022, the Council adopted Resolution 6-2022, which provided for the initial APR Plan;

WHEREAS, the Council wishes to make certain changes and modifications to the ARP Plan; and

WHEREAS, the Council anticipates it will need to amend this Resolution one additional time.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, AS FOLLOWS:

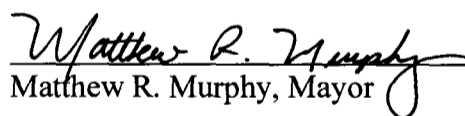
SECTION 1. Adoption of First Amended ARP Plan. The Council hereby adopts the form of ARP plan attached hereto as Exhibit A which has been proposed to the Council, as the First Amended ARP Plan for the City.

SECTION 2. Appropriation of Funds. All ARP Funds have been held in an account established by the City Council (Fund 176) under Ordinance 9-2021. No ARP Funds may be spent without appropriation by the City Council.

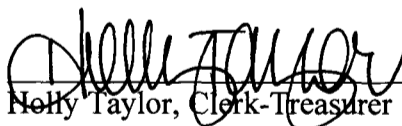
SECTION 3. No Conflict; Effectiveness. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed. This Resolution shall be in full force and effect from and after its adoption and the procedures required by applicable law.

SECTION 4. Amendment. The Council reserves the right to alter and amend the ARP Plan in any manner consistent with law.

DULY PASSED and ADOPTED on this 25th day of July, 2022, by the City of Valparaiso, Indiana Common Council.


Matthew R. Murphy, Mayor

ATTEST:


Holly Taylor, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana this 25th day of July, 2022.

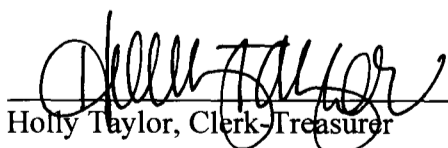

Holly Taylor, Clerk-Treasurer

EXHIBIT A

CITY OF VALPARAISO, INDIANA

FIRST AMENDED AMERICAN RESCUE PLAN ACT

PLAN FOR 2022-2023

ADOPTED AS OF JULY 25, 2022

Section 1. Overview of Funding

American Rescue Plan Act & Coronavirus State and Local Fiscal Recovery Fund

On **March 11, 2021**, President Biden signed the American Rescue Plan Act (“ARPA”) into law. Among its many provisions intended to address the COVID-19 pandemic, the ARPA included the Coronavirus Local Fiscal Recovery Fund (“FRF”), intended to provide local governments with funds to respond to the impact of COVID-19. The FRF funds may be used by recipients, including non-entitlement units of local government, for the following four purposes:

1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers;
3. For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

On **January 6, 2022**, the United States Department of the Treasury (“Treasury”) issued a Final Rule (“Rule”), providing guidance and clarifying the nature and scope of expenses eligible for payment using FRF funds.

City of Valparaiso’s Allocated Funding

Congress allocated FRF funds under the ARPA to the several states to distribute to eligible non-entitlement units of local government based on each non-entitlement unit of local government’s population share of the total population of all non-entitlement units of local government in the state. The City of Valparaiso (the “City”) is a non-entitlement unit of local government for purposes of the FRF. In sum, the FRF provided \$19.53 billion to states for non-entitlement units of local government. The City has been allocated **\$7,681,979.52** in FRF funds. The City received its first tranche of funds in the approximate amount of **\$3,826,506** and expects to receive its second tranche in July 2022.

City of Valparaiso ARPA Plan

In accordance with guidance issued by the Indiana State Board of Accounts, the City has adopted this plan outlining the intended uses, amounts, and justifications for its FRF expenditures. This plan describes how the city will spend the funds. **These numbers are estimates for each category.** They may change based on need, COVID conditions and or bids/quotes that come in higher or lower. Likewise, projects may be added and or removed. This plan is to layout a roadmap for the City Government to utilize these dollars to have the greatest overall impact on Valparaiso. **Input for this plan has been received from community members, business leaders, department heads and elected officials.**

Section 2. Summary of Proposed Uses of Funding

The City of Valparaiso plans to use its FRF funds in the below amounts and permitted categories, further detailed in the following pages of this plan:

Category	Amount
Responding to the COVID-19 public health emergency and its negative economic impacts	\$575,000
Providing premium pay to eligible workers	\$663,147.68
Provision of government services to extent of reduction in revenue	\$6,403,831.84
Audit costs and consultants to support effective management and oversight including compliance with legal, regulatory, and other requirements	\$40,000
Total	\$7,681,979.52

Section 3. City of Valparaiso, Indiana ARPA Funding Plan for 2022-2023

A. Proposed Actions to Respond to COVID-19 Public Health Emergency or to the Negative Economic Impacts of the COVID-19 Public Health Emergency

1. Action to Respond to the Negative Economic Impacts of the COVID-19 Public Health Emergency

Proposed Action: The City of Valparaiso plans to respond to the negative economic impacts of the public health emergency, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.¹

Amount: \$575,000

Justification: Responding to the negative economic impacts of the COVID-19 Public Health Emergency is an eligible use.

The City is fortunate to be home to many local nonprofit organizations that positively impact the lives of our residents. Many operated throughout the pandemic and continue to offer help and assistance. The City has identified the following local organizations to receive funding. **Prior to issuance of any funds, the organization will be required to execute a Grant Agreement, to be reviewed by the City Council and executed by the Mayor, that will further outline the use of funds.** A key aspect will be that to the extent practical, all funds must directly benefit residents of Valparaiso.

1. **Respite House:** **\$150,000**
Respite House has been a strong advocate for those least able to afford housing – especially those suffering from mental health challenges, recovering from drug addictions and/or recently released from incarceration. Beyond providing housing, Respite House offers residents an opportunity to connect with vital services. The funds allocated will allow Respite House to build and operate a men’s shelter and warming center on property owned by the City on Don Hovey Drive.

2. **Boys & Girls Club of Greater Northwest Indiana** **\$150,000**
Since 1972, the Boys & Girls Club has offered Valparaiso children a safe place to play and learn at the old Gardner School on Jefferson Street. In 2021 it was announced that a new facility would be built on Evans Ave. The new facility will allow the Club to serve three times as many members and expand programming, including a STEM lab, allowing more youth to reach their potential. The estimated cost is \$9 million. Maintaining an active Boys & Girls Club in Valparaiso is important. The funds will be applied towards the existing Valpo Capital Campaign to offset construction costs.

3. **Hilltop** **\$100,000**
Since 1995, Hilltop Neighborhood House has offered essential resources for children and families throughout the Valparaiso community, including childcare and early childhood education, a food pantry, and an afterschool program that includes an evening meal, tutoring, and social time in a safe location. Most services are offered at no cost. The funds will be used to advance the mission of the organization and potential expansion of services.

4. **Caring Place** **\$50,000**
The Caring Place provides service, shelter, and ongoing support for those experiencing domestic violence and survivors of sexual assault. The organization also provides community-wide support by offering education, support groups, legal counseling, case management and support in the planning of independent living.

¹ Dept. of Treasury, Coronavirus State and Local Fiscal Recovery Funds 12 (2022)
<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>

5. **Opportunity Enterprises** **\$50,000**

For over 50 years, Opportunity Enterprises has worked with developmentally disabled residents and their families to maximize self-sufficiency and enrich the quality of their lives. The impact of the pandemic was particularly devastating to OE clients. The funds will be used to advance the mission of the organization.

6. **MAAC Foundation, Inc.** **\$50,000**

The MAAC provides educational training to first responders. The MAAC is in the process of expanding their existing campus and is required to upgrade existing sewer and water infrastructure. These funds shall be used to offset costs.

7. **Dressed for School** **\$25,000**

Dressed for School is a local organization that provide new clothing at no cost to elementary students from low-income families or families in-crisis. The funds will be allocated towards clothing for Valparaiso residents in need.

B. Proposed Actions to Respond to COVID-19 Public Health Emergency by Providing Premium Pay to Eligible Workers who Have Performed Essential Work

1. Action to Respond to Provide Premium Pay to Eligible Workers who Have Performed Essential Work

Proposed Action: The City of Valparaiso plans to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers.

Amount: \$663,147.68

Justification: Providing premium pay to eligible workers who performed essential work during the COVID-19 Public Health Emergency is an eligible use of FRF funds identified in the text of the ARPA.²

Current active full-time City employees who performed in-person work for a minimum of 11 months during the period **March 1, 2020 to December 31, 2021** will be eligible. Based on job classification and specific work performed, the employee will receive either \$1,000, \$2,000 or \$3,000. The highest amount will be given to City first responders and those in similar functions.

In addition, former City employees that otherwise qualified for premium pay, but are no longer active because of retirement shall be eligible for a stipend equal to the amount they would have received. The Clerk-Treasurer shall take reasonable steps to locate the former employees and remit payment. As a condition to providing the stipend, the former employee shall provide the Clerk-Treasurer with information necessary to process the stipend.

² *Id.* at 219

C. Proposed Uses for the Provision of Governmental Services using Revenue Loss Funds

The Treasury's Final Rule provides that recipients may use ARPA funds to provide government services to the extent of the reduction in revenue experienced during the pandemic. Recipients may elect under the Final Rule to be treated as having up to \$10,000,000 in revenue loss.

Valparaiso plans to use the funds associated with revenue loss to provide the following government services:

1. Provision of Any Government Service

Proposed Action: The City of Valparaiso plans to compensate for lost revenue caused by the COVID-19 Public Health Emergency by expending FRF Funds to provide services traditionally performed by government.

Estimated cost: \$6,538,012

Justification: Units may provide any government service with funds to the extent of a reduction in revenue experienced due to the pandemic or recognized as such under the standard allowance for revenue loss laid out in the Final Rule.³

The City has identified the following items to receive funding:

1. Acquisition of land located at **9 South State Road 2** **\$2,003,430.58**

This land was acquired for future Park related activities.

2. Acquisition of land located at **500 North** **\$2,713,848.34**

This land was acquired for future Park related activities.

3. Demolition of existing structure at **3301 N. Calumet Ave** **\$1,000,000**

As part of its partnership with Pines Village Retirement Community and the proposed Adult Center for Enrichment, the existing structure (former Whispering Pines facility) and two adjacent residential structures needs to be demolished. These funds will be used towards environmental inspections, remediation, and demolition of the existing structures. It is understood that the actual amount of the demolition could be lower. Should the total cost be less than \$1,000,000, the additional funds shall be allocated to subsection 7.

4. Construction and replacement of sidewalks, walking paths and older utility infrastructure. **\$500,000**

The City has focused on maintaining existing sidewalks and walking paths, as well as constructing new paths. These funds will be allocated towards the construction and replacement of sidewalks, walking paths and older utility infrastructure – especially in older neighborhoods.

5. Valparaiso Police Department **\$25,000**

The Valparaiso Police Department has recently upgraded their wellness program for officers to support both physical and emotional health. These funds will be allocated towards the purchase of exercise equipment and other related upgrades to support officer health.

6. Valparaiso Fire Department **\$25,000**

The Valparaiso Fire Department has initiated a plan to upgrade the living and sleeping quarters for its firefighters. The allocated funds will go to offset costs and provide certain enhancements.

7. All remaining funds in this category shall be contributed towards the City's Valpo For All Generations initiative.

³ *Id.* at 236 to 247

D. Audit costs and consultants to support effective management and oversight including compliance with legal, regulatory, and other requirements

1. **Consultants to be retained**

Proposed Action: The City has retained Barnes & Thornburg, LLP, KSM Consulting and Baker Tilly to advise the City and Council on matters of compliance with legal, regulatory, and other requirements. The City may retain a grant specialist to assist in the distribution and monitoring of funds under Section 3(A)(1).

Estimated cost: \$25,000

Justification: Ensuring that the City has appropriate counsel and proper oversight as it navigates the legal and regulatory framework that directs the City's expenditure of FRF funds to avoid expenditure of funds on ineligible projects and to maximize value for residents of Valparaiso.⁴

2. **Reserve for Future Audit Costs**

Proposed Action: In accordance with Indiana State Board of Accounts guidance, the City will retain a portion of the FRF funds to be used for the expenses of a potential future audit.

Estimated cost: \$15,000

Justification: Compliance with Indiana State Board of Accounts guidance and preparing for costs of potential future audit of the City's use of FRF funds.

⁴ *Id.* at 365