

FILED
MAY 24 2021
Belinda Munson
MUNCIE CITY CLERK

ORDINANCE NO. 10-21

AN ORDINANCE OF THE CITY OF MUNCIE APPROPRIATING FUNDS TO THE CITY OF MUNCIE ARP GRANT FUND AND APPROVING THE CITY OF MUNCIE ARP FUND PLAN

WHEREAS, the federal government adopted Section 9901 of the American Rescue Plan Act of 2021 (“ARP”), which established the Coronavirus Local Fiscal Recovery Fund (“Fund”) to provide grant funds to units of local government (“ARP Funds”); and

WHEREAS, the City of Muncie has been awarded \$31,700,000.00 in ARP Funds, half of which will be distributed in 2021 and the other half will be distributed in 2022; and

WHEREAS, on May 3, 2021, the Common Council of the City of Muncie adopted Ordinance 12-21 establishing the City of Muncie ARP Grant Fund; and

WHEREAS, prior to distributing ARP Funds for the uses permitted by the ARP, the Common Council is required to appropriate the ARP Funds and approve a plan for the use and distribution of the ARP Funds;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MUNCIE AS FOLLOWS:

Section 1: A total of \$15,850,000.00 is hereby appropriated to the City of Muncie ARP Grant Fund (Fund #180) for use and distribution in 2021. These funds shall be used only for the purposes set forth in the City of Muncie ARP Fund Plan. Any funds remaining at the end of 2021 shall be carried over for use in 2022 for the purposes set forth in the City of Muncie ARP Plan.

Section 2: The ARP Fund Plan attached hereto as Exhibit A is hereby adopted as the plan for use and distribution of the ARP Funds.

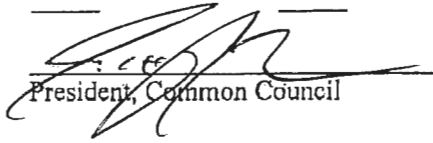
Section 3: The ARP Fund Plan may be amended only by ordinance or resolution of the Common Council of the City of Muncie.

Section 4: The committees established by the ARP Fund Plan shall be subject to the requirements of the Indiana Open Door Law.

Section 5: This Ordinance shall be in full force and effect from and after its passage by the Common Council and its approval by the Mayor of the City of Muncie, Indiana, and such publication as may be required by law.

Passed by the Common Council of the City of Muncie, Indiana, this 14 day of June, 2021.

	Yeas	Nays	Abstained	Absent
Ralph Smith	_____	_____	_____	✓
Jeff Robinson	✓	_____	_____	_____
Brandon Garrett	✓	_____	_____	_____
Bradley Polk	✓	_____	_____	_____
Jerry D. Dishman	✓	_____	_____	_____
Anitra Davis	✓	_____	_____	_____
Aaron Clark	_____	_____	_____	✓
Troy A. Ingram	✓	_____	_____	_____
Ro Selvey	✓	_____	_____	_____



 President, Common Council

ATTEST:




 Belinda Munson, City Clerk

Presented by me to the Mayor for his approval this 14 day of June, 2021.



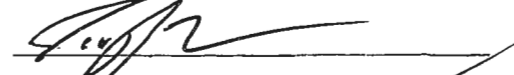
 Belinda Munson, City Clerk

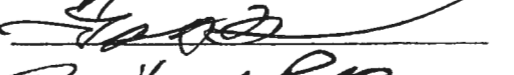
The above Ordinance is approved/vetoed by me this 19 day of June, 2021.



 Dan Ridenour, Mayor

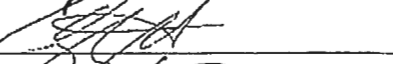
This Ordinance is proposed by Council Member





 Bradley Spake

This Ordinance is approved in form by the City Controller



This Ordinance is approved in form by Legal Counsel



CITY OF MUNCIE, INDIANA

American Rescue Plan Act

ARP Fund Plan

Adopted: _____

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Overview

The Act: The federal government adopted Section 9901 of the American Rescue Plan Act of 2021 (“ARP”), which established the Coronavirus Local Fiscal Recovery Fund (“Fund”) to provide grant funds to units of local government (“ARP Funds”). ARP requires recipients of ARP Funds to establish a plan for use of the funds to be adopted by the fiscal body of the recipient. In addition, ARP funds must be appropriated by the fiscal body prior to distribution.

Funding Allocated: The City of Muncie has been allocated \$31,700,000.00 in ARP Funds, half of which will be distributed in 2021 and the other half will be distributed in 2022.

Permitted Use of Funds: Pursuant to the Section 603(C) of the ARP and the Department of the Treasury’s Interim Final Ruling, the funds shall be used only for the following purposes:

- (A) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel and hospitality;
- (B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the metropolitan city...that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform such essential work;
- (C) for the provision of government services to the extent of the reduction in revenue of such metropolitan city...due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city...
- (D) to make necessary investments in water, sewer, or broadband infrastructure.

Process of Distribution: All ARP Funds must be appropriated by the Common Council prior to distribution, and all ARP Funds shall be distributed in accordance with this ARP Fund Plan and the ARP. The City of Muncie may contract with a private nonprofit organization, a public benefit corporation or a special-purpose unit of State or local government for the purpose of distributing ARP Funds in accordance with this ARP Fund Plan and preparing the required reporting to the Secretary of the Treasury as required by ARP. ARP Funds must be obligated for expenditure by December 31, 2024, unless extended by the federal government.

Plan Preparation & Amendments: This ARP Fund Plan was prepared with the assistance and input of a committee established by the Mayor of the City of Muncie, which included members of the City of Muncie administration, three (3) members of the Common Council and other members of the community. This ARP Fund Plan shall not be effective unless and until it is approved by the Common Council of the City of Muncie. This ARP Fund Plan may be amended by the Common Council at any time to comply with Section 603(C) of the ARP and any official guidance issued by the United States Treasury Department.

Internal Controls and Reporting: The City of Muncie shall design and implement internal controls to provide reasonable assurance that the ARP Funds will be safeguarded and used in accordance with the ARP. The internal controls shall include written documentation/receipts of distributions made from the ARP Fund, written agreements with fund recipients or authorized third parties that will distribute ARP Funds in accordance with this ARP Fund Plan and required reporting from recipients of ARP Funds to ensure ARP Funds are spent in accordance with this ARP Fund Plan and the ARP. Legal counsel for the City of Muncie and the Common Council shall provide advice in establishing the criteria and eligibility in relation to the permitted uses for ARP Funds.

Summary of Funding Allocation

<u>2021</u>	<u>Amount</u>
City of Muncie Budget Shortfall	\$2,701,141.00
Prairie Creek Reservoir	\$500,000.00
Restaurants	\$2,000,000.00
Nonprofit Organizations	\$2,000,000.00
Small Business/Tourism	\$2,000,000.00
Horizon Convention Center	\$700,000.00
Courtyard by Marriot Muncie Hotel	\$3,750,000.00
Other Hotels	\$350,000.00
Ironman Muncie	\$100,000.00
Public Art Beautification Projects	\$500,000.00
Madjax & Village Promenade	\$650,000.00
<u>2022-2024</u>	
City of Muncie 2022 Budget Shortfall	\$1,924,430.00
City of Muncie 2023 Budget Shortfall	\$1,924,430.00
Infrastructure Projects	\$7,000,000.00
Neighborhood Assistance	\$1,000,000.00
Projects to Aid Tourism, Travel & Hospitality and Support Health & Wellness	\$900,000.00
Madjax & Village Promenade	\$1,700,000.00
Substance Abuse & Behavioral Health Treatment	\$2,000,000.00
Total	\$31,700,000.00

2021 ARP Allocation

Total Available: \$15,850,000.00

Total Planned: \$15,251,141.00

City of Muncie Budget Shortfall (\$2,701,141.00)

The City of Muncie identified a shortfall in its 2020 revenue projections related to the COVID-19 pandemic. As such, the City of Muncie shall utilize \$2,701,141.00 of the ARP Funds as the estimated revenue shortfall in 2021 and continue to provide government services in accordance with the 2021 budget adopted by the Common Council. The funding shall be distributed as follows:

- General Fund: \$2,165,811.00
- Beech Grove Cemetery: \$120,397.00
- Street Department: \$398,227.00
- Ontario TIF District: \$16,653.00
- Indiana Stamping TIF District: \$53.00

Prairie Creek Reservoir (\$500,000.00)

Prairie Creek Reservoir is a City of Muncie Park that includes a reservoir, 3.3 miles of aquatic recreation and more than 750 land acres of natural landscape. Prairie Creek Reservoir is an important asset to the residents of the City of Muncie due to its offering of boating, swimming, fishing, camping, hiking/biking trails and ATV trails. The activities provided at Prairie Creek are instrumental to the residents of the City of Muncie in overcoming the negative mental health impacts of the COVID-19 pandemic by offering residents the opportunity to participate in recreational activity in a safe manner. Prairie Creek Reservoir also plays a vital role in tourism as it attracts thousands of visitors through athletic events, festivals, and other events. A total of \$500,000.00 of ARP Funds are allocated to Prairie Creek Reservoir to be utilized for necessary repairs to the facilities at Prairie Creek that will enable the City to continue to provide the benefit to its citizens and the local tourism, travel, and hospitality industry without interruption.

Restaurants (\$2,000,000.00)

The COVID-19 pandemic adversely impacted local restaurants, which are vital components of the local tourism, travel, and hospitality industry. A total of \$2,000,000.00 of ARP Funds are allocated to assist eligible restaurants within the boundaries of the City of Muncie to respond to the public health emergency with respect to COVID-19 and/or its negative economic impacts including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics. A committee consisting of members of the community shall be selected by the Mayor to establish criteria for eligibility and permitted uses for the ARP Funds

allocated to the local restaurant industry based upon guidance provided by the Treasury Department.

Nonprofit Organizations (\$2,000,000.00)

The COVID-19 pandemic adversely impacted the local nonprofit community, which provide necessary services and resources to the citizens of the City of Muncie. The continued provision of services and resources provided by local nonprofit organizations is vital to the community's recovery from the COVID-19 pandemic, the negative health consequences of the pandemic and general well-being of the community. A total of \$2,000,000.00 of ARP Funds are allocated to certain nonprofit organizations within the boundaries of the City of Muncie to respond to the public health emergency with respect to COVID-19 and/or its negative economic impacts including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics. A committee consisting of members of the community shall be selected by the President of the Common Council to establish criteria for eligibility and permitted uses for the ARP Funds based upon guidance provided by the Treasury Department.

Small Business/Tourism (\$2,000,000.00)

The COVID-19 pandemic adversely impacted small businesses and local tourism. A total of \$2,000,000.00 of ARP Funds are allocated to small businesses within the boundaries of the City of Muncie to respond to public health emergency with respect to COVID-19 and/or its negative economic impacts including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics. A committee consisting of members of the community shall be selected by the Mayor to establish criteria for eligibility and permitted uses for the ARP Funds allocated for use by restaurants based upon guidance provided by the Treasury Department.

Horizon Convention Center (\$700,000.00)

The Horizon Convention Center is a central component of the City of Muncie and its tourism, travel, and hospitality industry. As a result of the COVID-19 pandemic, the Horizon Convention Center has suffered a substantial loss of revenue. As such, a total of \$700,000.00 of ARP Funds are allocated to the Horizon Convention Center to offset the substantial loss of income during the COVID-19 pandemic and stabilize its financial condition.

Courtyard by Marriot Muncie Hotel (\$3,750,000.00)

Courtyard by Marriott Muncie Hotel ("Courtyard") experienced – and continues to experience – a substantial loss of revenue due to the COVID-19 pandemic. The Courtyard is essential to the City of Muncie's economy and its tourism, travel, and hospitality industry. In addition, the Erskine Green Training Institute, in conjunction with the hotel, provides an important service to an at-risk population of the City of Muncie that is essential to the response to the COVID-19 pandemic. A total of \$3,750,000.00 of ARP Funds are allocated to the Courtyard by Marriot Muncie Hotel to

respond to the public health emergency with respect to the COVID-19 pandemic and/or its negative economic impact including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics and/or make necessary improvements to further support the City of Muncie's economy and its local tourism, travel, and hospitality industry.

Hotels (\$350,000.00)

The remaining hotels located within the City of Muncie likewise suffered a substantial loss of income due to the COVID-19 pandemic. These hotels also play a vital role in the local economy and tourism, travel, and hospitality industry. A total of \$350,000.00 of ARP Funds are allocated to other eligible hotels within the City of Muncie to respond to the public health emergency with respect to the COVID-19 pandemic and/or its negative economic impact including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics. A committee consisting of members of the community shall be selected by the Mayor to establish criteria for eligibility and permitted uses for the ARP Funds allocated to other hotels, and the funds shall be used solely for the benefit of the local location of the hotel and not for the benefit of any affiliated hotel located outside the City of Muncie.

Ironman Muncie (\$100,000.00)

Ironman Muncie is a nationally recognized triathlon that attracts thousands of visitors to the City of Muncie and surrounding areas each year. The economic impact of Ironman Muncie on local restaurants, hotels and other small businesses is substantial. In addition, Ironman Muncie provides residents of the City of Muncie with the opportunity to participate in an event that improves physical and mental health. Unfortunately, the COVID-19 pandemic caused the 2020 event to be cancelled, which resulted in a substantial loss of income and other negative consequences to the Ironman event. A total of \$100,000.00 of ARP Funds are allocated for use by the City of Muncie to assist Ironman Muncie to respond to the public health emergency with respect to the COVID-19 pandemic and/or its negative economic impact and ensuring the City of Muncie can support a safe and successful Ironman Muncie in 2021 and beyond.

Public Art Beautification Projects (\$500,000.00)

The COVID-19 pandemic adversely impacted the local arts community and caused economic harm to local individual artists. In addition, the COVID-19 pandemic caused substantial negative impacts to the mental of health and well-being of the residents of the City of Muncie. Many studies have found that public art is beneficial to mental health by relieving stress, bringing communities together and promoting conversations about mental health. A total of \$500,000.00 of ARP Funds are allocated for public art beautification projects to respond to the mental health impact of the COVID-19 pandemic, assist local artists in recovering from the negative economic impact of the COVID-19 pandemic, and provide aid to the local tourism industry by further beautifying the City of Muncie with the work of local artists.

Madjax and Village Promenade (\$650,000.00)

The COVID-19 pandemic adversely impacted two specific local organizations that were particularly impacted by the COVID-19 pandemic and the closures and stay-at-home orders that followed. As such, a total of \$650,000.00 of ARP Funds are allocated to Madjax Muncie and Village Promenade to respond to the public health emergency with respect to the COVID-19 pandemic and/or its negative economic impact including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics.

2022-2024 Allocation

Total Available: \$15,850,000.00 + \$598,859.00 remaining from 2021 = \$16,448,859.00

Total Planned: \$16,448,859.00

2022 City of Muncie Budget Shortfall (\$3,848,859.00)

Currently, it is unknown what impact, if any, the COVID-19 pandemic will have on the City of Muncie's revenue in 2022 and 2023. A total of \$1,924,429.50 of ARP Funds are allocated for potential budgetary shortfalls in the 2022 City of Muncie budget, and a total of \$1,924,429.50 of ARP Funds are allocated for potential budgetary shortfalls in the 2023 City of Muncie budget. In the event the COVID-19 pandemic does not impact the 2022 City of Muncie budget or 2023 City of Muncie budget to the extent of ARP Funds allocated, this Plan will be amended to allocate the remaining ARP Funds to another purpose permitted by the ARP.

Infrastructure Projects (\$7,000,000.00)

Investment in the City of Muncie's infrastructure is essential to the long-term stability of the community, economic development and the tourism, travel, and hospitality industry. A total of \$7,000,000.00 is allocated for infrastructure projects within the City of Muncie as permitted by the ARP and federal guidance issued by the Treasury Department.

Neighborhood Assistance (\$1,000,000.00)

Investment in the City of Muncie's neighborhoods is essential to the community's recovery from the public health emergency in relation to the COVID-19 pandemic and its negative economic impact. A total of \$1,000,000.00 of ARP Funds are allocated in 2022 for eligible neighborhood associations for use in responding to the negative economic impacts of the COVID-19 pandemic and promoting a neighborhood environment that is conducive to the physical and mental wellness of the residents. The funds allocated to eligible neighborhood associations shall be used to provide financial assistance to households, home repairs and/or provide support for projects that support the physical and mental health of the neighborhood's residents. A committee consisting of members of the community shall be selected by the President of the Common Council to establish

criteria for eligibility and permitted uses for the ARP Funds allocated to the neighborhood associations.

Projects to Aid Tourism, Travel and Hospitality and Support Health and Wellness (\$900,000.00)

For the local tourism, travel, and hospitality industry to fully recover from the negative economic impact of the COVID-19 pandemic and establish long-term sustainability, it is important to create more opportunities for the community to attract visitors that will support local restaurants, hotels, and small businesses that were negatively impacted. In addition, providing activities for residents of the City of Muncie that promote recreation, physical activity and socialization is essential to address the negative social, emotional, and mental health impacts of the COVID-19 pandemic – particularly the impact on children. As such, a total of \$900,000.00 of ARP Funds are allocated for the following projects:

- \$300,000.00 to support the development of a private skatepark;
- \$100,000.00 for the development of Tillotson Park;
- \$500,000.00 for the construction of splash pads and waterplay structures in neighborhood parks.

Madjax and Village Promenade (\$1,700,000.00)

Another \$1,700,000.00 of ARP Funds are allocated to the Madjax Muncie and Village Promenade projects to respond to the public health emergency with respect to the COVID-19 pandemic and/or its negative economic impact including, but not necessarily limited to, mitigation of financial hardship and implementation of COVID-19 prevention or mitigation tactics. These funds shall be distributed as follows:

- 2022 - \$650,000.00
- 2023 - \$650,000.00
- 2024 - \$400,000.00

Substance Abuse & Behavioral Health Treatment (\$2,000,000.00)

The COVID-19 pandemic exacerbated the behavioral health needs of the City of Muncie – particularly substance abuse. According to the Department of the Treasury, the rates of substance misuse and overdose deaths increased considerably during the COVID-19 pandemic. A total of \$2,000,000.00 of ARP Funds are allocated to provide substance abuse treatment and/or other behavioral health services to the residents of the City of Muncie including, but not necessarily limited to, support for the development of an inpatient substance abuse treatment and rehabilitation center.

The Star Press | Legal Notices

NOTICE OF PUBLIC HEARING: The Muncie Common Council will hold a Public Hearing at 6:45 P.M. on Monday, June 14, 2021 in the City Hall Auditorium at 300 N. High Street, Muncie, Indiana 47305. The Hearing will be in regards to: Ordinance 16-21 An Ordinance of the City of Muncie Appropriating Funds to the City of Muncie ARP Grant Fund and Approving the City of Muncie ARP Fund Plan. In the adoption of said ordinance, a total of \$15,850,000.00 is hereby appropriated to the City of Muncie ARP Grant Fund (Fund #180) for use and distribution in 2021. These funds shall be only used for the purposes set forth in the City of Muncie ARP Fund Plan. Any funds remaining at the end of 2021 shall be carried over for use in 2022 for the purposes set forth in the City of Muncie ARP Plan. A Special Meeting of the Muncie Common Council will follow at 7:00 P.M. on Monday, June 14, 2021 in the City Hall Auditorium at 300 N. High Street, Muncie, Indiana 47305. The Special Meeting will be to take further action on ordinance 16-21 or any other ordinance introduced at the Regular June City Council meeting. Belinda Munson Clerk of the Common Council (MNI - 6/2/21 - 0004756774) hspaxlp

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