

Offered by Councilors Kenzie Bok, Liz Breadon, Brian Worrell, Arroyo, Coletta, Fernandes Anderson, Flaherty, Lara, Louijeune, Murphy and Flynn



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING REGARDING A REVIEW OF COVID-19 RECOVERY FUNDS

- WHEREAS:* In an effort to mitigate the catastrophic impacts of the COVID-19 pandemic, the Federal Government passed several impactful relief packages resulting in grants to the City of Boston of more than \$1.23 billion, all of which money must be responsibly appropriated and accounted for; *and*
- WHEREAS:* The CARES Act of March 2020 was a \$2.2 trillion stimulus from which the City of Boston received over \$221 million, including \$121 million in the Coronavirus Relief Fund, more than \$14 million in Federal Emergency Management Agency Funds, \$32 million in the Elementary and Secondary School Emergency Relief Fund (ESSER Fund I), and \$54.8 million in other smaller funds, all of which the City acted quickly to utilize in FY20 and FY21 for pandemic response; *and*
- WHEREAS:* The Coronavirus Response and Relief Supplemental Appropriations Act of December 2020 was a \$900 billion stimulus from which the City of Boston received \$144 million, including \$123 million in the Elementary and Secondary School Emergency Relief Fund (ESSER Fund II) and \$21 million in dedicated funds for Emergency Rental Assistance and Housing (ERAP); *and*
- WHEREAS:* The American Rescue Plan Act (ARPA) of March 2021 was a \$1.9 trillion national stimulus from which the City of Boston received \$865 million, including \$276 million in additional Elementary and Secondary School Emergency Relief funding (ESSER Fund III), \$30.1 million in further Emergency Rental Assistance Program funds (ERAP2), and \$558.70 in State and Local Fiscal Recovery Funds (SLFRF) subject to appropriation, all of which must be under contract by the end of calendar year 2024 and fully spent by the end of 2026; *and*
- WHEREAS:* In June 2021, the City Council took an unprecedented leadership role in the City of Boston's budget process to ensure that the FY22 operating budget not only dedicated \$55 million in American Rescue Plan Act (ARPA) funding to offset local revenue declines, but was also accompanied by \$50 million in ARPA funds for various pandemic-related emergency needs and an additional \$31.5 million in ARPA funds appropriated to tackle some of the City's greatest challenges including housing, climate, and the public health crisis at Massachusetts Avenue and Melnea Cass Boulevard; *and*

WHEREAS: In November 2021, the City Council and Mayor Wu collaborated to appropriate \$8 million of ARPA SLFRF funding to a fare-free bus expansion pilot; *and*

WHEREAS: In January 2022, the City Council and Mayor Wu collaborated to appropriate \$5 million to enable an additional round of small business relief funding; *and*

WHEREAS: In June 2022, the City Council and Mayor Wu collaborated to appropriate a further \$402.2 million in ARPA SLFRF funding, including \$40 million in revenue replacement, more than \$200 million for affordable homeownership and rental housing creation programs – likely the most SLFRF funding devoted to housing by any city in the country – and approximately \$160 million divided between economic opportunity & inclusion, climate & mobility, equitable continuing pandemic response, arts & culture, behavioral health, and early childhood; *and*

WHEREAS: ARPA imposes federal compliance and reporting requirements to support transparency, responsibility, and equity in use of these vital fiscal resources, requiring that the City submit to the U.S. Treasury quarterly project and expenditure reports, along with annual recovery plan performance reports; *and*

WHEREAS The City of Boston dedicated \$5 million in ARPA funds to evaluation and equitable administration of this federal funding and has created an online dashboard to track its progress in encumbering and expending the appropriated funds, which shows that it will need to accelerate the pace of issuing contracts and grant agreements over the next four quarters in order to meet the required spending deadlines; *and*

WHEREAS The same level of data transparency does not exist in regard to the roughly \$400 million in ESSER funds under a similar expenditure timeline at Boston Public Schools, funds which were subject to School Committee rather than City Council appropriation, yet represent both a major opportunity for urgent post-pandemic interventions to support students and an area of concern in regard to long-term fiscal sustainability, given that even just regular School Department funding accounts for approximately 40% of the City’s annual operating budget; *and*

WHEREAS: The people of Boston deserve a close accounting and detailed updates on the ongoing expenditures of these once-in-a-generation federal funds to ensure an equitable and effective recovery in the City of Boston; *NOW THEREFORE BE IT*

ORDERED: That the appropriate committee of the Boston City Council hold a hearing to discuss the status and reporting of state and federal coronavirus fiscal recovery funds as appropriated, and that representatives of the mayoral administration including from the Administration and Finance Cabinet, the Equitable Recovery Coordinating Committee, Boston Equitable Recovery Taskforce, and any other interested members of the public be invited to attend.

Filed on: January 9, 2023