

Mayor and Council Communication

DATE: 11/30/21

M&C FILE NUMBER: M&C 21-0913

LOG NAME: 25ARPA-PED_CAPITAL_RESTORE

SUBJECT

(CD 7 and CD 9) Approve Actions to Reinstate Deferred and Suspended Fiscal Year 2020 and 2021 Capital Improvement Projects in the Public Events Department as a Result of Lost Hotel Occupancy Tax Due to the COVID-19 Pandemic, Including Allocation of \$4,560,000.00 in American Rescue Plan Act Funding, Reallocation of \$217,894.50 and Allocation of \$550,000.00 in Public Events Capital Funds, Adoption of Attached Appropriation Ordinances, and Amendment of the Fiscal Years 2022-2026 Capital Improvement Plan

RECOMMENDATION:

It is recommended that the City Council take the following actions to reinstate deferred and suspended Fiscal Year 2020 and 2021 capital improvement projects in the Public Events Department as a Result of Lost Hotel Occupancy Tax Due to the COVID-19 Pandemic:

1. Approve the allocation of up to \$4,560,000.00 from the American Rescue Plan Act funds, Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) for a transfer to capital for the reinstatement of (10) ten deferred or suspended projects;
 2. Adopt the attached ordinance increasing estimated receipts and appropriations in the Grants Capital Projects Federal Fund, in the total amount of \$4,560,000.00, transferred from the Grants Operating Federal Fund, for the purpose of funding reinstated projects (City Project Nos. 101740, 101437, 103661, 102447, 102511, 102514, 102515, 102513, 102634 and 100238);
 3. Adopt the attached ordinance, increasing estimated receipts and appropriations in the Public Events Capital Fund in the amount of \$450,000.00, from available funds, for the purpose of funding the WRMC Auditorium Roof Replacement (City Project No. 100238) as proposed in the Fiscal Years 2022-2026 Public Events Capital Improvement Plan;
 4. Adopt the attached ordinance amending the Fiscal Years 2022-2026 Public Events Capital Improvement Plan by adjusting estimated receipts and appropriations in the Public Events Capital Fund as follows:
 1. increasing estimated receipts and appropriations in the WRMC Security Cameras project (City Project No. 102511) by \$100,000.00 and decreasing estimated receipts and appropriations in the WRMC Minor Renovations and Repairs project (City Project P00054) by the same amount; and
 2. increasing estimated receipts and appropriations in the Amon Carter EH Door Replacement project (City Project No. 101437) by \$5,911.85, in the WRMC Justin Garage Ventilation project (City Project No. 102447) by \$11,982.65, and in the WRMC Auditorium Roof Replacement project (City Project No. 100238) by \$200,000.00 and decreasing the WRMC Minor Renovations and Repairs project (City Project P00054) by \$217,894.50.
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DISCUSSION:

This Mayor and Council Communication (M&C) allocates and/or reallocates a total of \$5,327,894.50, the bulk of which is \$4,560,000.00 in American Rescue Plan Act (ARPA) Funding for the reinstatement of (10) ten Public Events Department facility capital improvement projects that were deferred and/or suspended in Fiscal Years (FY) 2020 and 2021 due to the loss of Hotel Occupancy Taxes as a direct result of the COVID-19 pandemic.

An additional \$100,000.00 for the WRMC Security Cameras is appropriated from the Public Events Department WRMC Minor Renovation and Repair programmable capital provided from the FY2022-2026 Capital Improvement Program, and therefore the actions in this M&C will amend the Fiscal Years 2022-2026 Capital improvement Program as approved in connection with Ordinance 25073-09-2021. This M&C also allocates \$450,000.00 for the WRMC Roof Repairs/Auditorium Roof Replacement, which was proposed in the Fiscal Years 2022-2026 Public Events Capital Improvement Plan but not included for approval in Ordinance 25073-09-2021.

Finally, previous appropriations of \$217,894.50 from prior Public Event Department (PED) annual Capital Improvement Program (CIP) appropriations will be adjusted by adoption of this M&C to convert the Amon Carter EH Door Replacement (City Project No. 101437), the WRMC Justin Garage Ventilation (City Project No. 102447), and the WRMC Roof Repairs/Auditorium Roof Replacement (City Project No. 100238) from programmable projects to static capital projects. This action is needed as the status of these projects now differs with the addition of grant funding

City Council received Informal Report No. 21-10671 on September 21, 2021 providing background on the deferral and suspension of capital projects for the Public Events Department in FY2020 and FY2021 due to the loss of Hotel Occupancy Taxes as a direct result of the COVID-19 pandemic and the proposal to reinstate those improvement projects using ARPA funding, now being authorized through this M&C.

As part of the effort to ensure that the Culture and Tourism funds could meet operating expenses and debt service obligations, in FY2020 and thereafter until the economic recovery began, selected capital improvements at the Will Rogers Memorial Center (WRMC) and Fort Worth Convention Center (FWCC) were suspended or deferred on August 25, 2020 when M&C 20-0597 took the formal actions necessary to revise appropriations and eliminate the planned budgeted transfer in the amount of \$3,570,294.00 from the HOT 2% Fund to the Public Events Capital Fund. All HOT 2% tax revenue collected in FY2020 was instead used to meet debt obligations for the fiscal year. Because HOT collections continued to lag for the first half of FY2021, again there were no capital transfers in FY2021 for the Public Events Capital Fund from the HOT 2% Fund for capital improvements.

The following ten projects were impacted and are being reinstated through the actions of this M&C. Additional details can be found in the project description attachment:

Project Name	Project Number	Existing Appropriation (Static)	Existing Appropriation (Conversion)	CIP Appropriation Ordinance FY22	CIP FY22 (New Appropriation)	ARPA Funding	Total Project Funding
Richardson Bass (Sound) System Upgrade	101740	\$63,255.34				\$935,000.00	\$998,255.34
Amon Carter EH Door Replacement	101437		\$5,911.85			\$495,000.00	\$500,911.85
WRMC Sprinklers Cattle Barn #4	103661			\$300,000.00		\$550,000.00	\$850,000.00

WRMC Justin Garage Ventilation	102447		\$11,982.65			\$368,500.00	\$380,482.65
WRMC Security Cameras	102511				\$100,000.00	\$110,000.00	\$210,000.00
WRMC Replace Auditorium Curtains	102514					\$192,500.00	\$192,500.00
FWCC Star Tower Façade	102515					\$165,000.00	\$165,000.00
WRMC Electrical Upgrades	102513					\$550,000.00	\$550,000.00
WRMC Emergency Generator Enhancement	102634					\$165,000.00	\$165,000.00
WRMC Auditorium Roof Replacement	100238	\$50,000.00	\$200,000.00		\$450,000.00	\$1,029,000.00	\$1,729,000.00
Total Project Appropriations		\$113,255.34	\$217,894.50	\$300,000.00	\$550,000.00	\$4,560,000.00	\$5,741,149.84
Actions in this M&C		\$0.00	\$217,894.50	\$0.00	\$550,000.00	\$4,560,000.00	\$5,327,894.50

ALLOCATION OF ARPA SUBTITLE M FUNDING

ARPA allows local governments to invest in tourism-related programs to revive their visitor economies with Subsection 603(c)(1)(A) of Title VI of the Social Security Act (added by ARPA) specifically authorizing aid to "impacted industries such as tourism, travel, and hospitality." The identified Public Events capital projects assist in the on-going recovery effort of the City's tourism industry and as such have been determined to be a qualified priority by City Management for ARPA funding as approved by the City Council in M&C 21-0445 on

June 22, 2021.

Funding will be provided to projects in equal amounts of up to \$2,280,000.00 from each tranche of the ARPA allocation on a reimbursement basis to each individual project.

The ARPA funding must be committed by December 31, 2024 and spent by December 31, 2026. Staff foresees no issues with these projects meeting that timeline.

The following chart reflects the current status for allocation of the City's ARPA funding under Subtitle M, including all M&Cs on the November 30, 2021 Council Agenda:

		M&Cs
Total CFW ARPA Subtitle M Funding	\$173,745,090.00	21-0445 362021 AMERICAN RESCUE PLAN
Allocations Approved To-Date	\$ 6,000,000.00	21-0794 25ARPA-VFW-TDG
Allocations Approved To-Date	\$ 1,000,000.00	21-0805 13ARPA-ADMINISTRATION
Allocations Approved To-Date	\$ 4,245,533.42	21-0810 17ARPA ALLOCATIONS EVANS & ROSEDALE REDEVELOPMENT
Allocations Approved To-Date	\$ 3,000,000.00	21-0809 17ARPA ALLOCATION CDFI FRIENDLY AMERICA
Allocations Approved To-Date	\$ 2,400,000.00	21-0811 17ARPA ALLOCATIONS TO UNTHSC TECHSTARS
Allocations Approved To-Date	\$ 10,100,000.00	21-0814 19ARPA ALLOCATIONS TO HOUSING AND HUMAN SERVICES PROJECTS
Allocations Approved To-Date	\$ 300,000.00	21-0820 25ARPA-WRMC MURAL PLAQUES

Pending Allocation	\$ 52,000,000.00	21ARPA-FWCC EXPANSION FUNDING & PROJECT MANAGEMENT
Pending Allocation	\$ 15,000,000.00	21FUTURE CITY HALL ARPA AND PEG FUNDING
Pending Allocation	\$ 8 ,000,000.00	23ARPA-VACCINATIONS AND TESTING
Pending Allocation	\$ 4,560,000.00	25ARPA-PED_CAPITAL_RESTORE (This M&C)
Remaining Unallocated Balance	\$ 67,139,556.58	

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the Grants Operating Federal Fund and as approved in the Public Events Capital Fund, and that upon approval of the above recommendations, and adoption of the attached appropriation ordinance, funds will be available in the Grants Cap Projects Federal Fund and the Public Events Capital Fund for the capital projects as listed. Prior to an expenditure being incurred, the Public Events Department and Property Management Department as applicable, have the responsibility of verifying the availability of funds. Grant funds will be transferred to the Grants Cap Projects Federal Fund for the projects on a reimbursement basis.

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