



City Council Staff Report

Subject/Title: *American Rescue Plan Act* City Manager Recommended Budget

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Department(s): City Manager's Office

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Type of Item: Recommendations

The Opportunity

At your May 25, 2021, Council session, members of the City Council expressed a preference that the City Manager prepare a proposed spend plan to illustrate how the City could allocate and use the \$136.4 million provided to Virginia Beach by the United States government through the *American Rescue Plan Act's* Coronavirus State and Local Fiscal Recovery Funds. In this document, for your review and consideration, a City Manager's *American Rescue Plan Act* Recommended Budget is presented. The goals contained within this recommended budget seek to comport with the goals set out by members of Council on May 25, while keeping in alignment with the congressional intent and legislative text of the *American Rescue Plan Act* and the guidance provided by the United States Department of the Treasury in the *Interim Final Rule*.

For disclosure and clarity, the May 25 goals, which were based on an aggregation of individual Council commentary, are listed below. Please note that this list is not in rank order or order of preference or priority. For layout purposes, however, this budget presentation will follow the order of this list.

- A. *Stormwater*
- B. *Economic Support and Assistance for Families, Households, Small Business, Non-Profits, and Impacted Industries*
- C. *City Facility and Asset Repair Backlog*
- D. *Broadband*
- E. *Behavioral and Mental Health*
- F. *Affordable Housing*

Before turning to the budget recommendations, a note is in order about the development of this budget. The *American Rescue Plan Act* budget process began following the issuance of the City Council goals expressed above. In June, selected City departments and City partners were distributed a budget submission template to uniformly capture all requests of the *American Rescue Plan Act* funding. These departments were selected based on their alignment to the above priorities.

Requests were due to the Department of Budget and Management Services prior to the July 4th holiday, although some individual requests arrived subsequent to the deadline. Throughout July, the City Manager, along with the Deputy City Managers, the Assistant to the City Manager, the Director of Budget and Management Services, Budget and Management Services administrators, the lead budget analyst, the Finance Director, and the Legislative Liaison, met with representatives from each submitting department or partner to review proposals and receive additional information about the intended beneficiaries for each submission. In total, the City received over 100 requests that totaled approximately \$575 million, over four times the amount of funds received from the federal government.

In August, the same group of principals considered the proposals further, sought additional instructive information regarding selected proposals, and provided me with clarity in my determination regarding which items I intended to bring before you via the City Manager's *American Rescue Plan Act* Recommended Budget.

To be eligible for final executive level consideration, projects had to meet the following tests:

- ✓ Align with the priority categories set forth by Council
- ✓ Be within an eligible use in the statute and be explicitly covered by, or substantially similar to, text written in 31 CFR Part 35, particularly §35.6
- ✓ Able to be fully obligated (order placed, contract made) by the end of 2024
- ✓ Demonstrate a high likelihood of constructed or spent by the end of 2026
- ✓ Does not add any FTEs to the City's authorized positions
- ✓ No sizable recurring commitments inside or outside of the organization
- ✓ Minimize duplication with other federal and Commonwealth programs

Federal Guidelines Summary

From the text of the *American Rescue Plan Act* and from further information contained within the explanatory *Interim Final Rule*, City Staff identified six primary areas of eligible uses.

- I. Response to the Public Health Emergency
- II. Assistance to Households, Small Businesses, and Nonprofits
- III. Premium Pay
- IV. Equity Advancements in Qualified Census Tracts
- V. Use of Revenue Loss
- VI. Investments in Certain Capital Projects

Response to the Public Health Emergency primarily involve governmental expenses associated with direct health responses to the pandemic and is similar to expenses that were eligible for federal funds under the CARES Act's Coronavirus Relief Fund. Assistance to Households, Small Businesses, and Nonprofits provide avenues for direct or indirect government investment to rebuild economic situations to recovery from the impact of the pandemic, so long as demonstrated economic impacts can be established. Premium Pay provides the opportunity for governments to subsidize frontline and directly exposed workers' pay to reward these workers for the health risks taken in the pandemic period. This

is available for public and private sector employees who did not have the ability to perform their employment through telework. Equity and Revenue Loss will be further explained in the paragraphs below. Investments in Certain Capital Projects, water, sewer, certain types of stormwater, and broadband, contained very specific instructions and limitations on the types of projects allowed. This includes water quality, as the emphasis of the federal government was on ensuring that people have safe drinking water and operational sanitation facilities and direct to the consumer Internet infrastructure, such that individuals could perform all of their work or school functions from their home in an emergency situation.

One of the eligible uses established in the *American Rescue Plan Act* was “revenue loss.” It is important to note that revenue loss did not only consist of revenues that were actually lost. Instead, revenue loss was a point-in-time comparison between actual revenues collected in FY 2018-19 (the final full fiscal year prior to the pandemic), modified by a growth factor, and the revenues collected during calendar year 2020. Thus, in essence, the FY 2018-19 numbers were artificially increased, then the 2020 revenue was subtracted from this higher hypothetical FY 2018-19 number. The difference after that subtraction is the amount of “revenue loss.” Put another way, the revenue loss equaled the amount of revenue that the City *may* have collected had the Coronavirus never emerged and the pandemic not occurred.

The federal government then allowed local governments to use this “revenue loss” amount for the provision of government services under the working theory that the local government would have been able to pay for these services had they had the revenue in place to do so. The amount of revenue loss demonstrated thus unlocks the revenue loss category, the most flexible to a wider range of governmental activities, for use in allocations. However, the City can only use an amount up to the revenue loss calculation and no more for expenses in this category.

Due to a growth factor that equaled almost 6% (4.1% federally determined base X 18 months / 12 months for the time lag between July 2019 and December 2020), the calculation enabled considerable “revenue loss” for the City. Even though Virginia Beach’s revenues went up over the time of the pandemic, the revenues theoretically could have gone up more if not for the pandemic.

Based on a calculator tool produced by the Government Finance Officer’s Association, Virginia Beach’s “revenue loss” is calculated to be \$108 million. Accordingly, the City has up to \$108 million of the \$136.4 million total federal amount that can be allocated using the most flexible category; however, there is no requirement that the City use any revenue loss amount in its allocations if other needs exist.

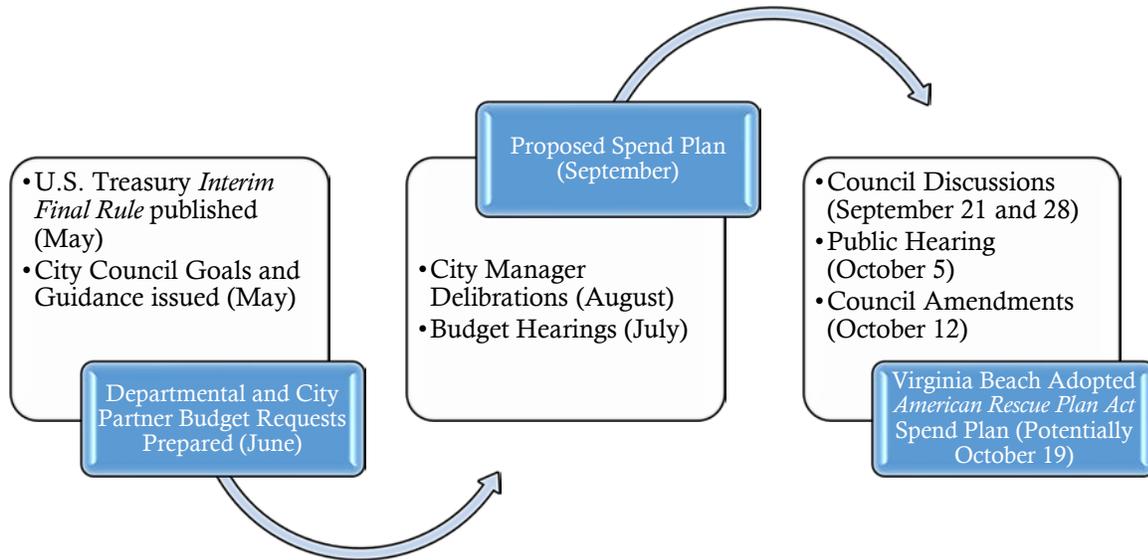
Even though the “revenue loss” category is flexible, it is not a blank check. Certain items were directly prohibited, such as the payment of debt service or the replenishment of fund balance reserves. One other restriction is that only capital project building or maintenance is allowed, or an operating government service is to be provided. If none of these aspects are met, the category cannot be used. Citizens must receive a tangible benefit from a proposal funded through revenue loss.

A second federal category that warrants further explanation is the equity category. In this category, it was the intent of the federal government for programs or services to be provided directly to communities that were in need prior to the pandemic. It was determined by the federal government that such communities were particularly vulnerable to the pandemic as well as its economic impacts. People and entities in this position may need greater levels of direct assistance, not only for recovery, but to allow for long-term investment that might serve to enable future conditions to exceed those communities' health and economic status in January 2020. To qualify a project under equity, the disproportionately impacted population and community must be identified by the local government and reported to the United States Department of the Treasury. For administrative convenience and direction, the Treasury established a baseline that all services located within or provided expressly to the people of a *Qualified Census Tract* are automatically eligible under this category. Qualified Census Tracts are determined by the United States Department of Housing and Urban Development for low-income housing tax credits based on incomes and poverty rates. This is not to be confused with Opportunity Zones, which is an economic development tool that provides capital gains income tax benefits for investment in distressed areas. Opportunity Zones were nominated by state governments, certified by the United States Department of the Treasury, and reported under the Internal Revenue Code. While there may be some overlap among individual census tracts between the two programs, there are more Opportunity Zones in Virginia Beach than there are Qualified Census Tracts. In Virginia Beach, there are only three Qualified Census Tracts (442, 448.06, 458.10). Two of the three are located on the north and east side of Naval Air Station Oceana, while the third is in Green Run. They are shown in purple on the map below.



Next Steps

A graphic that outlines the overall City of Virginia Beach *American Rescue Plan Act* budget process is displayed below.



As the graphic shows in the box to the far right, the recommended plan is not absolute. The input of Council and of the general public is welcomed and time at multiple Council workshops will be reserved to discuss the allocation of these federal resources. After my introductory briefing at the September 14 Retreat, Council will have the option of discussion on the recommended plan at your regular sessions on September 21 and 28, with additional briefings to be provided as necessary. An official public hearing will be scheduled on October 5, which will provide citizens the time to review the recommended budget and provide feedback as well as potential alternative allocations for the City to consider. Using the public input from this session, as well as from other conversations, the Council Budget Reconciliation meeting will be set for October 12, with a proposed adoption date of October 19.

While the specific items in the plan show budget allocations over multiple years to reflect the anticipated need for resources within a given project, Council will be asked to appropriate the entire amount upfront within FY 2021-22. This will ensure that no project falls short of the federal guidelines due to resources being unavailable to execute contracts. Any necessary revisions to the City's American Rescue Plan Act allocations will be made through an addendum to the City's Operating Budget each May. This will allow for an ongoing review of funded projects and the ability to reallocate funds if certain projects are unable to be performed to the level anticipated in the fall of 2021, if certain projects cost more or less than amounts forecasted in the fall of 2021, or if subsequent federal legislative or interpretative action alters the allowable use of these funds. Lastly, for any recommended projects related to a current CIP project, a new "ARPA" version of the project will be created to ensure that appropriations and project progress may be accounted for and tracked in a clear fashion.

Below is a summary table of the City Manager Recommended Budget by City Council Category:

Council Category	Total Dollar Amount	Percent of ARPA Funds
Stormwater	\$44,880,000	33%
Economic Support and Assistance	\$28,800,000	21%
City Facilities and Asset Backlog Repair	\$37,183,098	27%
Broadband	\$7,000,000	5%
Behavioral and Mental Health	\$2,224,000	2%
Affordable Housing	\$6,314,200	5%
Total Allocated	\$126,401,298	92.6%
Contingency Set Aside	\$10,028,405	7.4%
Total ARPA	\$136,429,703	100%

A summary table of the City Manager Recommended Budget by Federal category yields the following distribution:

U.S. Treasury Category	Total Dollar Amount	Percent of ARPA Funds
Response to Public Health Emergency	\$12,168,000	9%
Economic Support and Assistance	\$29,280,000	21%
Premium Pay	\$ -	0%
Equity	\$5,486,200	4%
Revenue Loss	\$51,167,098	38%
Certain Capital Investments	\$28,300,000	21%
Total Allocated	\$126,401,298	92.6%
Contingency Set Aside	\$10,028,405	7.4%
Total ARPA	\$136,429,703	100%

The remainder of this document provides a more detailed outline of the recommended proposals, their impacts, and the timelines for each project’s financial requirements. Additionally, attached to this document, you will find a complete listing of the proposals that were requested but not funded.

Stormwater

The City’s Stormwater CIP Section is more comprehensive than how stormwater is defined by the federal government for the purposes of these funds. While the City’s Stormwater section involves projects for flood protection, water quality, and operations, the federal government tied all stormwater eligibility to water quality. To be eligible under the Water & Sewer section of the *American Rescue Plan Act*, a stormwater project must be eligible under the provisions of *The Water Quality Act of 1987*, as amended (33 United States Code §1383), and should also adhere to the provisions in the Code of Virginia under Title 62.1, specifically Chapter 22, *Virginia Water Facilities Revolving Fund*. Thus, the focus of eligible projects from the federal and Commonwealth perspective is on stormwater runoff control. This leaves out the City’s coastal and tidal flooding projects; accordingly, they were not substantially considered for funding. Moreover, given the timeframe involved in the need to design, develop, and close-out projects, it was determined that the focus of any City Stormwater CIP allocations from the *American Rescue Plan Act* should be on maintenance rather than construction.

Therefore, it is recommended that the City allocate additional funding for two maintenance projects within the CIP.

Enhanced Neighborhood Rehabilitation - ARPA

First, \$23.58 million is included to establish a CIP project that will enhance the existing operations of CIP Project 100515, “Enhanced Neighborhood Rehabilitation – Phase I.” The current CIP project, which provides critical neighborhood infrastructure repairs and minor system improvements, is programmed to receive an average of about \$1.2 million annually in the currently adopted CIP. This funding level is associated with a ninety-five-year cycle for neighborhood health and safety issues and as such has a future funding of over \$42 million in this year’s adopted CIP. With the infusion of federal resources, the cycle will be advanced by five years and sixteen additional neighborhoods could be addressed in the coming years.

The table below showcases the neighborhoods that could receive funding through this project. *This table is meant to be illustrative and it should not be interpreted that each neighborhood listed below will be included in the scope of work under this proposal.*

Neighborhood	Timeframe
Sandbridge	FY-23
Birdneck Point	FY-23
Lynnhaven Colony	FY-23
Greatneck Estates	FY-23
Bay Colony	FY-24
Redwing	FY-24
Upton Estates	FY-24
Seatack	FY-24
Salem Villages	FY-25
Rock Creek	FY-25
Redmill Farm	FY-25

Fox Fire	FY-25
Three Oaks	FY-26
Southgate	FY-26
Hillcrest Farms	FY-26
Birchwood Gardens	FY-26

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$8 million	\$7 million	\$5 million	\$3.58 million	\$23.58 million

Federal Category: Revenue Loss

*Since this project does not directly impact water quality, it is to be funded as a pay-go for CIP maintained projects.

Lake Management - ARPA

Second, \$21.3 million is included to establish a CIP project that will enhance the existing operations of CIP Project 100232, “Lake Management II.” This project provides numerous upgrades, including dredging and dam repair, for the City’s 700 lakes. To support these activities, the current CIP project is programmed to receive between \$3.3 million and \$4.9 million annually in the adopted CIP. This funding level is associated with a ninety-five-year cycle. With the infusion of federal resources, the cycle will be advanced by five years from the additional lakes addressed in the coming years.

The table below showcases the neighborhoods that could receive funding through this project. *This table is meant to be illustrative and it should not be interpreted that each neighborhood listed below will be included in the scope of work under this proposal.*

Lake	Timeframe
SABRE STREET EXTENDED #1	FY-23
INDIAN LAKES #2	FY-23
TAYLOR FARMS COMMERCE PK LOT12	FY-23
HOLLY (LAKE)	FY-23
LYNNHAVEN MALL #3	FY-23
SAWYERS MEADOWS-SUBDIVISION	FY-24
LAGOMAR LAKE #3	FY-24
LYNNHAVEN MALL #1	FY-24
CHANDLER CREEK ROAD CANAL	FY-24
KEMPVILLE GREENS #2	FY-24
SHORELINE LAKE #1	FY-24

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$7 million	\$8 million	\$6.3 million	-	\$21.3 million

Federal Category: Capital Projects – Water and Sewer

For Virginia Beach, the ALICE threshold for those under 65 was deemed to be \$60,000 or less; for 65 and older, it was \$50,000. The purpose of *VBthrive* will be to offer dedicated outreach services to this community. Upon referral into the program, ALICE households will be assessed for their needs and assigned to one-on-one case managers. Programs will come in two forms, short-term and long-term. In the short-term, individuals who are less interested in intensive, lengthy case management, will be provided with achievement incentives for the completion of foundational work, such as financial training. For those willing to commit to the long-term program, individuals will receive personalized actions plans based on a United Way program known as “The Bridge to Self-Sufficiency” which seeks to promote individuals along levels of personal and professional security such that participating individuals feel confident in their ability to satisfy their lifestyle needs. When that occurs, individuals will then be able to promote and contribute to society without having to worry about if they will be sacrificing their basic needs.

As part of “The Bridge to Self-Sufficiency,” individuals will be linked to services with partner organizations. If program participants require further educational opportunities, job training, or career advancement, the Hampton Roads Workforce Council will help coordinate enrollment, recommend programs of study, and identify potential employers. The Hampton Roads Housing Consortium will help subsidize housing costs so that participants will not have to worry about how they can afford their living situations while attempting to pursue those new opportunities and do not feel as if they have to pass up further education or skill building because it is imperative that they work an extra shift to pay the rent or their mortgage. Thus, housing support will serve as an inducement to great program involvement. Lastly, additional partners will provide wrap around services such as childcare or mental health, as needed.

In total, the United Way estimates that over 4,000 unique households can be served by the entire program over the three-year period and the majority of these households will be served by more than one program. The following is a breakdown of the total cost of the program:

➤ Case Management	\$2,250,000
➤ Housing Support	\$5,400,000
➤ Workforce Development	\$3,000,000
➤ Wraparound	\$500,000
➤ Program Management	\$1,100,000
➤ Administration	\$750,000

United Way - Business and Non-Profit Support

The United Way will also, in partnership with LISC, lead new rounds of business and non-profit support. Through the pandemic, numerous programs have been established or administered at the federal (several rounds of Paycheck Protection Program, Restaurant Revitalization, Shuttered Venues, Economic Injury Disaster Loans), Commonwealth (ReBuild VA!, among others), and local levels (General Fund support, EDIP, and CARES Act Coronavirus Relief Fund small business grants through the Department of Economic Development, LISC through *VBRelief* and recently hiring bonuses through the Hampton Roads Workforce Council). Yet, some businesses have not had the opportunities to

participate in some of the programs, including, at times, being stuck in queues as funds ran out. In other cases, the prior programs helped briefly, but continued economic loss resulted in the need for further assistance. Therefore, the United Way will administer two new relief programs. First, \$8.5 million will be directed for overall business relief for businesses that can demonstrate pandemic impacts. It is recommended that the City work with the United Way to establish the specific framework and program parameters; however, this relief will be used for similar costs as prior programs, items such as: payroll support, mortgage and rent costs, pandemic expenses, and costs to reopen businesses while adhering to the latest U.S. Department of Labor; OSHA; and Virginia Department of Labor and Industry standards. These funds will be open to businesses throughout Virginia Beach and will emphasize those industries that suffered significant job losses. Secondly, \$500,000 will be put into a new round of nonprofit support, especially should any new event restrictions or cancellations continue to cause hardship for non-profit organizations, or if services they provide continue to be oversubscribed.

Additionally, the United Way will sponsor a \$1.5 million fund exclusively for business investment in SWaM businesses. This fund will prioritize those businesses that lack access to capital resources and institutions and will especially focus on those businesses located in Qualified Census Tracts and other neighborhoods of low wealth or high poverty. Investments from this fund can include financing as well as business planning services, technical assistance, or other business startup or expansion costs.

The resources dedicated to business and non-profit support combine to equal \$10.5 million. This is 7.7% of the City’s total *American Rescue Plan Act* allocation. The 7.7% threshold is more than the commitment made the Commonwealth of Virginia, which set aside 5.8% for direct business support through Rebuild VA!, from its portion of the *American Rescue Plan Act’s* Coronavirus State and Local Fiscal Recovery Funds.

United Way Total

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$13,833,334	\$5,333,333	\$4,333,333	-	\$23.5 million

Federal Category: Assistance and Impacted Industries

[Foodbank of Southeastern Virginia and the Eastern Shore](#)

As the pandemic continues, many service providers have devised new methods of reaching those in need. To combat increases in food insecurity, coupled with a lack of resources or desire, for safety reasons, to travel, the Foodbank of Southeastern Virginia and the Eastern Shore recently opted to bring food to people. This was done through the acquisition of multiple vehicles outfitted for food delivery and labeled as the 757 Mobile Market. The 757 Mobile Market serves communities previously identified by the Foodbank as having either high rates of food insecurity or low access to grocery stores. Some metrics that determine destinations include poverty, unemployment, homeownership rates, SNAP benefit percentages, and racial and ethnic information. In Virginia Beach, there are an

estimated 40,000 food insecure residents and the two Mobile Markets in Virginia Beach are projected to serve almost 500 households per week.

The 757 Mobile Market is anticipated to be operational for five or six days a week and it contains a multitude of food options, including perishable and non-perishable foods. Food must be acquired above and beyond what is received in either donations or from U.S. Department of Agriculture programs. One forty foot truck will serve the entire City, while a smaller vehicle will be dedicated to the Lake Edward and Bayside. Thus, to provide the mobile market with sufficient regular offerings, both in terms of food as well as in staff to drive the trucks and distribute the food, it is recommended that the City invest \$5 million to support the 757 Mobile Market as well as several large-scale food distributions that were previously operating in conjunction between the Foodbank and the Department of Human Services. While it was possible to assign Human Services staff to support this operation in the middle of an emergency situation, Human Services does not have the resources to support the endeavor on an ongoing basis while also providing adequate personnel towards the many other important subject areas for which the Department must manage. In total, it is expected that 70% of the money to go to the Foodbank will be for food, 15% will be for staff positions or contracted workers, and 15% for indirect administrative costs, marketing, supplies, travel, and other related programmatic costs.

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$5 million

Federal Category: Assistance

Events Relief

Special events and festivals are drivers of tourism, economic spending, and revenue generation in the City. Equally as important, these events and festivals provide Virginia Beach with a distinctive atmosphere and an opportunity for people to enjoy living in or visiting the City. Over the past eighteen months, many events and festivals have been delayed or canceled, some numerous times. To assist this impacted industry and ensure that the event and festival operators are able to endure and safely reopen and return either in the fall of 2021 or in 2022, it is recommended that \$300,000 be set aside for a to be developed direct grant opportunity. Access to this program would not be tied to direct prior City support for the event or festival.

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$300,000	-	-	-	\$300,000

Federal Category: Impacted Industries

City Facility and Asset Repair Backlog

The pandemic exposed much about American life, particularly with respect to people's daily lives and habits. Among the areas that did not receive enough attention prior to the pandemic was the importance of ventilation and modernized HVAC systems. Another was to reenforce the desire of Americans to use recreational and fitness spaces, both outside and indoors. In fact, both aspects are recognized by the United States Department of the Treasury in the text either in the *Interim Final Rule* or in subsequently published Frequently Asked Questions.

Accordingly, it is recommended that the City allocate funds to multiple repair projects in the City. These projects will make improvements within heavily trafficked buildings and facilities. Without an allocation from the *American Rescue Plan Act*, the projects included in these recommendations would remain unfunded, but known backlogs.

Neighborhood Parks Maintenance - ARPA

The City has an extensive parks maintenance backlog, estimated at over \$30 million. This backlog worsened during the pandemic due to a mixture of high use by residents of City parks as well as reductions in the Department of Parks & Recreation's ability to fund projects with departmental generated revenues due to closures of City facilities during the Governor's State of Emergency and the elimination of numerous revenue producing events and classes over that time. The *American Rescue Plan Act* presents an uncommon opportunity to use federal resources to improve our parks system and recover from the loss of over a year of programming activities.

This proposal aggregates general amenity replacement with several specific identified use improvements. With respect to the former, the proposal will pare down the overall backlog by replacing sports courts; shelters, benches, trash cans, and tables; playground equipment at 50 neighborhood parks and 20 school parks; and ballfield, backstop, and bleacher replacements. These improvements will occur throughout the entire City such that nearly every resident has the potential to be impacted by this proposal.

Secondly, the proposal will address several immediate sub-projects that have been uncompleted to date. These include:

- Mount Trashmore Ditch and Cap Repairs and Multi-use trail repaving
- Munden Point Park Restroom and Shelter replacement
- Bayville Farms Park 2nd Bathroom construction
- Providence Park Multi-Use Trail and parking lot repaving
- Redwing Park parking lot repaving and entrance widening
- Pleasure House Point Trail Water Crossing and Pedestrian Bridge
- Lights at Woodstock Park Skatepark
- Green Run High School Tennis Court replacement

Of those listed above, the Munden Point Park replacement was scheduled, then postponed directly as a result of fiscal uncertainty during the pandemic. The other projects are the highest needed priorities as identified by the Department of Parks & Recreation.

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$1,415,000	\$4,835,000	\$5,625,000	\$3,325,000	\$15,200,000

Federal Category: Revenue Loss

Recreational Centers HVAC - ARPA

The City is also concerned about indoor recreational areas. Recreation Center users exert high levels of energy, which propels aerosol transmission, necessitating the need for improved air flow and quality. Similar to outdoor parks, the City contains numerous facilities that are in need of upgrades and the regular recurring City budget dedicated to this purpose requires projects to be deferred into the future due to limited funding. One of the uses of the *American Rescue Plan Act* allowed and encouraged by the Treasury is for ventilation in public facilities. This is based on numerous scientific recommendations regarding the importance of ventilation in this pandemic as well as for other types of health conditions. As a result, I recommend that the City invest in eleven HVAC enhancements at the following recreation centers:

- Bayside --- Cooling tower; PoolPak dehumidification; condensers and exhaust fans
- Great Neck --- Cooling tower; PoolPak dehumidification; condensers and exhaust fans
- Bow Creek --- Tandem chiller
- Williams Farm --- Pool heaters
- Seatack --- Rooftop units and PoolPak dehumidification
- Princess Anne --- Cooling tower

The total cost of these projects exceed the annual amount appropriated to the City’s ordinary HVAC CIP project. As such, for most of these projects, funds would not be available till the final years of the current CIP to support these improvements.

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$400,000	\$3,250,000	-	-	\$3,650,000

Federal Category: Public Health Emergency

Municipal Center Central Utility Plant HVAC - ARPA

Another heavily used set of buildings in the City, both by the public and the City’s workforce, is the Municipal Center Campus. Individual buildings at the Municipal Center are supported by the City’s Central Utility Plant. To ensure the survivability and livability of the campus, investments can be made at the Central Utility Plant to modernize aspects of the City’s air quality and ventilation. These improvements include replacement of 60 ice field tanks; creation of a redundant chilled water pump # 3; replacement of boilers #1 and #2; and replacement of the piping. The total cost of these projects is almost 2.5 times more than the annual amount appropriated to the City’s ordinary HVAC CIP project. As such, for most of these projects, funds would not be available till the final year of the current CIP to support these improvements. If approved, it is important to note that these repairs will not install equipment that will kill airborne diseases. Instead, these will improve overall air quality and reduce the City’s repair backlog. However, improved air quality still provides health benefits to the City’s workforce and visitors.

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$610,000	\$5,490,000			\$6,100,000

Federal Category: Public Health Emergency

Courts Building Direct Digital Control Conversion

The Virginia Beach Courts Building is another City facility that hosts thousands of visitors and staff every year. The Courts Building’s HVAC system, and thus its temperature, humidity, and fresh air intake settings, is controlled by a Direct Digital Control system. The current system has become obsolete. In fact, the manufacturer of the current system has ended the provision of software updates for the system.

Acquisition of a new system is needed. A new system also requires compatible hard parts in addition to software. As a result, this project will also install actuators, fan coil units, flow stations, transducers, fan relays, thermostats, air handling controllers, sensors, and other aspects throughout the building.

Funding for this project has been programmed for FY 2026-27 in the currently adopted CIP; however, it is more suitable, particularly in light of the pandemic, for the upgrade to occur as soon as possible. As such, I recommend using federal funds to complete the project in this fiscal year, thereby improving our operational status, especially as the Court system reopens and the amount of people that flow through the building is at a higher than normal level. The funding previously programmed can be reallocated to another project during the FY 2022-23 City budget process.

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$2,070,000	-	-	-	\$2,070,000

Federal Category: Public Health Emergency

Parks and Recreation Landscape Yard Replacement (Lynnhaven)

The Parks and Recreation Yard is the present home of the City’s Landscape Maintenance Division. The facility dates to the middle of the 20th Century and the facilities are inadequate. For example, access to the site’s meeting room is only possible by going through restrooms. Replacement of this project has been included on the City’s CIP Requested but Not Funded List for multiple years, including in the currently adopted CIP. The location of the current facility is shown below.



Building a new facility will provide the City with adequate locations for assembly areas; welding; and warehousing, as well as the creation of locker rooms that are designed and developed to the standards of the 21st Century. Having an enhanced work and clean up space will accrue additional benefits in the way of public health and sanitation and principles learned from the pandemic can be incorporated into the new facility. The identified site for the new facility is to co-locate at the current Parks and Recreation Landscape Facility at 4141 Dam Neck Road.



Additionally, movement of this facility could be a first step towards development of a recreation center in Centerville, should the Council determine the facility as a priority. The site of the current yard could be part of a multi-site relocation plan that could unlock a practical site for a Centerville Recreation Center. Furthermore, the Parks and Recreation Yard can be constructed within the timeframe established by the *American Rescue Plan Act*.

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$950,000	\$8,470,098	-	-	\$9,420,098

Federal Category: Revenue Loss

Library Meeting Rooms Technology - ARPA

Recently, there has been a proliferation of remote meetings. When open, the Virginia Beach Public Libraries does not have expected levels of technology capabilities for this new era of communication. Recent library renovations did not include technology upgrades in the public meeting spaces. Given the existing lack of locations for business, organizational, or group spaces to gather within the City, a shortfall identified by the Department of Economic Development, the libraries can be used as a forum for such formal and informal get-togethers, if technology suitable to handle long-distance video conferencing and large screen displays of information exists within the libraries. There are presently 30 meeting spaces at the libraries throughout the City.

In the currently adopted CIP, funds were appropriated for meeting room upgrades at Central Library. Using federal funds will complement this existing CIP by extending the upgrades Citywide. This will ensure that all residents can have access to spaces at their local libraries, which is particularly important for residents of the City who live near remote branches of the Library and therefore would find Central Library to be inconvenient or unsuitable for their gatherings.

A summary of the items to be added per location through this proposal are listed below.

Collaborative: Electronic equipment for video conferencing, remote/live streaming and virtual participation. Location: *Kempsville and Princess Anne*

Public Computer Labs: Location: *Kempsville*

Public Lab Small: Locations: *Great Neck, Ocean Front, Princess Anne*

Pop-up Computer Mobile Classroom: Locations: *Kempsville, Bayside, Central Library*

Standard Meeting space: Large wall TVs but devices would need to be brought to operate.

Locations: *Bayside, Great Neck, Kempsville, Ocean Front, Princess Anne, Windsor Woods.*

Study/Huddle Room: Large wall TV but devices would need to be brought to operate.

Locations: *Bayside, Great Neck, Oceanfront, Princess Anne.*

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
-	\$473,000	\$270,000	-	\$743,000

Federal Category: Revenue Loss

Broadband

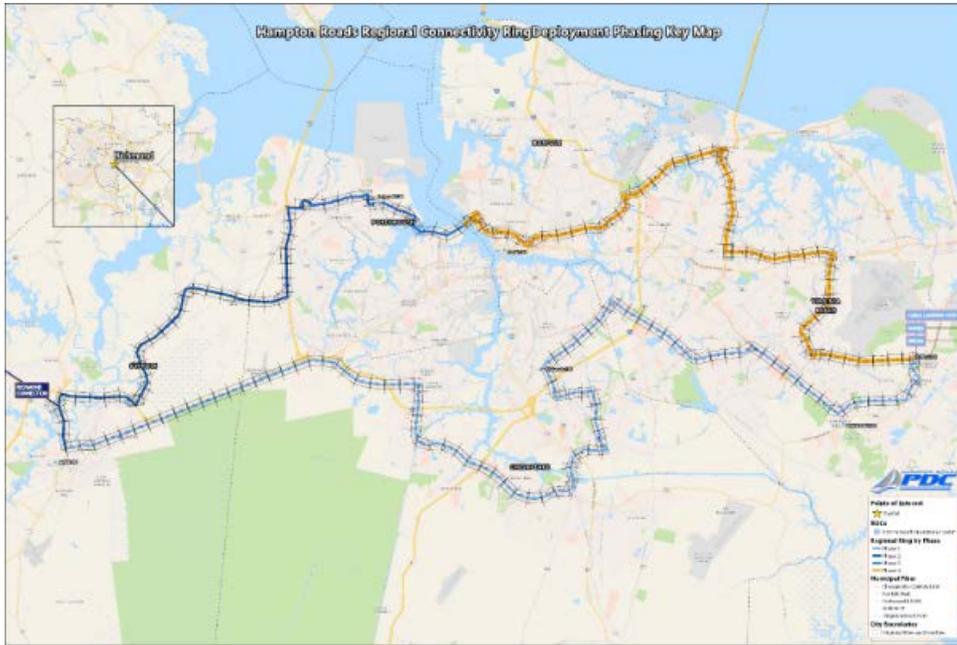
Broadband has become for the 21st Century what electricity was for the 20th Century, an integral tool used to conduct business, school, government operations, family visitations, and numerous other aspects of personal social life. During the pandemic, access to reliable quality Internet was demanded by a wide segment of the American populace. As a result, development of the nation’s broadband infrastructure is a critical component of the *American Rescue Plan Act* and is an equally important portion of the pending *Infrastructure Investment and Jobs Act*. This is reflected in the ARPA allocations made at the Commonwealth level, where the Governor and General Assembly collaborated to set aside \$700 million for universal broadband access, additional sums to reimburse residents who expend their own funds to connect to existing lines, as well as funds to deploy stronger Internet to health departments across the Commonwealth. Given the availability of this level of funding at the Commonwealth level, the City will sponsor applications to compete for these resources in the years to come.

The *Interim Final Rule* focused on accessibility over affordability. This was in part because other sections of the *American Rescue Plan Act* set aside resources of subsidies for the cost of Internet. Nevertheless, this means that broadband investment through the Coronavirus State and Local Fiscal Recovery Funds is focused on physical infrastructure and a prioritization for betterments for unserved and underserved communities, measured by the availability of nearby physical infrastructure. However, the lack of detailed, up-to-date broadband maps, a longstanding debate before the Federal Communications Commission, makes it more difficult to assess areas that truly lack service. Therefore, I recommend that the City pursue a governmental middle mile strategy that will put infrastructure into reach for households throughout the City and that will be accessible for service providers to leverage to help extend direct to the home service to individuals throughout Virginia Beach. To accomplish this, it is recommended that funds are reserved for the regional broadband ring.

Southside Network Authority

The Southside Network Authority will run fiber from the Atlantic Ocean deep sea cables here in Virginia Beach through the entire Hampton Roads region, beginning with 119 miles within the cities of the Southside (Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach). This is known as the “regional ring.” Once in place, any user, public and private, will have the option of connecting to the ring and the increased speeds it provides. Any service that directly stems from the existence of the ring has not been finalized at this time.

The Authority recently had an RFP to solicit bids for construction costs and these bids are being reviewed at this time. The current project phase is expected to cost between \$23 and \$28 million. There are multiple ways of dividing the costs, but it is expected that Virginia Beach’s share will likely cost approximately \$5 - \$7 million. Other participating jurisdictions are expected to reserve funds for the ring as well. The Authority will also submit an application to the Commonwealth for consideration for financial assistance due to its status as a regional entity.



<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$5 million	\$2 million	-	-	\$7 million

Federal Category: Capital Projects - Broadband

Behavioral and Mental Health

The isolation that accompanied stay-at-home and social distancing orders and recommendations in 2020 and 2021 had an impact on the behavioral and mental health of Americans. For those who caught COVID, lingering symptoms and the pain of recovery carry an emotional burden on top of a physical one. Adverse economic circumstances and the delays or cancellations of life milestones also negatively contributed to behavioral and mental health.

At the same time, the pandemic shifted the delivery of many healthcare services throughout the City and the nation. For the first time, sizable amounts of consumers experienced telehealth. In numerous other cases, health professionals brought in-person care to patients at their place of residence, rather than patients and their families having the responsibility for travel to a traditional health care facility in a more central location. Building upon the trends that occurred in the health professional field, the Department of Human Services has expressed the intent to continue a more flexible method of service delivery throughout the pandemic and beyond the end of the current health crisis.

Enhanced Telehealth and Case Management

To continue, expand, and improve telehealth, which could increase the number of cases seen, provide more accurate case management, and offer more flexibility to health care providers, investment is necessary for further technology in the Department of Human Services. Under the new model of health care, stationary office equipment is less important than mobile devices and subscriptions to telehealth platforms such as Doxy.Me.

With an increase in telehealth, providers can connect with clients from their homes, thereby seeing more clients for routine visits with less wait times, while reserving office space for more serious visits and treatments. When in the field, with mobile devices, providers will have a greater ability to access patient records, which reduces time spent on duplicative questioning of patients and allows the providers to offer more comprehensive services. At the same time, devices can be provided to those patients most in need, which provides better techniques for monitoring severe cases. With telehealth and field services, an expanded universe is possible for staffing as reduced commute times to a centralized location can become a competitive incentive towards retaining and hiring service providers, which is a challenge for the City and the entire health care sector at present.

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$1,736,000	\$488,000	-	-	\$2,224,000

Federal Category: Revenue Loss

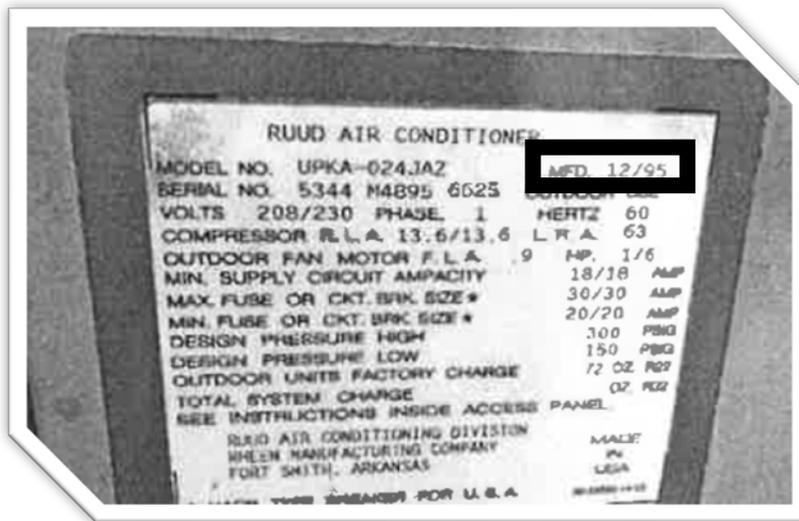
Affordable Housing

In addition to the housing support provided through the allocation to the United Way and Hampton Roads Housing Consortium, it is recommended that the City strive to preserve affordable housing units and make tangible improvements towards ensuring housing access for vulnerable populations with the *American Rescue Plan Act* funds. To support these aims, it is proposed that the City support five projects. Four of the five projects will provide pass-through assistance to community partners.

Virginia Beach Community Development Corporation (VBCDC)

Scarborough Square Renovations

Investment in VBCDC’s Scarborough Square property will maintain sixteen townhomes that are a critical part of the City’s low-income housing stock. These units serve 41 people with household incomes between \$11,000 and \$59,000. The Scarborough Square townhomes are over forty years old and have not had major upgrades in this century. Critically, due to the placement of these units within the AICUZ zones, Scarborough Square is no longer eligible for traditional federal housing assistance from the Department of Housing and Urban Affairs. Therefore, this opportunity provides one last chance to use federal funds to make necessary lifecycle upgrades. In particular, VBCDC will use *American Rescue Plan Act* resources to replace: HVAC units; windows; siding; roofs; kitchens; bathrooms; appliances; water heaters; flooring; and electrical systems, among others. Many of these items are decades old, such as the air conditioner unit shown below.



American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
-	\$480,000	-	-	\$480,000

Federal Category: Assistance to Households

Westneck Village Renovations

Westneck Village is a partnership between the VBCDC, the City, and another non-profit entity. Designed in 2007, Westneck Village serves as a City Intermediate Care Facility and houses adults with developmental and intellectual impairments who require staff support. Given the health conditions of the residents, those at Westneck Village are extremely susceptible to the coronavirus pandemic and in particular strengthened variants such as Delta. There are 24 units in Westneck Village and all residents are below the City’s median family income. While VBCDC owns Westneck Village, the City provides staffing for the facility through the Department of Human Services and pays rent for the building space in lieu of placing rental payment demands upon the individual tenants. This project is only for capital upgrades and VBCDC will use *American Rescue Plan Act* resources to replace: fourteen HVAC systems including rooftop units; kitchen cabinets and countertops and the removal of commercial grease trap; two commercial dishwashers and an oven; flooring; and generator feeder cabling.

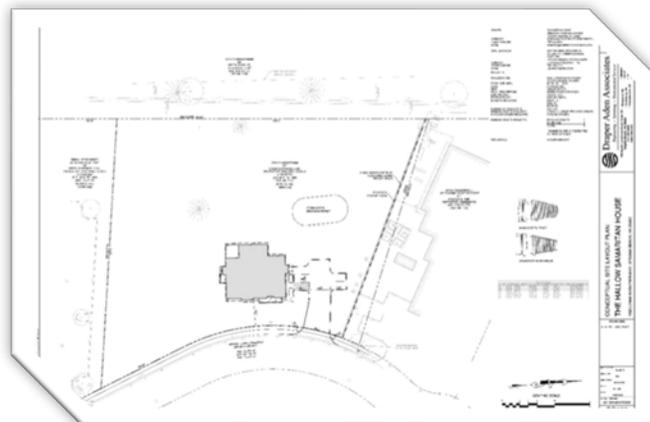
<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$174,000	\$174,000	-	-	\$348,000

Federal Category: Public Health Emergency and Assistance to Households

Samaritan House

The Hallows

In the past eighteen months, the Hampton Roads region has assisted over 50 trafficked youth. According to the group supervisor for the federal government’s Homeland Security Investigations in this region, the increase in trafficking during the pandemic reverses several years of no increases. Much of this is directly induced by the pandemic’s adverse economic conditions. To ensure that adequate facilities are in place that allows for safe and sustained recoveries for saved victims, the Samaritan House is in the process of developing a new 5,862 square foot house on Lynnhaven Parkway. City Council has previously granted this property a group home conditional use permit and with approvals in place, the house can be built in months.



The facility, as rendered below, will provide eight bedrooms to house victims of child trafficking ages 14 through 18 and offer support and office space for the organization as it provides case management, treatment, education, recreation, life development, nourishment, and other services. The unit will be staffed at all times and Samaritan House will seek Virginia Department of Behavioral Health and Developmental Services licensing and Medicaid certification.



<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$750,000	-	-	-	\$750,000

Federal Category: Equity

Seton Youth Shelter

Seton House Campus

In the past year, the Seton Youth Shelters has served clients in new ways, all amidst the challenge of having their existing decades long lease for their Boys’ House shelter terminated. In addition to sheltering 47 youth in 2019-2020 and 33 from July 1, 2020 through April 30, 2021, Seton also directly assisted over 50 families with basic household survival level necessities to keep families in place and out of communal settings. Moving forward, Seton House is looking to develop a multi-use single campus owned and operated by the organization. The campus will provide permanence, stability, and expanded service offerings, including for more people and through new activities, particularly in outdoor recreation and environmental education. This campus, located at 3396 Stoneshore Road, would consist of a Boys’ Shelter, a Girls’ Shelter, and an administrative and community education center. A rendering of the facility is below.



To date, Seton House has received almost \$4 million in private donations towards its \$5.3 million estimated complete cost. The donations in hand provided sufficient resources for the organization to purchase the land and begin infrastructure improvements and temporary housing. The City contribution, when paired with existing resources, allows Seton to go forward with build out of all three facilities. Construction on the first facility is imminent.



American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
\$1 million	-	-	-	\$1 million

Federal Category: Equity

[Department of Housing and Neighborhood Preservation](#)

[Emergency Housing Voucher Expansion](#)

In Title III, Section 3202, of the *American Rescue Plan Act*, \$5 billion was appropriated by Congress to the United States Department of Housing and Urban Development for “incremental” emergency vouchers for individuals or families who are homeless, at risk of homelessness, fleeing domestic violence and other physical harm, or were recently homeless, and for the renewal of the vouchers. Through this appropriation, Housing and Urban Development awarded 35 vouchers to the City’s Department of Housing and Neighborhood Preservation earlier this summer. However, despite the additional resources, the City still maintains a waiting list for people seeking vouchers. Therefore, to build upon the initial federal investment, I recommend the allocation of the City’s *American Rescue Plan Act* to allow for additional participants in the years to come. This proposal would provide 65 further vouchers for forty-eight months. The average cost per subsidy is \$843 and the total per month program cost is \$1,200. The proposal would also support other housing related costs such as security deposits, application fees, landlord incentives, and contracted staff. Of the amount in year one, 75% is for housing costs and 25% for contracted manpower and staff needs.

American Rescue Plan Act Recommended Budget				
FY 22	FY 23	FY 24	FY 25	Total
-	\$1,135,255	\$847,318	\$1,753,627	\$3,736,200

Federal Category: Equity

Contingency Set Aside

The one constant of the past eighteen months is that the pandemic continues to evolve and surprise us. The widespread emergence of the Delta variant is only one potent example of this trend. It is entirely possible that the City may need to take further steps in the area of the public health emergency over the next few months.

To set the City up for all possibilities, it is recommended that approximately \$10 million be unallocated to a specific purpose and instead set-aside and appropriated into a contingency reserve. Besides the public health emergency, having a set aside would be useful in case any of the projects recommended with the plan adopted by Council experience significant cost overruns compared to their estimated costs as of the summer 2021. Thirdly, this money would allow Council the opportunity to address additional needs in the community as they emerge. This is the approach taken with *VBRelief* last year and it was successful in allowing resources to be directed to areas in which needs were demonstrated. If, however, Council wishes to appropriate the nearly \$10 million at this time, a list of projects that were not recommended but are eligible and able to be functionally completed in the timeframe allocated (“eligible and executable”) has been provided for your consideration at this time.

<i>American Rescue Plan Act Recommended Budget</i>				
FY 22	FY 23	FY 24	FY 25	Total
\$10,028,405	-	-	-	\$10,028,405

Appropriations Summary	
	Total
Stormwater	
Neighborhood Rehabilitation	\$23,580,000
Lake Management	\$21,300,000
Stormwater Total	\$44,880,000
Economic Support and Assistance	
United Way Support Programs	\$15,000,000
Additional Business Relief	\$8,500,000
Foodbank	\$5,000,000
Special Event Grants	\$300,000
Economic Support and Assistance Total	\$28,800,000
City Facility and Asset Repair Backlog	
Neighborhood Parks Maintenance	\$15,200,000
Recreation Centers HVAC	\$3,650,000
Municipal Center Central Utility HVAC	\$6,100,000
Courts DDC	\$2,070,000
P&R Landscape Yard Replacement	\$9,420,098
Library Meeting Rooms Technology	\$743,000
City Facility and Asset Repair Backlog Total	\$37,183,098
Broadband	
Regional Ring	\$7,000,000
Broadband Total	\$7,000,000
Behavioral and Mental Health	
Enhanced Telehealth and Case Management	\$2,224,000
Behavioral and Mental Health Total	\$2,224,000
Affordable Housing	
Scarborough Square	\$480,000
Westneck Village	\$348,000
Samaritan House	\$750,000
Seton Youth	\$1,000,000
Emergency Housing Voucher	\$3,736,200
Affordable Housing Total	\$6,314,200
Contingency	
Set Aside	\$10,028,405
Contingency Total	\$10,028,405
Total	\$136,429,703

Additional Attachments:

Requested But Not Funded, *Eligible and Executable*

Requested But Not Funded, *Not Eligible or Not Executable*

Budget of the Commonwealth of Virginia Overlap with City Council Priorities

American Rescue Plan Act
Requested But Not Funded, Eligible and Executable

Category and Project	Description	Treasury Category	Amount
Stormwater			
Lake Management	\$21.3 million of a \$28.3 million ask was included in the City Manager's Recommended Budget. The final \$7 million would add additional lakes in the outyears.	Capital Projects - Water & Sewer	\$7,000,000
17th Street Wet Pond	Project would construct a Regional Stormwater Management Facility on the southside of 17th Street between Seabridge Road and Colony Mobile Home Park. The proposed level two wet pond will capture and treat a total area of approximately 70.54 acres. This facility along with associated upstream and downstream improvements is intended to reduce flooding in the area as well as reduce stormwater runoff pollutants discharged to the Atlantic Ocean watershed.	Capital Projects - Water & Sewer	\$21,000,000
Marshview Drive Water Quality Improvements	Project provides offsite nutrient credits for the City Public Works projects and attains bacteria maximum daily load credits to meet part of the City's bacteria total maximum daily load requirements.	Capital Projects - Water & Sewer	\$1,300,000
Providence Park Water Quality Improvements	Construct a wetland area at Providence Park, located south of Providence Road and west of I-64, to manage and treat stormwater draining to the park property. Wetland is intended to alleviate flooding at the adjacent Virginia Department of Transportation property and within the Park and Ride Area. Constructed wetland will act as an amenity to the park, offering water features, array of plant life, educational signage, nearby benches, and walkways for the citizens of Virginia Beach to utilize.	Capital Projects - Water & Sewer	\$2,000,000
Seatack Park Wet Swale	Removal of an existing dry detention basin in a residential backyard and the installation of a new stormwater management facility on City property. Located on the southeast corner of Seatack Park at 141 S. Birdneck Road. Stormwater piping will be installed to convey the runoff from Carissa Court to the adjacent park property and into project.	Capital Projects - Water & Sewer	\$400,000

First Colonial and Oceana Blvd. Stormwater Management Facility	Construction of a Stormwater Management Facility (SWMF) on City-owned property between New York Avenue and Southern Boulevard to provide additional runoff storage. Stormwater will be diverted from the stormwater pipes along Oceana Boulevard. The SWMF will slowly release the stormwater back into the South Oceana Boulevard stormwater pipes further downstream. Project is included on the referendum list. Referendum total now tied to those projects, therefore any reduction of project lowers the longterm Flood Protection Program borrowing capacity.	Capital Projects - Water & Sewer	\$2,325,000
Seatack Neighborhood	Mitigation of habitable structure flooding in the Seatack neighborhood and street flooding along South Birdneck Road, Sea Street, Hughes Avenue, and Butts Lane. Project is included on the referendum list. Referendum total now tied to those projects, therefore any reduction of project lowers the longterm Flood Protection Program borrowing capacity.	Capital Projects - Water & Sewer	\$2,400,000
Windsor Woods, Thalia, Trashmore	This project is for the design, property acquisition, and construction of culverts between Lake Trashmore and Thalia Creek and channel improvements along Thalia Creek between Lake Trashmore and Lake Windsor. Project is included on the referendum list. Referendum total now tied to those projects, therefore any reduction of project lowers the longterm Flood Protection Program borrowing capacity.	Capital Projects - Water & Sewer	\$5,200,000
		Total Stormwater	<u>\$41,625,000</u>
Economic Support and Assistance			
United Way	Similar projects as is recommended, except to a higher level. United Way presented packages of \$55 million, \$30 million, and \$20 million. The \$55 million proposal serves less total households (about 1,000), but provides a more intense level of case management to those in the program. In comparison to the \$15 million level included in the recommend budget, which serves around 4,000 households, the \$20 million proposal projects to serve 5,800, while the \$30 million level would interact with 8,700.	Assistance	\$55,000,000

Further Business Relief	The total ask from the Virginia Beach Hotel Association and the Virginia Beach Restaurant Association was \$47 million. This \$47 million was exclusive to the two industries, as opposed to the more comprehensive relief proposal included in the recommended budget, and was estimated based on an ask of \$2,000 per hotel room for the ~11,000 hotel rooms in the City and \$500 per restaurant seat, based on an occupancy estimate. While the \$47 million is the total estimated cost, actual utilization of the program is an unknown and parameters would have to be established regarding eligible uses and demonstrations of economic loss.	Assistance	\$47,000,000
Assistance to Adult Foster Care Providers	Adult Foster Care is an optional program administered at the local level that provides room and board, supervision, and special services to eligible adults with have a physical or mental health need. During the pandemic, providers and clients experienced the sudden closure of Adult Day Programs, including Beach House, a city program that provides clients with mental health support services, lunch, and supervision between 8:30 a.m. to 4 p.m. Thus, the AFC Provider incurred greater out of pocket expenses. This proposal would support a onetime bonus of \$4,200 per provider (\$300 per month) to replace their provable unintended out of pocket expenses from March of 2020 through May 2021.	Assistance	\$50,400
Foodbank Hub	The Foodbank of Southeastern Virginia and the Eastern Shore would open and operate a dedicated storefront to distribute meals and host additional support services for Foodbank users. This is a shift away from the traditional model of warehouse operations and mass distributions. Storefront requires a 20,000 square foot leased space facility. Concerns regarding long-term program sustainability after federal funds are used. Organization's prior Hampton Roads hubs are in kind properties, not market rate leases as in this proposal. City examined its inventory but has no suitable sized buildings.	Assistance	\$10,000,000
Virginia Beach Psychiatric Center	Two weeks of shelter and transportation costs provided to recently discharged patients that were identified as homeless at the time of discharge.	Assistance	\$108,800
Virginia Beach Psychiatric Center	A \$2,000 one-time bonus adjustment would be provided for Mental Health Counselors and Registered Nurses who were unable to work from home and provide service delivery. This entity is a private facility, it is not a City department.	Premium Pay	\$254,000
Private, Non-City Incubator Space on 17th Street	Historytellers, a non-City entity, will launch an offseason business conference, <i>Elevate VB</i> . To prepare for the conference, an incubator space will be built on 17th Street.	Assistance	\$2,000,000

Department of Public Health BabyCare Program Expansion	A grant-funded BabyCare program currently provides in-home services to pregnant individuals and families that are home to children under two. The grant is expected to provide baseline costs through FY 22. Federal funds would extend this program's existence, add contracted manpower to increase the number of clients served, and help acquire new curriculums. Given past delays in hiring, concerns exist regarding ability to fully staff program and expend resources by federal deadline.	Equity	\$703,218
Endependence Center	A independent living coordinator will be employed that will help discharged patients with disabilities that impact their ability to live independently as they transition from the hospital to home. This is designed to prevent hospital readmittance. Direct assistance costs will be provided to those patients (estimated to be twenty) during the 45 day time that it takes for the Medicaid Waiver application to be processed. This is based on a program from Colorado Springs.	Equity	\$702,115
Department of Public Health Medicaid Eligibility Worker	A contracted manpower eligibility worker to help enroll qualified individuals into assistance programs. As Virginia expanded Medicaid to include a dental benefit program this year, more clients could be and will be served by Public Health's dental clinics. The position will improve awareness of this benefit expansion.	Equity	\$172,458

Total Economic Support and Assistance

\$115,990,991

City Facilities and Asset Repair Backlog

HVAC	This builds upon the proposal included in the recommended budget. Projects that were not recommended were \$9 million for HVAC work at the Correctional Center and \$4.3 million for the Juvenile Detention Center	Response to the Public Health Emergency	\$15,100,000
Dental Ventilation	The Department of Public Health worked with Occupational Health and Safety to review the two dental clinics from a safety perspective. Limited spacing exists in the clinics at present. Engineering controls to prevent disease transmission is particularly important because the Virginia Beach Dental program provides care to uninsured youth, and many youth clients are not currently eligible to receive a COVID-19 vaccine because they are under the current approved age limits.	Response to the Public Health Emergency	\$175,000

Tuberculosis Suite Conversion	The conversion of the Tuberculosis Suite to a Negative Pressure Room enhances infection prevention controls to ensure the health and safety of Public Health patients, staff, and visitors. The pandemic has demonstrated the impacts of increased disease transmission and highlighted the need to install sufficient engineering controls in healthcare settings.	Response to the Public Health Emergency	\$350,001
Fitness Clusters and Fit Mobile	Project consists of installation of fitness clusters are at Seatack North, Salt Marsh, Oceana Village, Oceana Athletic Park, and Seatack Park; hard surface walking trails at Seatack North and Seatack Park, and purchase and deployment of a fit mobile in underserved neighborhoods.	Equity	\$3,000,000
Correctional Center Replacement	Items within the scope of this project, a complete restoration of the correctional center, includes visitation area repairs; shower re-coating; replacement of laundry and kitchen equipment; replacement of tile and carpeting; improvements and upgrades to plumbing systems; lighting upgrades; and replacement and/or renovation of existing gas/electrical infrastructure.	Revenue Loss	\$14,198,889
Euclid Yard Replacement	Euclid Yard facilities, now 70 years old, are in very poor condition and need to be replaced. This project includes the design, construction and replacement of all field offices and storage facilities on the existing site. New facilities for Parks and Recreation Landscape, Public Works Highway Operations, and Public Works Fleet Management, will include administrative offices, training rooms, locker rooms, storage facilities, a kitchen area, and other supporting features.	Revenue Loss	\$14,532,300
Convention Center Capital Projects	The proposal invests in mid-life cycle replenishment projects at the Convention Center. American Rescue Plan Act funds will be mixed with appropriated local dollars to complete 20 sub-projects, with federal funds used for higher cost projects such as telescopic seating replacement, parking lot paving, and the cooling tower overhaul. City provided additional General Fund resources to the facility in FY 2021-22. As such, "revenue loss" did not inhibit investment in the property.	Revenue Loss	\$5,683,570
Fire Training Center Burn Tower and Flash Simulator	The original burn building was recently demolished due to the structural problems that made it unsafe for training. The current burn building is at capacity and closes annually for maintenance at least 60 days a year. Having a second facility to continue training is important to the public safety across the region. The current flashover simulator has become damaged due to use and age and needs replacement. The "Can" is an intermodal contained that has been modified into two chambers one for fire development and one for observation.	Revenue Loss	\$1,050,000

Fire Conference Rooms	Telepresence collaboration tools will be built out at specific VBFD facilities, including the Fire Administration Large Conference Room, the Fire Marshall's Large Conference Room, Building 21 Conference Room, the FEMA Conference Room, and the Fire Training Center Conference Room. None of these items were not constructed due to "revenue loss."	Revenue Loss	\$509,680
Leroy Drive Environmental Remediation	The City will submit a Remedial Action Plan for approval by the Virginia DEQ Office of Remediation Programs. This submission will request no restriction of groundwater use be placed on the Foxfire Neighborhood, as no evidence of contamination from the range operations has been identified. Approval of the plan will enable the City to proceed with the actual remediation of the site, which would be accomplished with these funds. The project would occur through early 2024.	Revenue Loss	\$1,450,000
New Neighborhood Park Developments	Proposal would make comprehensive improvements to Seatack Park, develop Dunwoody Park, Amhurst Park, and Ferry Point Park Kayak Launch, and install new amenities at Plaza Northgate Park. Would create new ongoing City commitments to operate parks and replace equipment.	Revenue Loss	\$10,350,000
Parks Development and Enhancement	Proposal would make repairs and enhancements at Owl Creek Boat Ramp, Lynnhaven Marina, and Lynnhaven Boat & Beach Facility,; construct phase two of Pungo Ferry Land Park; build a parking lot at Stumpy Lake; build Three Oaks Park; add a new cricket field at Salem Woods Park; replace the field at the Princess Anne Athletic Complex with turf; install a multi-mile protected bike lane on Shore Drive near First Landing State Park; and add betterments to the Boardwalk Bike Path. Would create multiple new ongoing City commitments to operate parks and replace equipment.		\$26,900,000
Charlestown Athletic Complex	Relocation of the events currently held at Charlestown Athletic Complex to the former P&R Lynnhaven site could free up the current site for use in a future Centerville Recreation Center construction.	Revenue Loss	\$5,000,000
Total City Facilities and Assets Repair and Backlog			\$98,299,440

Broadband

Lake Edward and Colony Mobile Internet Partnership

Managed services contract with Cox Business Communications will provide internet to 1,470 households in Lake Edward and Colony Mobile Home Park. The vendor will install access points, cabling, and other hardware required for coverage in these two locations. Ongoing monthly costs after installation will provide management support, problem resolution, intrusion detection and prevention, security upgrades, configuration, and firewall protection. If the City continues to fund the access, rather than requiring user payment, the ongoing annual cost is estimated to be about \$180,000.

Capital Projects -
Broadband \$762,549

Total Broadband \$762,549

Behavioral and Mental Health

5th Floor Buildout at Pembroke 6 - Human Services

The addition of the fifth floor at Pembroke 6 would allow for the space needed for the Commonwealth funded expansion of services in the areas of crisis services, adult outpatient services, and permanent supportive housing. Space will be designed in such a way that there will be long-term flexibility to adapt to the ever-changing field of behavioral health care. Besides build out costs, the floor comes with an annual lease that would need to be absorbed by the City in the future. The estimated ongoing cost averages \$150,000 annually for the rest of the 2020s and will be subject to annual increases over time.

Revenue Loss \$1,505,031

Total Behavioral and Mental Health \$1,505,031

Affordable Housing

Judeo-Christian Outreach Center (JCOC) Campus

JCOC is working towards replacement of their current campus on Virginia Beach Boulevard. JCOC has land in place and is in the design phase. Request would be for a 50:50 match for donor gifts towards construction. A new expanded JCOC facility will provide 38 affordable housing units; a dining hall that provides more than 110,000 meals to 4,000 people per year; and new administrative offices and support programs.

Equity \$3,650,718

VBCDC Tranquility at the Lakes

Construct a 38-unit apartment building in Burton Station to serve low-income seniors. This request represents the anticipated funding gap for this project and will be combined with interest rate permanent financing from Virginia Housing, local HOME grant funding (already committed), and grant funding from the State Department of Housing and Community Development (application pending). Funding the project at this stage would be premature as project is dependent on other grant application results. Additionally, project could be eligible for other federal housing resources City administers.

Equity \$4,204,011

Total Affordable Housing \$7,854,729

Other

Wireless Library Outreach Van	A Cradlepoint router would be added to Library outreach vehicles. Vehicle acts as a “community hotspot” so that citizens can easily connect to Wi-Fi in range of the vehicle. Mobile laptop labs carried by the van will make it possible to conduct off-site classes and programs in underserved communities. There is an unknown impact on outreach and utilization of this proposed activity.	Assistance to Households	\$99,000
Water SCADA - Public Utilities	Provide upgrades to Supervisory Control and Data Acquisition (SCADA) control systems used to interface with, monitor, control, and manage City water supplies, wastewater, and water treatment systems.	Capital Projects - Water and Sewer	\$1,200,000
Community Health Assessments and Plans - Public Health	The services of a consultant will be obtained to assist the community health planning process to complete a new Community Health Needs Assessment and concrete action plan Community Health Improvement Plan.	Equity	\$135,000
Library Kiosks	Full-service Library Kiosks (similar to vending machines) will be installed in three identified at risk neighborhoods (Twin Canal Village, Friendship Village Apartments, City lot at 1672 VB Blvd) by providing 24-hour access to library materials. City would own kiosk and be responsible for upkeep.	Equity	\$453,000
ESRI and Arc GIS	Coronavirus Recovery Dashboard; Coronavirus Testing Sites Solution; Community Response Solution; and Hospitalization and PPE Inventory. Determined not be a need as the City already deployed vaccine management tools.	Public Health Emergency	\$264,400
Virginia Aquarium Live Stream	Adding a live video streaming, controllable camera to the Virginia Aquarium’s key exhibits (sharks, sea turtles, the Red Sea Aquarium and the Chesapeake Bay Aquarium), teachers, home-schoolers, and guests can experience and learn in a safe, socially distancing manner. A larger Smartboard display that supports multi-touch writing functions and interactive communication will help in-person and virtual learners remain engaged. A 3D printer allows the reproduction of biofacts using easily disinfected material. Distance learning videos requires 32TB of storage accessible by 5 computers (PCs and Macs) and two more licenses for Final Cut Pro are needed.	Revenue Loss	\$151,500

Premium Pay - Human Services	This proposal recommends one-time bonuses for Human Services staff who continued to provide in-person services during the pandemic and did not have an opportunity to telework. While eligible, this proposal is not recommended because providing premium pay to segments of the City workforce creates equity and parity concerns; the adopted FY 2021-22 Budget provided the City workforce will pay increases; and the focus of the recommendations included in this budget were on the categories set forth by City Council.	Premium Pay	\$418,500
Premium Pay - Parks & Recreation	This proposal recommends one-time bonuses for Parks and Recreation staff who continued to provide in-person services during the pandemic and did not have an opportunity to telework. While eligible, this proposal is not recommended because providing premium pay to segments of the City workforce creates equity and parity concerns; the adopted FY 2021-22 Budget provided the City workforce will pay increases; and the focus of the recommendations included in this budget were on the categories set forth by City Council.	Premium Pay	\$2,500,000
Mondoboard Replacement	This project is to update existing whiteboard hardware to interactive whiteboards in Libraries, Human Services, and Parks and Recreation Centers throughout the City. The total cost for the project includes 42 interactive whiteboard devices	Revenue Loss	\$277,000
ECCS Backup Site	Project consists of multiple phases. The initial phase would upgrade the EMS building on Virginia Beach Boulevard to enable the site to serve as an interim primary backup site while plans are developed to locate the City's backup site to Richmond. The next phase would contract for a site in Richmond and build it out to be the primary emergency backup. EMS would then be a secondary backup site. Because of the multi-site approach, project contains large ongoing cost in the millions.	Revenue Loss	\$7,750,000
Joint Network / Security Ops Contract - IT	Implement a joint Network/Security Operations Center via contractual services which would provide continuous 24/7 monitoring, security, and incident response capability for the city's IT network and core enterprise systems. Would require an ongoing cost of \$750,000 annually.	Revenue Loss	\$4,500,000

Supply Chain Management - IT	Employing a third party supply chain management solution will help to mitigate risks associated with the digital supply chain and ensure the integrity of external code and programs used by the city. This solution will ensure this type of code and programs are secure, monitored, catalogued, and tracked, and thwart and/or detect malicious action which might otherwise go undetected. Due to lower priority and limited funding available, this proposal is not recommended. Would require an ongoing cost of \$180,000 annually.	Revenue Loss	\$1,200,000
Mass Care Management - Human Services	Develop a Sheltering Management System that will allow Citizens to submit requests via mobile devices when sheltering is needed and receive a sheltering assignment based on specific needs (Medical, Pet Care, Hoteling). In addition to a Shelter Management System, the Mass Care Management Technology Program will provide technology pods of equipment typically utilized when a Shelter is opened in a School or other City building (Recreation Centers).	Revenue Loss	\$685,000
Security Cameras at the Virginia Aquarium	Additional security cameras will enable the Virginia Aquarium to quickly monitor traffic flow and guest behavior. Cameras allow for quick identification of medical emergencies, areas of “bottlenecks”, or congestion, or areas where staff assistance may be needed. Ongoing costs are estimated to be \$7,000 annually.	Revenue Loss	\$508,000
Evidence Management for APS/CPS- Human Services	The Evidence Management System Program for Adult Protective Services (APS) and Child Protective Services (CPS) is a cloud-based enterprise solution for video, audio, and image files that are part of the documentation APS and CPS Case Workers obtain during investigations. The Department of Human Services desires to integrate this software with that currently used by the Virginia Beach Police Department and Commonwealth’s Attorney.	Revenue Loss	\$500,000
Terrestrial Lidar	Vehicles equipped with LiDAR sensors, cameras, and GPS receivers canvases City streets recording hundreds of thousands of points from 5 different angles. The point images are “stitched” together to create one parallax-free cyclorama. The point Cloud library is accessed from client tools and can be used to extract City assets for review by City employees in performance of work duty without having to spend time in the field.	Revenue Loss	\$413,600
Virginia Aquarium Migration to City Network	The current system is hosted on the Foundation’s network. Proposal involved migrating to the City Network under the support and governance of City Information Technology. Ongoing costs are estimated to be \$20,000 annually.	Revenue Loss	\$380,000

Virtual Desktop	Virtual Desktop Infrastructure (VDI) capability and provides Mobile Application Management (MAM) and Mobile Device Management (MDM) functionality to support increased remote work capability for city employees and to further increase the security for mobile devices. With continued acquisition of laptops and other devices for City workforce, as well as other tools acquired during pandemic, this item is less necessary.	Revenue Loss	\$300,000
Conference Room Tech - Economic Development	The Department of Economic Development and the Strategic Growth Area Office have requested equipment upgrades and replacements to provide their conference rooms with reliable and easy to use technology solutions. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$165,848
Incident Management System - IT	Procure the incident management module for the ServiceNow application. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$150,000
Virginia Aquarium Mobile Data Entry / Vet Records	Providing City wireless access points to create a dense network signal in “back of house” areas would enable Virginia Aquarium staff, in real time, to enter records at the location of the veterinary or husbandry activity data. Ongoing costs are estimated to be \$23,000 annually.	Revenue Loss	\$109,770
Augmented Reality - Cultural Affairs	An augmented reality museum application/service for the historic sites and museums superimposes images, text, and sounds onto artifacts to provide greater details and stories. Facilities included in the virtual experience: Francis Land House; Lynnhaven House; Thoroughgood House; and Union Kempsville High School Museum. Purchase could be made from department's operating budget.	Revenue Loss	\$95,000
Public Works Devices	10 mobile hot spots, 20 net new laptops, and 20 headsets. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$91,775
Sandbridge Parking Smartpole - Economic Development	Parking Management recently acquired multiple Mobile Payment applications that will allow City customers the ability to pay for on-street and off-street parking real time. The current mobile wireless coverage at Little Island Park is not conducive to handle the amount of City customers who visit yearly. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$90,000
Endpoint Security	Replace current McAfee software with Microsoft. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$65,000

Public Utilities Devices	30 desktops to be replaced with laptops. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$47,400
Public Utilities Kiosks	iPad Pros as kiosks to make it easier for citizens to obtain information and for visitor check-ins. Due to lower priority and limited funding available, this proposal is not recommended.	Revenue Loss	\$30,378
Sheriff Virtual Learning	The purpose of this project is to reestablish GED, Jail Education, and Recovery programs as virtual learning programs through mobile “virtual classrooms.” Programs have been severely impacted in the pandemic with the ability to host staff onsite as previous programs occurred through physical classes in meeting with teachers, counselors, and facilitators.	Revenue Loss	\$25,000
Total Other			<u>\$22,605,171</u>
Total Requested But Not Funded			<u>\$288,642,911</u>

American Rescue Plan Act
Requested But Not Funded Not Eligible or Not Executable

Title	Description	Treasury Category	Amount	Reason Not Eligible or Executable
Stormwater				
Canal Management I	Additional funding for the canal management program. There is a growing need for canal management to prevent impact to the current 95-year dredging cycle. There are 60 plus canals throughout the City, in addition to the inland lakes that are included in the current dredging cycle. The current project cycle based on current funding level at \$500,000 per FY (FY 23-FY27) is approximately 100 years.	Capital Projects - W&S	\$10,100,000	Project is not eligible under the provisions of the <i>American Rescue Plan Act</i> due to its limited relationship to and impacts on water quality. Further, Public Works has concerns regarding the ability to execute project within the federal timeline based upon the need for individual sub-project designs and due to U.S. Army Corps of Engineers permitting, which is a non-controllable aspect of the project.
Back Bay Marsh Restoration	Restore valuable habitat for Back Bay fish and wildlife species, improve water quality, and reduce flood impacts by reducing wave heights and water velocities. The outcome will be a community-supported project that demonstrates the efficacy of the first-ever application of marsh terraces in the Mid-Atlantic region.	Capital Projects - W&S	\$20,000,000	Construction timeframe will not be completed within timeframe set forth by the federal government.
Eastern Shore Drive - Lynnhaven Colony Park Pump Station	Acquisition and construction of a stormwater pump station on the south side of Lynnhaven Colony Park with Kleen Street located to the east, Cape Henry Trail to the south, and Jade Street to the west.	Capital Projects - W&S	\$10,100,000	Federal funds would supplement local funds, which are already programmed, and would not speed up timeframe. This situation may present eligibility concerns. Project is likely to be part of separate federal grant application.
Eastern Shore Drive - Lynnhaven Colony Park Pump Station	Acquisition and construction of a stormwater pump station on the north side of Lynnhaven Drive between Cape Henry Canal to the east and West Great Neck Road to the west.	Capital Projects - W&S	\$2,500,000	Federal funds would supplement local funds, which are already programmed, and would not speed up timeframe. This situation may present eligibility concerns. Project is likely to be part of separate federal grant application.
Princess Anne Plaza Golf Conversion	Design, acquisition of property, and construction of the first section of the conversion of Bow Creek Golf Course in the Rose Hall District into a park with stormwater storage. Design and construction of the excavated lakes and park amenities are included.	Capital Projects - W&S	\$20,710,000	Construction timeframe will not be completed within timeframe set forth by the federal government. Project is included on the referendum list. Referendum total now tied to those projects, therefore any reduction of project lowers the longterm Flood Protection Program borrowing capacity.

Western Oceana Gardens	Mitigation for habitable structure flooding for more than 12 structures along Michigan Avenue and Ohio Avenue as well as mitigating all street flooding. The habitable structure between Sykes Avenue and Realty Lane is also relieved of flooding with the proposed improvements.	Capital Projects - W&S	\$14,250,000	Projected construction timeline is close to the end of the federal timeframe. Any delays will cause project to not finish in time allotted.
The Lakes -- South London Bridge Channels	Design, acquisition, and construction of channels and a tide gate along West Neck Creek just east of Lynnhaven Parkway where The Lakes and Green Run Canals converge with West Neck Creek. This project will block the incoming (rising) tide along West Neck Creek from entering the project area and filling up the available storage with the drainage system (pipes, canals, and lakes).	Capital Projects - W&S	\$9,492,000	This project is included on the referendum list. Project is not likely eligible under the provisions of the <i>American Rescue Plan Act</i> due to its limited relationship to and impacts on water quality.
Total Stormwater			\$87,152,000	

Economic Support and Assistance

Hospice House	Facility provides hospices beds in the City; currently, there is no hospice bed provider in the region outside of Sentara Hospital. City would fund a portion of the Hospice House's construction costs.	Response to the Public Health Emergency	\$4,300,000	There is no direct linkage to the expansion of hospice beds and the pandemic. Hospice House would not likely or primarily provide bed capacity for those suffering from COVID. Additionally, federal regulations set out that only temporary expansion of hospital capacity is allowed and that is for <i>public</i> facilities. Neither Sentara nor the Hospice House are public, thus, unless the City were to run operations this would not qualify. Similarly, project is also ineligible for revenue loss because it is not a City CIP project.
Healthier757	A digital game and rewards program would be programmed and released that would give users the ability to achieve points for healthy life choices and actions. Program is designed to incentivize healthy behaviors.		\$2,800,000	Technology has not been developed, therefore this project would include programming not just deployment and thus adds timeline and rollout concerns. Costs of the proposal include a large promotional amount. Further, evidence of the program's service to communities in need is a developmental detail.
Total Economic Support and Assistance			\$7,100,000	

City Facilities and Asset

Backlog Repair

Centerville Recreation Center	Build a new recreation center in the Centerville District. Proposal estimate includes the cost for only a recreation center, not a multi-purpose facility and selects the site that is currently deemed to be the most practical alternative. However, the design of the facility would still be subject to citizen visioning sessions and input.	Revenue Loss	\$37,000,000	Can not be built within the timeframe allotted by federal law. Even without the needed community engagement sessions to determine the actual type of facility desired, project construction completion date would not be until spring 2028. Project also comes with a \$4 million ongoing operating cost.
LETA Land Purchase	The land that the Law Enforcement Training Academy sits on is owned by the Virginia Beach City Public Schools (VBCPS). VBCPS is interested in selling the property. A prior analysis for future sites of the Law Enforcement Training Academy identified the current site as the best location.	Revenue Loss	\$6,300,000	Treasury guidelines do not provide for the purchase of land as a use. Revenue Loss must be used to actually provide government service. Thus, there is no affirmation for land acquisition that is outside the scope of furtherance of a capital project.
Northampton Boulevard Sound Wall	Build a sound wall near Northampton Boulevard around Jack Frost Road. Project is slightly over 3,000 linear feet in length and fourteen linear feet high. VDOT previously ruled that the roadway was not eligible for noise mitigation because at the time there were no federal funded projects would underway in the area.	Revenue Loss	\$8,000,000	Right-of-Way and Easement Acquisition present timeline and legal concerns that likely inhibit ability for the project to be completed within the federal timeframe.
Total City Facilities and Assets Repair Backlog			\$51,300,000	

Behavioral and Mental Health

Jail and Re-Entry Services Pathway	Through a collaborative effort of the Virginia Beach Department of Human Services and the Virginia Beach Sheriff's Office, the Jail and Re-Entry Services Coordination Pathway was developed as a multi-faceted program to address behavioral health needs.	Response to the Public Health Emergency	\$1,931,788	Treasury guidelines call for an expansion of programs, this continues a program. Given past delays in hiring, concerns exist regarding ability to fully staff program and expend resources by federal deadline. Resources exist for program in FY 23 already.
Crisis Hub Overtime Expansion	Clinicians would be staffed 2 per shift, Monday through Friday, 7 a.m.-11 p.m. The clinicians would then rotate being on stand-by time on weekends and holidays, and receive overtime pay if dispatched. This would allow for a team response to any crisis call, increasing safety and the quality of services able to be provided to citizens in need.	Response to the Public Health Emergency	\$418,600	Funds for this purpose can be provided from department's operating budget and further, proposal reserves funds for future costs that may not materialize.

Social Services Overtime	The additional funding ensures that there is adequate funding to compensate staff members that cover standby shifts on weekdays, weekends, and holidays for the immediate aftermath of the pandemic. The employees are scheduled on a rotating basis.	Response to the Public Health Emergency	\$994,624	Funds for this purpose can be provided from department's operating budget and further, proposal reserves funds for future costs that may not materialize.
Total Behavioral and Mental Health			\$3,345,012	
Affordable Housing VBCDC Grand Cypress	Pay off short-term financing used to acquire Grand Cypress Apartments in 2016 and perform needed rehabilitation. The project is a small multifamily apartment complex consisting of 55 two-bedroom apartments nestled within the Cypress Point community. 25 of the units are two-bedroom townhome style apartments and 30 are two-bedroom garden style apartments.	Assistance to Households	\$6,448,000	Paying debt is not an eligible Treasury use. The debt incurred was used to purchase land from the City.
Match Savings - Department of Housing and Neighborhood Preservation	Participants in the City operated Family Self Sufficiency program will be encouraged to save \$100 per month for a year, and the City will match their savings. The program will only be offered to those with 24 months in the program already. Any adult household member can enroll as can minors 16+ in that household.	Assistance to Households	\$93,600	Program did not link participants to those who suffered pandemic impacts or screen by geographic location. Therefore, program is not an eligible use.
Enoch Baptist Church Transition	Acquire property leased at 5677 Herbert Moore Road to secure the site for its homeless housing program, which currently serves 13 individuals. Occupants will be allowed to stay in the residence for up to two years while they receive services that will enable them to develop or enhance their skills. Additionally, the Transition Program will provide childcare vouchers for Enoch Christian Academy.	Equity	\$550,000	Proposed project is not in a Qualified Census Tract and the proposal did not set out how childcare would be structured to serve individuals directly impacted by the pandemic.
NAMI Beach Health Conversion	NAMI Coastal Virginia seeks to create a permanent supportive housing (PSH) facility at 3396 Holland Rd, the current location of the Beach Health Clinic, which will be closing in December 2021. This project consists of a feasibility study and purchase the property on Holland Road. The property is zoned Office 1 or 2. Extensive renovations will be required to convert the majority of the space into single residence occupancy (SRO) units, each with a small kitchen and bathroom.	Equity	\$1,500,000	Proposed project is not in a qualified Census Tract. Project is in concept stage and requires multiple steps, thus concern exists federal deadline may not be met. Feasibility study alone is not an eligible use because it does not directly provide services to people. City recently was awarded additional funds from the Commonwealth to expand Permanent Supportive Housing, which solves some of the goals this proposal attempts to achieve.
Virginia Supportive Housing Cloverleaf	VSH believes an underutilized parking lot provides an opportunity for additional supportive and/or affordable housing, possibly up to 60 additional units. By reducing the need to apply for funding from over 20 diverse sources, the project timeline could be shortened.	Equity	\$10,100,000	Project is in an early stage, thus concern exists that the federal deadline may not be met. Does not have any planning or zoning approvals yet.

Center for Global Diplomacy Transitional Support Housing	The ten transitional housing units and supporting services are for families experiencing short term crisis due to employment interruption, family crisis due to domestic violence, and natural disaster events. The “term of stay” must be less than one year, along with enrolling in the Upward Mobility Program for receiving family services from employment, well-being, and other services. Request is for capital and service costs.	Equity	\$8,650,000	Proposed project is not in a qualified Census Tract.
Kingdom Connections and Clinton Truhart Estate	Create an independent living community that will provide supportive housing services to low-income people and as they expand, will include single room occupancies for seniors, so that in the long-term the community will become a dedicated senior living community.	Equity	\$5,017,000	Homes to be purchased are not located in the City of Virginia Beach (location is in Hampton).
Landlord Loss Mitigation - Department of Housing and Neighborhood Preservation	Landlords receive up to \$2,500 per family for loss mitigation if a unit is damaged beyond normal wear and tear. The claim can be filed for amounts over and above the security deposit for damages more than normal wear and tear. Eligible expenses include costs for debris removal, evictions, and pet damage.	Equity	\$675,000	Program did not link payments to pandemic impacts or screen by geographic location. Therefore, program is not an eligible use.
PIN Ministry	PIN Ministry requests funds to support service provision to homeless individuals in the areas of workforce development, gap medical care, and addiction outreach. Included in this proposal is the purchase and buildout of a central facility for medical services and a new home for women. Currently, PIN provides shelter to six people, but due to less female participants on average, must reduce the number of female offerings.	Equity	\$3,918,028	Locations were not set out, a number of services are predicated upon hiring additional staff, which creates concerns regarding full expending of resources before the federal deadline, and several services to be provided are new to organization.
Total Affordable Housing			\$36,951,628	
Other				
Chromebooks - Housing	The proposal would buy and supply devices to participants in the City operated Family Self Sufficiency program. To be eligible, participants must: A. Enroll in the FSS financial coaching program and B. Enroll in a savings program. It is anticipated that 25 current families will receive the device, and two additional families per month will be added.	Assistance	\$33,000	Program did not link participants to those who suffered pandemic impacts or screen by geographic location. Therefore, program is not an eligible use.
SmartPoles	Multiple City departments would place SmartPoles at their various locations in the City. It is expected to be a three-year project. All seven Library Locations and the two Historic Houses being completed in the first year; the second year, all eight Parks and Recreation locations will be completed; and the third year, all ten locations at the Virginia Aquarium will be completed.	Capital Projects - Broadband	\$1,165,000	Questions exist regarding its long-term usefulness and its eligibility under the federal guidelines as the project does not provide fiber to the home. Project has an ongoing cost.

Broadband Expansion	WiFi poles and access points will be installed at existing public facilities, and a partnership with Globalinx Data Center, LLC will provide ISP and data center services. Funding would pay for fiber, network hardware, additional city MPLS nodes, redundant firewalls, implementation services, and potential ISP uplink.	Capital Projects - Broadband	\$1,035,002	Proposal would require much more time to develop the documentation to be able to determine to service impact or justify its inclusion to the federal government, especially given the current status of federal broadband maps. There are also question regarding the municipality's involvement in the provision of Internet Service, which is not allowed by Virginia Code.
Laptops - Real Estate Assessor's Office	Purchase 30 laptops for the Real Estate Assessor's Office.	Revenue Loss	\$47,400	Purchased with City funds after proposal was submitted.
Comprehensive Healthcare - Human Services	A previous attempt to upgrade this technology was unsuccessful; therefore, a new system upgrade must be acquired.	Revenue Loss	\$1,550,000	The project's delay was due to vendor issues not the pandemic or revenue loss. Due to prior issues, concerns exist about the project's actual timeline.
Financial Records Modernization - Human Services	The Commonwealth informed Human Services that it is migrating away from the existing Harmony financial management system. A new system would be studied and then acquired.	Revenue Loss	\$975,000	Given the City's recent experience with a financial conversion, a multi-year implementation schedule is likely, which would be beyond the Federal timelines.
Cloud Documentation Management - Human Services	Procurement and implementation of contracted services to modernize the current paper record management system to an electronic record management system. It includes funding for division wide software rollouts, business process assessments, site configurations, training, and the conversion of current paper records to digital files for Human Services' Human Resources and Child Protective Services Divisions.	Revenue Loss	\$728,000	Volume of documentation that needs to be converted as part of this project creates concerns regarding the project's ability to be completed within the timeframe.
Global Flyte AWARE	AWARE - Indoor provides the ability to virtually walk through and interact with Virginia Beach's 130,000 sq. ft. City Hall Building. 60 Virginia Beach named users (Dispatch, Police, Fire, EMS) would obtain an ArcGIS based Action Map with secure role-based access to AWARE®- Indoor 3D, Building Indoor Imagery of City Hall.	Revenue Loss	\$122,500	Most of the project not fit within the items outlined by the Treasury in the Revenue Loss Category.
FME Server	Workflows would support the gathering of keyword information from social media accounts (Twitter and Facebook) to create a geographic timeline of events from social media feeds and live streaming apps. FME will compose a virtual map of the timelines and locations allowing analysis to reconstruct events.	Revenue Loss	\$43,200	Does not fit within the items outlined by the Treasury in the Revenue Loss Category.
Total Other			\$5,699,102	
Total Requested But Not Funded			\$191,547,742	

Budget of the Commonwealth of Virginia Overlap with City Council Priorities

<u>Stormwater</u>	None, all funds target water and sewer.
<u>Broadband</u>	Grant Program through Virginia Telecommunications Initiative (\$700.7 million) Creation of a Line Extension Customer Assistance Program (\$16 million) Mostly for state facilities and workforce. \$11 million for local crisis programs in FY 22 and \$23 million FY 22-24. \$5 million for substance use treatment FY 22 and \$5 million FY 22-24.
<u>Behavioral and Mental Health</u>	Utility Assistance for customers 60 days in arrears as of August 31 (\$120 million)
<u>Economic Support and Assistance</u>	Food Access Programs: \$14.6 million FY 22, \$11 million FY 22-24; of the latter, \$10 million is for Food Bank Capacity Building
<u>Impacted Industries</u>	Rebuild VA! (\$250 million). Tourism has 1 st priority for new applications (\$81 million of the \$250 million) Grants to Destination Marketing Organizations (\$30 million) and Virginia Tourism Corporation Ads (\$18 million)
<u>Affordable Housing</u>	None

Overlap with City ARPA Requests, Not Listed Above

-Local Departments of Health: \$30 million for infrastructure to reach and serve at-risk communities, \$8 million for broadband connectivity, \$20 million for targeted community outreach (also money for health records). Info to be released by September 30th on implementation schedules. Further, \$10 million to DMAS for eligibility evaluations in FY 22 and \$5 million FY 22-24.

-Housing Funds from other Federal Sources: \$990 million for Emergency Rental Assistance, \$39.7 million for Affordable Housing and Homelessness; \$250 million for Homeowners Assistance Fund

Other Items for City Consideration

-\$1 million to Virginia Tourism Corporation for the Virginia African American Cultural Center. The City is to serve in a supporting role on programming that will support additional destination tourism.

-\$250 million for School HVAC, based on enrollment, VBCPS is likely eligible for estimated \$11-13 million. Must be matched at 1:1 basis with any local source (VBCPS has HVAC CIP project with extensive appropriations.

-\$3,000 bonus for sworn positions in the Sheriff's Offices in FY 22.

-If enacted, the federal infrastructure bill has further broadband appropriations: \$42.45 billion to states, of which each state is guaranteed minimum of \$100 million; \$1 billion for middle mile deployment competitive grants; and \$550 million annually for five years for Digital Equity.