

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JAN MAZYCK, CHIEF FINANCIAL OFFICER, FINANCE
DEPARTMENT
SUBJECT: ONE-TIME MONIES

AGENDA ACTION: NO ACTION REQUIRED

RECOMMENDATION

The City Manager and Finance Department recommend that the City Council hold a Study Session intended to provide City Council the opportunity to receive information, and to ask questions related to use of one-time monies. No action is required.

EXECUTIVE SUMMARY

Over the past several years, the City has received Federal and State funding to help with disaster recovery. Most of this funding is restricted for specific uses, including fire recover, mitigation of future disasters, and response to the COVID-19 pandemic.

The City also received funds from a settlement with PG&E relative to the 2017 Tubbs fire, and from the American Rescue Plan Act (ARPA). The PG&E settlement totaling \$95 million is the only one-time monies that have no restrictions. The ARPA funding of approximately \$34.6 million over two years has restrictions, but can be used for a mix of projects, programs, and services in the community.

In the Study Session, staff will present an overview of the eligible uses of ARPA funds and recommended projects for the remaining PG&E settlement funds.

BACKGROUND

The City received PG&E settlement funds in the amount of \$95 million in July 2020. Since then, City staff conducted extensive public outreach to solicit community feedback on the use of the funds. This outreach included three virtual community meetings, with two of the meetings held specifically for those living in the areas burned during the 2017 fires, and the other a citywide meeting. The City also conducted a digital survey which received over 3,000 responses.

ONE-TIME MONIES

PAGE 2 OF 3

On November 17, 2020, staff reported on the public comments during a Council Study Session, and during a December 15, 2020, study session, staff presented a list of projects focusing on fire mitigation and resiliency.

The City Council, during its February Goal Setting meetings, committed \$40 million to the General Fund reserves; \$8 million to vegetation management and fire resiliency projects; \$10 million to the Renewal Enterprise District to match a County commitment for in-fill housing; and \$10M for the Roseland Library.

PRIOR CITY COUNCIL REVIEW

None.

ANALYSIS

The City Council's prior obligations and commitments of PG&E settlement funds leaves \$27 million remaining uncommitted and available for programming. On May 10, 2021, the City received the first tranche of ARPA funds totaling \$17.3 million. The second tranche of an equal amount will be sent to the City in May 2022. Staff continues to analyze ARPA legislation for eligible uses and calculate revenue loss pursuant to ARPA. Staff will provide an overview of the restrictions and eligible uses of ARPA and recommend projects and programs that could be funded through these funds.

The City Council may ask questions and provide direction to staff.

FISCAL IMPACT

The study session, itself, does not create a fiscal impact for the organization.

ENVIRONMENTAL IMPACT

This Study Session is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment. No further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ONE-TIME MONIES
PAGE 3 OF 3

ATTACHMENTS

None.

CONTACT

Jan Mazyck, 707-543-3089, jmazyck@srcity.org