



Finance Department
203 South Troy Street
Royal Oak, MI 48067
www.romi.gov

Receive and File
American Rescue Plan Act Enabled Project Funding Report
Quarter Ended December 31, 2023

January 11, 2024

The Honorable Mayor Fournier and
Members of the City Commission:

In an ongoing effort to provide fully transparent reporting on the use of the American Rescue Plan Act (ARPA) funding received by the city, totaling \$28,107,502, we are providing this report of expenditures and encumbrances through December 31, 2023 (Attachment 1).

Background

The American Rescue Plan Act (ARPA) was signed into law by President Joseph Biden in March 2021. Pursuant to ARPA, the city's direct allocation of \$28,107,502.00 can be spent on four broad eligible uses:

1. To respond to the COVID-19 public health emergency and its negative impacts;
2. To provide premium pay for essential workers;
3. To make necessary water, sewer, and broadband infrastructure investments; and
4. To provide government services to the extent of eligible governments' revenue losses.

On September 28, 2022, leaders representing Royal Oak's business, academic, and non-profit communities attended a listening session hosted by city staff and shared their perspectives as to the desired use of these funds. The city also commissioned a mailed survey from Cobalt Community Research in September 2022, and held an open house on October 5, 2022, to further solicit community feedback. The results of this community engagement were presented to the city commission at a working session on November 29, 2022.

On February 27, 2023, based on the public feedback received and the strategic goals of the city, the city commission adopted an ARPA allocation plan. This plan provides a roadmap to guide the use of this one-time source of funding. On May 30, 2023, the city commission took the further step to formally obligate all remaining unspent ARPA funds toward the provision of government services per federal grant guidelines.

Authorization to Spend

While the adopted ARPA allocation plan provides the framework for how these funds are expected to be used, authorization to spend or encumber must be further approved by the city commission through adopting the annual budget and budget amendments, and approvals of contracts, purchase orders, and claims.

Using this Report

The report incorporates the proposed expenditures from the adopted ARPA allocation plan and gives the spending summary, by project. This report will be issued on a quarterly basis until the ARPA allocation is fully expended. The following is an explanation of some of the terms used in the report:

Cumulative Expenditures through September 30, 2023 – actual amount expended, or paid, as of the end of the prior fiscal quarter.

Additional Expenditures for the Quarter ended December 31, 2023 – actual amount expended from October 1, 2023 through December 31, 2023.

Additional Funds Encumbered but not yet Expended as of December 31, 2023 – the spending of these funds has been approved by the city commission and purchase orders have been issued to the vendor. These amounts are considered fully committed for this purpose and are no longer available for other projects or uses.

Cumulative Expenditures and Encumbrances through December 31, 2023 – total amount of ARPA funding that has been spent and/or fully committed through the end of the reporting quarter.

Remaining Balance of Obligated Funds as of December 31, 2023 – based on the ARPA allocation plan adopted by the city commission on February 27, 2023 (and any subsequent plan amendments that may occur), this column reflects the roadmap of how future ARPA spending is planned. Because these funds have not yet been expended or committed through contracts or purchase orders, these balances may be reallocated by a future action of the city commission. This provides maximum flexibility as the plan moves forward to ensure these ARPA funds are spent according to the community priorities and to leverage opportunities to pair these funds with additional sources of grants, when available, creating an even greater community benefit.

Activity to Date

During the quarter ending December 31, 2023, ARPA funds were used to further these initiatives:

	Expended October 1, 2023 – December 31, 2023
2(b) Farmers Market restrooms (design phase)	\$21,589.00
2(c) IT upgrades	\$21,064.29
2(f) OpenGov Budget Software – Training	\$979.86
2(g) Storage Area Deconstruction	\$156,870.00
3(a) Grants to Community Non-profit organizations	\$314,000
5(b) Rental Assistance	\$47,998.33
6(d) Library IT upgrades	\$694.50
7(a) ARPA Administration - Guidehouse	\$10,228.75
	Total
Expenditures prior to October 1, 2023	\$573,424.73
	\$6,616,407.34
Cumulative Expenditures through December 31, 2023	\$7,189,832.07

Respectfully submitted,
Debra Peck-Lichtenberg
Finance Director

Approved,



Todd E. Fenton
Interim City Manager

Attachment 1

Report of ARPA Enabled Project Funding For the Quarter Ended December 31, 2023

AMERICAN RESCUE PLAN ACT (ARPA)					
CURRENT AND PROPOSED EXPENDITURES					
Total Allocation of Funds, per plan adopted Feb. 27, 2023	Subsequent Commission approved Modifications to Allocation Plan	Total Approved Allocation of Funds, as of December 31, 2023	Expended/Encumbered through December 31, 2023	Remaining Balance of Allocated Funds as of December 31, 2023	
\$ 28,107,502.00	\$ -	\$ 28,107,502.00	\$ 7,260,547.63	\$ 20,846,954.37	
Total ARPA Funding Allocation					
Proposed Expenditures:					
Investments in Infrastructure	\$ 11,713,300.00	\$ 600,862.60	\$ 12,314,162.60	\$ 905,863.00	\$ 11,408,299.60
Eligible Investments in Public Buildings	\$ 1,478,070.69	\$ 28,899.08	\$ 1,506,969.77	\$ 347,877.82	\$ 1,159,091.95
Non-Profit Funding to Support Community Programming	\$ 1,800,000.00	\$ 14,000.00	\$ 1,814,000.00	\$ 314,000.00	\$ 1,500,000.00
Premium Pay For Essential Workers	\$ 310,000.00	\$ -	\$ 310,000.00	\$ -	\$ 310,000.00
Affordable Housing	\$ 2,050,000.00	\$ 10,000.00	\$ 2,060,000.00	\$ 58,580.83	\$ 2,001,419.17
City Revenue Loss - COVID-19 Reimbursement (unrestricted)	\$ 5,501,798.58	\$ 61,250.00	\$ 5,563,048.58	\$ 5,000,694.50	\$ 562,354.08
Public Engagement and Administration of ARPA Funds	\$ 443,312.53	\$ -	\$ 443,312.53	\$ 443,312.53	\$ -
Aid to Tourism, Travel or Hospitality	\$ 190,218.95	\$ -	\$ 190,218.95	\$ 190,218.95	\$ -
Total Proposed Expenditures	\$ 23,486,700.75	\$ 715,011.68	\$ 24,201,712.43	\$ 7,260,547.63	\$ 16,941,164.80
Allocation Balance Remaining for General Provision of Government Services	\$ 4,620,801.25	\$ (715,011.68)	\$ 3,905,789.57	\$ -	\$ 3,905,789.57 *

* At the January 8, 2024 regular meeting, City Commission approved the allocation of \$2,500,000 to reimburse the Auto Parking Fund for revenue loss during COVID-19. This will be reflected on the next quarterly report. As of January 8, 2024, the remaining balance of unallocated funds is \$3,905,789.57-\$2,500,000.00=\$1,405,789.57

		Cumulative Expenditures through September 30, 2023	Remaining Balance of Obligated Funds as of September 30, 2023	Additional Expenditures for the Quarter Ended December 31, 2023	Additional Funds Encumbered but not yet Expended as of December 31, 2023	Cumulative Expenditures and Encumbrances through December 31, 2023	Remaining Balance of Obligated Funds as of December 31, 2023
PROPOSED EXPENDITURES							
ITEM 1: INVESTMENTS IN INFRASTRUCTURE							
Expected Completion	Description	Total					
2023	1(a) Green infrastructure - Rochester Road Rain Gardens and Water Main	\$ 318,700.00	\$ -	\$ 318,700.00	\$ -	\$ -	\$ 318,700.00
2024	1(b) Green infrastructure - Dondero and Sheffield	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ -	\$ 200,000.00
2025 - 2026	1(c) Green infrastructure (location TBD / two projects)	\$ 400,000.00	\$ -	\$ 400,000.00	\$ -	\$ -	\$ 400,000.00
2024	1(d) Green infrastructure / water main - Arden Place and Grandview Road	\$ 913,000.00	\$ -	\$ 913,000.00	\$ -	\$ -	\$ 913,000.00
2024-2026	1(e) VFW Park green infrastructure improvements	\$ 1,100,000.00	\$ -	\$ 1,100,000.00	\$ -	\$ -	\$ 1,100,000.00
2023-26	1(f) Lead water pipe replacements	\$ 3,600,000.00	\$ -	\$ 3,600,000.00	\$ -	\$ -	\$ 3,600,000.00
2023 - 2025	1(g) Water main improvements	\$ 3,612,000.00	\$ -	\$ 3,612,000.00	\$ -	\$ -	\$ 3,612,000.00
2024	1(h) SMART bus stop accessibility upgrades	\$ 88,727.60	\$ -	\$ 88,727.60	\$ -	\$ -	\$ 88,727.60
2025	1(i) Library solar upgrades	\$ 362,000.00	\$ -	\$ 362,000.00	\$ -	\$ -	\$ 362,000.00
2024	1(j) LED Streetlight conversion (city owned)	\$ 400,000.00	\$ -	\$ 400,000.00	\$ -	\$ -	\$ 400,000.00
2024	1(k) LED Streetlight conversion (DTE owned)	\$ 550,000.00	\$ 499,821.00	\$ 50,179.00	\$ -	\$ 499,821.00	\$ 50,179.00
2022-2023	1(l) Tree Canopy Restoration Program	\$ 406,042.00	\$ 406,042.00	\$ -	\$ -	\$ 406,042.00	\$ -
2024	1(m) Hudson Park Improvements	\$ 363,693.00	\$ -	\$ 363,693.00	\$ -	\$ -	\$ 363,693.00
Total Proposed - Investments in Infrastructure		\$ 12,314,162.60	\$ 905,863.00	\$ 11,408,299.60	\$ -	\$ 905,863.00	\$ 11,408,299.60

Attachment 1

		Cumulative Expenditures through September 30, 2023	Remaining Balance of Obligated Funds as of September 30, 2023	Additional Expenditures for the Quarter Ended December 31, 2023	Additional Funds Encumbered but not yet Expended as of December 31, 2023	Cumulative Expenditures and Encumbrances through December 31, 2023	Remaining Balance of Obligated Funds as of December 31, 2023						
Expected Completion	Description												
PROPOSED EXPENDITURES													
ITEM 2: ELIGIBLE INVESTMENTS IN PUBLIC BUILDINGS AND TECHNOLOGY													
Expected Completion	Description	Total											
2023 2(a) Farmers Market generator	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00						
2023 2(b) Farmers Market restrooms	\$ 750,000.00	\$ 10,400.00	\$ 739,600.00	\$ 21,589.00	\$ -	\$ 31,989.00	\$ 718,011.00						
2024 2(c) City IT infrastructure upgrade	\$ 22,000.00	\$ 861.00	\$ 21,139.00	\$ 21,064.29	\$ -	\$ 21,925.29	\$ 74.71						
2024 2(d) Matching Grant funding (Oakland County Senior Center ARPA grant)	\$ 237,571.00	\$ -	\$ 237,571.00	\$ -	\$ -	\$ -	\$ 237,571.00						
2023 2(e) Addition of wifi to Orson Starr home	\$ 8,296.27	\$ 2,951.03	\$ 5,345.24	\$ -	\$ 1,910.00	\$ 4,861.03	\$ 3,435.24						
2023 2(f) OpenGov Budget Software - Effective Service Delivery	\$ 120,838.00	\$ 111,838.00	\$ 9,000.00	\$ 979.86	\$ 8,020.14	\$ 120,838.00	\$ -						
2024 2(g) Storage Area Deconstruction	\$ 168,264.50	\$ -	\$ 168,264.50	\$ 156,870.00	\$ 11,394.50	\$ 168,264.50	\$ -						
Total Proposed - Eligible Investments in Public Buildings	\$ 1,506,969.77	\$ 126,050.03	\$ 1,380,919.74	\$ 200,503.15	\$ 21,324.64	\$ 347,877.82	\$ 1,159,091.95						
PROPOSED EXPENDITURES													
ITEM 3: NONPROFIT FUNDING TO SUPPORT COMMUNITY PROGRAMMING													
Expected Completion	Description	Total											
2023 3(a) Revenue loss driven (estimate 6 x \$50,000 grants)	\$ 314,000.00	\$ -	\$ 314,000.00	\$ 314,000.00	\$ -	\$ 314,000.00	\$ -						
2026 3(b) YMCA Community Center	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ -	\$ -	\$ -	\$ 1,500,000.00						
Total Proposed - Non-Profit Funding to Support Community Programming	\$ 1,814,000.00	\$ -	\$ 1,814,000.00	\$ 314,000.00	\$ -	\$ 314,000.00	\$ 1,500,000.00						
PROPOSED EXPENDITURES													
ITEM 4: PREMIUM PAY FOR ESSENTIAL WORKERS (Police and Fire)													
Expected Completion	Description	Total											
2023 4(a) Premium pay (cannot exceed \$25,000 per worker), \$2000 x 155 people	\$ 310,000.00	\$ -	\$ 310,000.00	\$ -	\$ -	\$ -	\$ 310,000.00						
Total Proposed - Premium Pay for Essential Workers (Police & Fire)	\$ 310,000.00	\$ -	\$ 310,000.00	\$ -	\$ -	\$ -	\$ 310,000.00						
PROPOSED EXPENDITURES													
ITEM 5: AFFORDABLE HOUSING													
Expected Completion	Description	Total											
2023-2026 5(a) Financial assistance to develop new affordable housing	\$ 2,000,000.00	\$ -	\$ 2,000,000.00	\$ -	\$ -	\$ -	\$ 2,000,000.00						
2023-2026 5(b) Rental assistance	\$ 60,000.00	\$ 10,582.50	\$ 49,417.50	\$ 47,998.33	\$ -	\$ 58,580.83	\$ 1,419.17						
Total Proposed - Affordable Housing	\$ 2,060,000.00	\$ 10,582.50	\$ 2,049,417.50	\$ 47,998.33	\$ -	\$ 58,580.83	\$ 2,001,419.17						

Attachment 1

			Cumulative Expenditures through September 30, 2023	Remaining Balance of Obligated Funds as of September 30, 2023	Additional Expenditures for the Quarter Ended December 31, 2023	Additional Funds Encumbered but not yet Expended as of December 31, 2023	Cumulative Expenditures and Encumbrances through December 31, 2023	Remaining Balance of Obligated Funds as of December 31, 2023
PROPOSED EXPENDITURES								
ITEM 6: CITY REVENUE LOSS COVID-19 REIMBURSEMENT								
Expected Completion	Description	Total						
N/A	6(a) Royal Oak Civic Center COVID-19 overruns	\$ 279,798.58	\$ -	\$ 279,798.58	\$ -	\$ -	\$ -	\$ 279,798.58
2024	6(b) Animal Shelter Build-out (soft costs)	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 200,000.00
2023-2024	6(d) Library IT upgrades	\$ 22,000.00	\$ -	\$ 22,000.00	\$ 694.50	\$ -	\$ 694.50	\$ 21,305.50
2022-2023	6(e) FY 2022-2023 Budget	\$ 4,000,000.00	\$ 4,000,000.00	\$ -	\$ -	\$ -	\$ 4,000,000.00	\$ -
2022-2023	6(f) Parking Fund Transfer	\$ 1,000,000.00	\$ 1,000,000.00	\$ -	\$ -	\$ -	\$ 1,000,000.00	\$ -
2023-2024	6(g) Mental Health Co-Response Team	\$ 61,250.00	\$ -	\$ 61,250.00	\$ -	\$ -	\$ -	\$ 61,250.00
Total Proposed - City Revenue Loss COVID-19 Reimbursement		\$ 5,563,048.58	\$ 5,000,000.00	\$ 563,048.58	\$ 694.50	\$ -	\$ 5,000,694.50	\$ 562,354.08
PROPOSED EXPENDITURES								
ITEM 7: PUBLIC ENGAGEMENT AND ADMINISTRATION OF ARPA FUNDS								
Expected Completion	Description	Total						
2026	7(a) ARPA Administration - Guidehouse	\$ 421,612.53	\$ 361,992.86	\$ 59,619.67	\$ 10,228.75	\$ 49,390.92	\$ 421,612.53	\$ -
2022-2023	7(b) ARPA Community Outreach - Siren Communications	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -
2022-2023	7(c) ARPA Community Outreach Survey - Cobalt	\$ 6,700.00	\$ 6,700.00	\$ -	\$ -	\$ -	\$ 6,700.00	\$ -
Total Proposed - Public Engagement and Administration of ARPA Funds		\$ 443,312.53	\$ 383,692.86	\$ 59,619.67	\$ 10,228.75	\$ 49,390.92	\$ 443,312.53	\$ -
PROPOSED EXPENDITURES								
ITEM 8: AID TO TOURISM, TRAVEL OR HOSPITALITY								
Expected Completion	Description	Total						
2021	8(a) Arts, Beats & Eats 2021 Festival Grant	\$ 80,000.00	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -
2022	8(b) Arts, Beats & Eats 2022 Festival Grant	\$ 60,000.00	\$ 60,000.00	\$ -	\$ -	\$ -	\$ 60,000.00	\$ -
2022-2023	8(c) Library PPE purchases	\$ 218.95	\$ 218.95	\$ -	\$ -	\$ -	\$ 218.95	\$ -
2023	8(d) Arts, Beats & Eats 2023 Festival Grant	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -
Total Proposed - Aid to Tourism, Travel or Hospitality		\$ 190,218.95	\$ 190,218.95	\$ -	\$ -	\$ -	\$ 190,218.95	\$ -
TOTAL ALL PROPOSED EXPENDITURES		\$ 24,201,712.43	\$ 6,616,407.34	\$ 17,585,305.09	\$ 573,424.73	\$ 70,715.56	\$ 7,260,547.63	\$ 16,941,164.80
REMAINING ALLOCATION OBLIGATED FOR THE PROVISION OF GOVERNMENT SERVICES (Specific use to be appropriated by future action of City Commission)		\$ 3,905,789.57	\$ -	\$ 3,905,789.57	\$ -	\$ -	\$ 3,905,789.57	\$ -
TOTAL ARPA ALLOCATION		\$ 28,107,502.00	\$ 6,616,407.34	\$ 21,491,094.66	\$ 573,424.73	\$ 70,715.56	\$ 11,166,337.20	\$ 16,941,164.80