

RESOLUTION NO. 2023-64
RESOLUTION NO. 2023-02 (S/A-MRA)
RESOLUTION NO. 2023-01 (NPC)
RESOLUTION NO. 2023-01 (PPSC-NPC)
RESOLUTION NO. 2023-01 (MAC)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA, SUCCESSOR AGENCY TO THE MARINA REDEVELOPMENT AGENCY, ABRAMS B NON-PROFIT CORPORATION BOARD, PRESTON PARK SUSTAINABLE COMMUNITY NPC BOARD AND AIRPORT COMMISSION AUTHORIZING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2023-24

WHEREAS, the City of Marina fiscal year ends on June 30, 2023; and

WHEREAS, the City Council held public meetings on March 30 and May 30 to discuss priorities for the budget for fiscal years 2023-24 and 2024-25; and

WHEREAS, city staff made presentations and addressed City Council and public questions during the above meetings; and

WHEREAS, the City budget process and final adoption will not be completed by the beginning of the fiscal year, July 1, 2023.

WHEREAS, the Final Rule of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program allows for smaller jurisdictions such as the City of Marina to utilize a standard revenue loss allowance up to \$10,000,000; and

WHEREAS, the City wishes to utilize the SLFRF standard revenue loss allowance to obligate and expend its remaining SLFRF allocation to pay for general government services through fiscal year 2022-23;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina, Successor Agency, Abrams B, Preston Park and Airport, as follows:

1. In order to continue to provide city services, pay city obligations and continue approved capital projects, the appropriations of the applicable entity funds are hereby authorized to continue at the levels established for the fiscal year 2022-23 amended budget; and
2. Expenditures shall not exceed the levels established for the fiscal year 2022-23 amended budget; and
3. This resolution shall remain in effect until adoption of fiscal year 2023-24 and 2024-25 budget; and
4. In order to utilize the standard revenue loss allowance of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, the City chooses to obligate and expend its remaining funding allocation to pay for general government services, including Public Safety and Administration.

PASSED AND ADOPTED by the City Council of the City of Marina, Successor Agency of the Marina Redevelopment Agency Board, Abrams B Non-Profit Corporation Board, Preston Park Non-Profit Corporation Board and Airport Commission at an adjourned meeting duly held on the 20th day of June 2023, by the following vote:

AYES: COUNCIL/AGENCY MEMBERS: Visscher, McCarthy, Biala, Medina Dirksen, Delgado

NOES: COUNCIL/AGENCY MEMBERS: None

ABSENT: COUNCIL/AGENCY MEMBERS: None

ABSTAIN: COUNCIL/AGENCY MEMBERS: None

Bruce C. Delgado, Mayor/Chair

ATTEST:

Anita Sharp, Deputy City Clerk/Board Secretary

June 16, 2023

Item No. **10f(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 20, 2023

Honorable Chairperson and Members
of the Successor Agency to Marina Redevelopment Agency

Successor Agency Meeting
of June 20, 2023

Chair and Board Members of
Abrams B Non-Profit Corporation

Corporation Meeting
of June 20, 2023

Chair and Board Members of
Preston Park Sustainable Community Non-Profit Corporation

Corporation Meeting
of June 20, 2023

Chair and Board Members of
Airport Commission

Commission Meeting
of June 20, 2023

CITY COUNCIL, SUCCESSOR AGENCY TO THE MARINA REDEVELOPMENT AGENCY, ABRAMS B NON PROFIT CORPORATION BOARD, PRESTON PARK SUSTAINABLE COMMUNITY NON PROFIT CORPORATION BOARD AND AIRPORT COMMISSION CONSIDER ADOPTING RESOLUTION NO. 2023- , 2023- (SA/MRA), 2023- (NPC), 2023- (PPSC-NPC) AND 2023- (MAC) CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2023-24

REQUEST:

It is requested that the City Council, Successor Agency to Marina Redevelopment Agency Board, Abrams B Non-Profit Corporation Board, Preston Park Sustainable Community Non-Profit Corporation Board and Airport Commission consider:

1. Adopting Resolution No. 2023-, 2023- (SA/MRA), 2023- (NPC), 2023- (PPSC-NPC) and 2023- (MAC) continuing appropriations for Fiscal Year 2023-24; and
2. Authorizing The City of Marina to utilize the standard revenue loss allowance under the United States Department of the Treasury Final Rule to comply with the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA).

BACKGROUND:

The City Council of the City of Marina, Successor Agency to the Marina Redevelopment Agency Board, Abrams B Non-Profit Corporation Board, Preston Park Sustainable Community Non-Profit Corporation Board and Airport Commission authorize spending through the budget which appropriates funds for each fiscal year. The City's fiscal year is for the period of July 1st through June 30th.

Public meetings were held March 30 and May 30, 2023 to discuss overall city finances, general economic outlook and receive feedback from the City Council and public and to discuss priorities for the current and future budgets.

Additional budget discussions and hearings are continuing to be held and the budget is not anticipated to be adopted by July 1, 2023. The City Council of the City of Marina, Successor Agency to the Marina Redevelopment Agency Board, Abrams B Non-Profit Corporation Board, and Airport Commission will need to consider adopting a resolution to authorize appropriation of applicable entity funds in order to continue to provide City services, pay City obligations and continue approved capital projects.

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF), ALSO KNOWN AS AMERICAN RESCUE PLAN ACT (ARPA):

As part of ARPA, The City of Marina was awarded and has received about \$5.4 million in SLFRF funds. Council previously approved the use of about \$270 thousand of these funds to provide one-time premium pay to staff who worked through the pandemic as well as one-time loan relief for businesses that participated in the City's small business loan program.

In April 2022 the U.S. Department of the Treasury released its Final Rule that, among other things, allows for smaller cities and jurisdictions, that received less than \$10 million in ARPA funds, to utilize a standard revenue replacement allowance. Under this standard allowance, the final rule presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund government services. This standard allowance offers a simple and convenient way to determine revenue loss, particularly for smaller recipients. The allowance also provides for streamlined reporting and auditing given that the use of funds is now broadened to any service typically provided by recipient governments.

Staff recommends utilizing the standard revenue replacement allowance for the remaining balance of approximately \$5.3 million in SLFRF. Under this action, the City would presume these funds to be used to pay salaries and benefits for all city personnel and departments operating under the General Fund, including Police, Fire, Administration, etc. These funds would effectively provide a one-time revenue source for the City's general fund.

ANALYSIS:

The attached resolution will permit the City to continue to provide city services, pay city obligations and continue approved capital projects at the level established for the fiscal year 2022-23 amended budget until adoption of fiscal years 2023-2024 and 2024-2024 budget. It is anticipated additional budget discussions and activities will be held in July 2023 and a budget will be presented for adoption in July 2023.

FISCAL IMPACT:

Should the City Council of the City of Marina, Successor Agency to the Marina Redevelopment Agency Board, Abrams B Non-Profit Corporation Board, Preston Park Sustainable Community Non-Profit Corporation Board and Airport Commission approve this continuing resolution request, the fiscal impact will be set forth in the FY 2022-23 amended budgets.

Should the City Council of the City of Marina approve the use of the SLFRF standard allowance, general fund revenues that suffered during the pandemic would be replaced and utilize to pay for traditional government services through the end of FY 2022-23.

CONCLUSION:

This request is submitted for City Council, Successor Agency of the Marina Redevelopment Agency Board, Abrams B Corporation Board, Preston Park Corporation Board and Airport Commission consideration and possible action.

Respectfully submitted,

Juan Lopez
Finance Director
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina