# LONGWOOD CITY COMMISSION

**Longwood City Commission Chambers**
**175 West Warren Avenue**
**Longwood, Florida**

**WORK SESSION**
**MINUTES**
**November 30, 2021**
**5:00 P.M.**

**Present:** **Mayor Brian D. Sackett**
**Deputy Mayor Tony Boni**
**Commissioner Abby Shoemaker**
**Commissioner Matt McMillan**
**Commissioner Matt Morgan**
**Clint Gioielli, Acting City Manager**
**Michelle Longo, City Clerk**
**David P. Dowda, Police Chief**
**Mike Peters, Fire Chief**
**Chris Kintner, Community Development Director**
**Shad Smith, Public Works Director**
**Chris Capizzi, Leisure Services Director**
**Craig Dunn, Information Technology Director**
**Judith Rosado, Finance Director**
**Magdala Ridore, Human Resources Director**
**Summer Raines, Records Coordinator**
**Liane Cartagena, Community and Media Relations Manager**

1. **CALL TO ORDER.** Mayor Sackett called the meeting to order at 5:02 p.m.

    Commissioner Shoemaker moved to suspend the rules. Seconded by Commissioner Morgan and carried by a unanimous voice vote.

2. **REVIEW AND DISCUSS PROPOSED USES FOR FUNDS RECEIVED THROUGH THE AMERICAN RESCUE PLAN ACT (ARPA) LOCAL FISCAL RECOVERY FUNDS.**

    Mr. Gioielli started by saying staff has worked diligently to find the most creative legal ways to get the biggest bang for our buck, what is the most we can do to benefit the City and our residents. He then went over the presentation.

He said the rescue plan was passed on March 11, 2021. They allocated funds for Seminole County and the municipalities and he went through the allocation dollar amounts. The total in the Seminole County community is $268 million in ARPA funding. He went over the eligible uses for the money: 1) To respond to (a) the public health emergency with respect to COVID-19 or (b) its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality. 2) For the provision of government services to the extent of the reduction in revenue (i.e. online, property, or income tax) due to the public health emergency relative to revenues collected in the most recent full fiscal year of the county before the emergency (i.e. January 20, 2020). 3) Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the county that are performing such essential work. 4) Make necessary investments in water, sewer, or broadband infrastructure.

Mr. Gioielli stated the City has received its first half of the ARPA funds, just over $3.8 million, and the second half will be received in August 2022. He noted the period in which you can go back and get reimbursements for COVID-related expenses, "covered period" is back to March 3, 2021. The deadline to use the funds is December 31, 2024, and any projects pending beyond this date must be 100% completed by December 31, 2026.

Mr. Gioielli went over current COVID-related assistance programs already in place outside of ARPA. These are mainly through CARES ACT dollars. They include: Rental Assistance Program in Seminole County and Longwood residents are eligible to receive funding. The first rental assistance money provide to Seminole County was $14.2 million and residents can receive up to twelve (12) months of unpaid past due rent and utilities. To be an eligible household an individual has to qualify for unemployment or have experienced a reduction in household income or experienced a financial hardship due to COVID-19. They must also be renting in Seminole County, demonstrate a risk of experiencing homelessness or housing instability, and have a household income at or below 80 percent at the area median. He noted an example of 80 percent income would be $61,000 for a family of four (4).

Mr. Gioielli said the County has received an additional $11.2 million for a total of $25 million for rental assistance. This is currently available to all Seminole County residents and as of November, $11.6 million has been approved for 1,883 individuals/families. They are averaging a rate of approval of 48 percent and the average award is $6,120. He said the other program that is available to residents in Longwood and Seminole County is the Mortgage Assistance Program. This program launched July 12 and was funded with $1.6 million of Community Development Block Grant-Coronavirus (CDBG-CV) funds. This assists residents with household gross income at or below 80 percent at the area median with expenses associated with mortgage and/or utilities after experiencing financial hardship due to COVID-19. Assistance will be provided for the past-due unpaid mortgage and utility amounts (after April 2020) and one-month prospective. He noted as of November, $775 thousand has been approved for fifty-seven (57) families with pending applications for another one hundred and fifty-one (151). The approval rating is 38.8 percent with an average award of $13,590.

Mr. Gioielli said a program that just opened on October 25 and is funded through CARES ACT is the Direct Assistance for Small Business in Seminole County. It is intended to provide support and financial relief to small businesses with less than fifty (50) employees and negatively impacted by COVID. He went over some of the additional requirements.

Mr. Gioielli noted staff is tracking the pending $1.2 trillion infrastructure legislation that recently passed November 15. He said he is hopeful there will be some funding or some grant opportunities available for the City. He also pointed out under other infrastructure there will be funding available for Broadband.

Mr. Gioielli went over staff recommendations. He said the first is the County-Wide proposed Community Assistance Program. This is a two-part program with joint funding for collaborative programs across Seminole County and the second part is the optional assistance programs. He went over the benefits should the Commission move forward with these programs, noting Seminole County can administer the programs with their current staff. If the City elects the option assistance programs the County has offered to manage them for a 10 percent fee. Another advantage of having the County manage on the City's behalf is they understand the requirements and mandates under ARPA and the Law, they know who qualifies and the necessary documentation required. They would also ask that the City enter into an agreement that establishes the expectations of both parties, parameters of assistance requirements, allowable usages, and program measures and outcomes. He noted, if elected, all the correspondence will list the City as a partner with the City logo. All standard accounting procedures will be followed by Seminole County including procurement processes, fraud protections, and any documentation needed for an audit.

Mr. Gioielli went over the list of programs being recommended for the Commission to support. They include the Sheriff's Office Mental Health Initiatives, the County-wide Mental Health Initiative, Direct Assistance to Non-Profits, and Homelessness Diversion. The total for Longwood for all of these comes to a little over $340,000 and the City's contribution would be 2.2 percent of the overall cost of the four programs divided by the seven cities in the County or 4.4 percent of the cities ARPA funds received. This would be part one. He then provided a brief summary of each of the initiatives and what the contribution of Longwood would be if approved. The total program cost for the Sheriff's Office Mental Health initiative would be $9 million over three (3) years with $6 million coming from Seminole County, $6 million coming from the seven cities, and Longwood's contribution would be $221,000. The total program cost for the Countywide Mental Health initiative would be $2 million with $1 million coming from Seminole County, $1 million coming from the seven cities, and Longwood's contribution would be $74,000. The total program cost for the Direct Assistance for Non-Profits would be $400,000 with $200,000 coming from Seminole County, $200,000 divided between the seven cities, and Longwood's contribution would be $10,000. The total program cost for Homelessness Diversion would be $4,150,000 with $3,650,000 coming from Seminole County, $500,000 coming from the seven cities, and Longwood's contribution would be $37,000.

Mr. Gioielli went over part two of the County's proposed community assistance programs. The first is the Direct Assistance to individuals who have an annual household income above 80 percent and less than or equal to 140 percent of the area median income (AMI). He recommended the City commitment of $120,000, which includes the 10 percent administrative fee to the County to administer the program. This would be for Longwood residents who are experiencing hardship and at risk of losing their homes or becoming homeless. The assistance would include up to twelve (12) months of assistance of arrears for rent, mortgage, and/or utilities and an additional one-month prospective rent/mortgage/utility payments. The next was the Direct Assistance to small businesses and would mirror the CARES Act program. He said staff recommends the City monitor the current small business direct assistance program funded by the CARES Act and consider funding if a need is identified in the future.

Discussion ensued on the 10 percent administrative fee paid to Seminole County. It was noted the 10 percent fee is built into the amount being allocated or funded by the City and would be charged by the County to administer the program. They are overseeing all the paperwork and writing all the checks to the payee, not the individual. It was clarified whatever the amount is set at, they would not go over this amount it would be capped.

Mr. Gioielli discussed another area to be considered which was Workforce Training. He said the cities and Seminole County are proposing to team up with Seminole State College (SSC) to offer short-term one year or less, training programs in areas such as Heating, Ventilation, Air Conditioning and Refrigeration (HVACR Level 1 and 2), Plumbing, Electrician Helper, and other building trades technologies. They are also proposing additional new vocational programs in carpentry and machining technologies to further support the emerging direction of the construction industry. Additionally, they are looking to address identified workforce shortages in various public works trades, including employees skilled in preventive maintenance to maintain the physical plant and facility assets, as well as building inspectors, plan reviewers, and treatment plant operators. He noted if approved staff is recommending a contribution of $40,000.

Commissioner Shoemaker commented on taking similar types of training and how it was a benefit.

Mayor Sackett asked about assistance for travel to the college to take advantage of these programs and noted some of these programs are offered at Lyman High School to the 10th, 11th, and 12th graders.

Mr. Gioielli said the last program under the collaborative is the county-wide Broadband Study. He said the benefit is there is weak broadband in Longwood and Seminole County is going to manage a county-wide study which will cost $200,000. For any city that elects to be involved, their cost will be divided by population, and Longwood's cost would be $6,600. He noted the benefits to this program and under the Infrastructure Bill, there is broadband money. He said staff identified some weak areas and this study can be used to justify the use of the infrastructure dollars to get work done in Longwood. This month the IT Director joined the Department of Economic Opportunity (DEO) Local Technology Planning Team to study broadband service and infrastructure in the local area.

Discussion ensued on if a broadband study has been done in the City previously and it was noted there has not.

Mr. Gioielli went over COVID-related expenses that could be reimbursed. He said the period covered starts on March 3, 2021, and staff looked at PPE supplies, additional cleaning/sanitation supplies, and COVID sick. He asked the Commission to consider reimbursing the General Fund any COVID-related expenses and the advantage is we would get that money back. Once it is received it can be used unrestricted, however, we want. He also noted this can be reviewed periodically to the end of December 31, 2024. The current estimate of COVID expenses is $100,000.

Mr. Gioielli reviewed revenue replacement. The City can use ARPA funds to cover lost revenue for government services to the extent of the reduction in revenue experienced due to the COVID public health emergency. There was a formula provided to calculate the loss and the first period that can be reviewed is the calendar year 2020. The lost revenue for this period is $1,487,786 which we are eligible to recapture under ARPA. He said once this lost revenue is recaptured it can be used for any other government services that the Commission has approved as projects. He noted the Fire Department is one of those. Mr. Gioielli said staff is recommending lost revenue be recaptured for 2020 and do the same for the calendar years 2021, 2022, and 2023. He also said these funds can be used toward the Fire Department project.

Mr. Gioielli went over the capital items and needs list staff reviewed. He said during the budget process there were capital needs recognized and did not ask the Commission to provide any funding. He noted they included the Fire Station upgrade, park upgrades, kitchen renovation at the Community Building, some IT equipment, marked patrol cars, laptop computers, and a few others. He said they did ask legal advice on some of the projects which were brought up by the Commission which included street paving projects and business tax receipts support. He went over which would be eligible for ARPA direct purchase, which would be eligible for recapture, and those to be considered for General Fund reserves. He said the upgrades to Fire Station 17, IT projects, and the laptop computers for the Police Department would be allowable for ARPA Direct Funds. The acquisition of the Fire Station 15 site would be allowable for ARPA revenue recapture. The patrol vehicles, Public Works Quad Truck, Fire Department Ladder Truck, and Fire Department bunker gear and extrication tool are not eligible for direct or revenue recapture through ARPA. It was recommended by the City Attorney to not use the ARPA money for direct purchase of street paving projects or business tax receipt support.

Mr. Gioielli went over the fund summary if everything was approved by the Commission. Currently, the City has half of the ARPA funding of $3,896,892, the County-Wide Proposed Community Assistance Programs (First Half) is $253,701, COVID expenses to date is $100,000, revenue recapture (currently 2020 year only) is $1,487,786, capital needs to use as ARPA direct purchase is $422,891, and the Waste Pro increase covered for the fiscal year 2021/2022 is $161,277. These expenses total $2,425,655 leaving an unused balance of $1,471,237 for the first half of the ARPA funds. He said if the Commission approve the General Fund purchases for the remainder, it would take the City reserves from $5.1 million which is 27.5 percent reserve, spend $1.5, and have a remaining reserve of over $3.7 million which is 20 percent reserve.

Discussion ensued on revenue recapture and use of funds.

Mr. Gioielli said the second half of ARPA funds of $3.8 million will be received in August of next year. He noted $253,701 would be the City's commitment for the collaborative County-wide projects if approved this evening. He then spoke about some of the modifications staff has made as it related to the utility revenue sufficiency and funding analysis report which was presented at the last Commission meeting. Staff had brought forward a proposal to make the fund, long term sustainable for operations and all the capital needs that were coming up. He pointed out staff was proposing a water increase for February 1, 2022, which was $11.71, but once staff did additional analysis the number was dropped to $7.39. He noted over five (5) years it would be $25.59 and no monies would have been spent out of ARPA funds. He also noted the numbers he was going over are based on 7,000 gallons of water usage, which is a standard number used when these reports are made. He went over the numbers if $1 or $2 million of ARPA funds were used and in year one it would reduce the amount by $0.75, he pointed out the savings per household over a five (5) year period. He did state staff was not recommending putting in $2 million. He noted these numbers were reviewed to be sure they were accurate in recognizing the money coming forward. He then went over the same utility analysis estimates but instead based them on actual average use, which is 5.25 thousand gallons on average per month. The increase based on this average usage would be $4.14 and over a five (5) year period would be $14.19. He noted looking at this with a more accurate usage for our residents, it goes from $11.71 the first year to $4.14. This calculation is also based on the new water meters. These meters make sure the information is accurate and help staff and residents identify leaks earlier, preventing spikes and leaks.

Mr. Gioeilli reviewed what staff was looking for the Commission to provide approval and direction on. He asked if the Commission approved the use of ARPA funds for the county-wide community assistance programs.

> The Commission approved the use of ARPA funds for the county-wide community assistance programs by a unanimous voice vote.

Mr. Gioielli asked if the Commission approved the use of ARPA funds for the COVID-19 related expenses, the estimate was $100,000.

The Commission approved the use of ARPA funds for the COVID-19 related expenses by a unanimous voice vote.

Mr. Gioielli asked if the Commission approved the use of ARPA funds to replace lost revenue for the calendar year 2020 and if yes, use it towards the construction of a new fire department, the acquisition of land.

The Commission approved the use of ARPA funds to replace lost revenue for the calendar year 2020 and to use it towards a new fire department, the acquisition of land by a unanimous voice vote.

Mr. Gioielli asked if the Commission approved the needed capital items with the allowable ARPA funds and using reserve funds.

The Commission approved the use of the allowable ARPA funds and using reserve funds for the needed capital items.

Mr. Gioielli then asked what the Commission would like to do with the remainder. Replace loss revenue for the calendar year 2021, and encumber for the Fire Department construction project and whether to support the utility fund. Mr. Gioielli said the Fire Department project is a large undertaking and they are hoping they will get appropriation funding from the State and the FEMA Grant will come through. He mentioned waiting to see what was going to happen and having the revenue recapture funds placed in reserves to be sure the other funding sources come through.

Discussion ensued on what the Commission would like to do with the remainder, other potential project options, and waiting to take action.

The Commission approved waiting a year to see what to do with the remainder.

Mr. Gioielli mentioned staff will work on a budget amendment to come before the Commission for approval and agreements with Seminole County will be coming forward as well as they are completed.

**3. ADJOURN.** Mayor Sackett adjourned the meeting at 6:10 p.m.

Minutes approved by City Commission: 12-20-2021

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**Brian D. Sackett, Mayor**

**ATTEST:**

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**Michelle Longo, CMC, FCRM**
**City Clerk**

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