



## STAFF REPORT

**DATE:** November 9, 2021  
**TO:** Kent Cagle, City Manager  
**FROM:** Jonathan Locke, Executive Director of Finance  
**SUBJECT:** Boys & Girls Clubs of Central Texas Agreement

### **BACKGROUND AND FINDINGS:**

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law, establishing the Coronavirus State & Local Fiscal Recovery Funds (Fiscal Recovery Funds). The Fiscal Recovery Funds are intended to provide support to the City in responding to the impact of COVID-19 and in the City's efforts to contain COVID-19 among the community, residents, and businesses.

Fiscal Recovery Funds may be used:

- 1) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- 2) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- 3) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- 4) To make necessary investments in water, sewer, or broadband infrastructure.

The City received \$29.1 million in Fiscal Recovery Funds. Half of the amount was received in June 2021 and the remainder is scheduled to be received in June 2022. The Fiscal Recovery Funds must be used to cover costs incurred during the period of March 3, 2021, and ending December 31, 2024, for one or more of the allowed purposes. In certain instances, the funding need only be obligated by December 31, 2024, and spent no later than December 31, 2026.

Throughout the Fiscal Year 2022 Budget process, City Council approved uses of the Fiscal Recovery Funds. On September 14, 2021, City Council approved the Fiscal Year 2022 Budget that established appropriations for the approved uses. The Boys & Girls Clubs of Central Texas was approved to receive \$750,000 to be used for the Great Futures 2025 Phase 2 project.

The Great Futures 2025 Phase 2 project includes construction of a 9,500 square foot prefabricated metal building on the northern corner (Gray Street & Green Street) of the Boys & Girls Clubs' campus. The facility will be used for multiple purposes, including 1) a full gymnasium supporting recreation programming for all ages, 2) a College Career Center

dedicated to teen programming, 3) to provide outdoor recreation and playground equipment, and 4) a Community Counseling and Therapy Center operated by Texas A&M University Central.

The total cost of the project is estimated to be \$2 million. Bell County has pledged \$750,000 towards the project and the Boys & Girls Clubs of Central Texas will fund the remaining \$500,000. The project is scheduled to begin in January 2022 and is estimated to be completed in the Summer of 2022.

The Great Futures 2025 Phase 2 project will serve populations that are disproportionately impacted by the pandemic. The Boys & Girls Clubs currently serves 350 youth members between the ages 6-12. Among these youth, 86% meet the federal poverty guidelines for reduced-price school meals (185% of federal poverty level) and free school meals (130% of federal poverty level). In addition, 77% of the youth members identify as being part of a minority ethnic group. An analysis performed by the Boys & Girls Clubs determined that 1,503 school-aged children reside within a one-mile radius of the project site and 87% of the children meet the federal poverty guidelines for free or reduced-price school meals.

The term of the agreement will be January 1, 2022, through December 31, 2024. Throughout the term of the agreement, the Boys & Girls Clubs will provide programmatic reporting. On a quarterly basis this will include the number of individuals served monthly at the Great Futures/McLaurin-Boyd Family Campus. In addition to the individuals served, demographic and socioeconomic information, such as age, gender, highest household education level, household income, race, and ethnicity must be provided. The Boys & Girls Clubs will provide City Council with an annual presentation that will include an overview of the project and individuals served.

#### **THE ALTERNATIVES CONSIDERED:**

- 1) Do not approve the agreement with Boys & Girls Clubs of Central Texas; and
- 2) Approve the agreement with Boys & Girls Clubs of Central Texas.

#### **Which alternative is recommended? Why?**

Alternative 2 is recommended, because City Council approved using Fiscal Recovery Funds for the Boys & Girls Clubs of Central Texas during the Fiscal Year 2022 Budget process.

#### **CONFORMITY TO CITY POLICY:**

The agreement for the Boys & Girls Clubs of Central Texas meets applicable City policies and the project meets the allowed uses of Fiscal Recovery Funds.

**FINANCIAL IMPACT:****What is the amount of the expenditure in the current fiscal year? For future years?**

The total project cost is \$2 million, and the City's portion is \$750,000. Progress payments will be made according to the following schedule:

<b>Milestone</b>	<b>Payment</b>
Prior to January 15, 2022	\$250,000
Project completion and proof of payment reach 50%	\$250,000
Project completion and proof of payment reach 75%	\$150,000
Project completion and proof of payment reach 90%	Up to \$100,000

**Is this a one-time or recurring expenditure?**

One-time

**Is this expenditure budgeted?**

Yes, in the General Fund Non-departmental account number 010-9501-491.50-86.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

City Council approve the agreement with the Boys & Girls Clubs Central Texas in the amount not to exceed \$750,000.

**DEPARTMENTAL CLEARANCES:**

Finance  
Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Agreement  
Certificate of Interested Parties