

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	December 6, 2021
Action Required:	Appropriation (2 nd of 2 Readings)
Presenter:	Chris Cullinan, Director of Finance
Staff Contacts:	Chris Cullinan, Director of Finance Richard Palumbo, Utility Billing Manager
Title:	American Rescue Plan (ARP) Funds from the Commonwealth for Utility Bill Assistance - \$359,879.30

Background:

The Commonwealth of Virginia received \$4.3 billion of American Rescue Plan Funds. During the Special Legislative Session in August 2021, \$120 million was dedicated toward residential utility bills that are more than 60 days overdue. The City of Charlottesville has received notice of the award of \$359,879.30 in funds to assist residential customers with arrearages greater than 60 days for the time period between March 12, 2020 and August 31, 2021.

Discussion:

The award letter provides guidance that utilities have to follow in dispersing the funds. First, the assistance is limited to residential customers. The funds must be distributed on a proportionate basis and are not intended to cover 100% of the arrearages. The City has approximately \$550,000 in residential arrearages, thus the utility assistance funds will cover approximately 65% of overdue balances.

Unlike the utility bill assistance funds received from the CARES Act, customers do not need to take any actions or provide information to receive relief funds from ARP. This will allow Utility Billing Office staff to begin distributing the funds as soon as they are received.

Once the utility assistance funds are distributed, Utility Billing Office staff will work with customers on establishing affordable, sustainable repayment plans to cover any remaining overdue balances.

Alignment with City Council's Vision and Strategic Plan:

This funding supports and contributes to Goal 5 of the Strategic Plan, a well-managed and responsive organization; Objective 2.3, improve community health and safety outcomes by connecting residents with effective resources and Objective 3.2, to provide reliable and high quality infrastructure.

Community Engagement:

As noted above, these funds do not require customers to take any actions to receive the funds. Funds will be distributed to eligible residential accounts on a proportionate basis.

Budgetary Impact:

This has no impact on the General Fund or the Utilities Enterprise Funds. These funds will be appropriated to and expended from a designated fund. The funds will be distributed as credits towards a customer's utility bill.

Recommendation:

Staff recommends approval and appropriation of ARP funding in the amount of \$359,879.30 to be used to assist municipal utility customers experiencing economic hardship due to the COVID-19 pandemic.

Alternatives:

There is no alternative. Funds must be used for utility bill arrearage assistance or returned to the Commonwealth of Virginia Department of Accounts.

Attachments:

Appropriation Resolution

**RESOLUTION APPROPRIATING
American Rescue Plan (ARP) Funds from the Commonwealth for
Utility Bill Assistance \$359,879.30**

WHEREAS, the City of Charlottesville has received award approval for \$359,879.30 from the American Rescue Plan from the Commonwealth of Virginia Department Housing and Development to use to assist utility customer bill arrearages of over 60 days owed between March 12, 2020 and August 31, 2021;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$359,879.30 is hereby appropriated in the following manner:

Revenue-\$359,879.30

Fund 207	I/O: 1900446	G/L Account: 430127
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Expenditures - \$359,879.30

Fund 207	I/O: 1900446	G/L Account: 599999
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