

Economic Health/Development Meeting
Tuesday, May 4, 2021
5:30 p.m. – Parowan City Offices – 35 East 100 North

MEMBERS PRESENT – Mollie Halterman (Chairperson), Jim Harris (Council Representative), Gail Harris, Ken Lambertsen, Corey McNeil (FaceTime), Stacy Gale (Secretary).

MEMBERS ABSENT – Cleve Matheson (City Manager), Todd Gale, Jason Green.

PUBLIC PRESENT – None.

CALL TO ORDER – The meeting was called to order at 5:40 p.m. by Mollie Halterman.

APPROVAL OF MINUTES – Jim Harris moved to approve the minutes from March 2, 2021. Ken Lambertsen seconded the motion. All members voted in favor of the motion.

NEW FUNDING OPTIONS AND PROJECT PRIORITY DISCUSSIONS / IRON COUNTY ECONOMIC ADVISORY BOARD UPDATE ON 2020 BUDGET AND 2021 DISCUSSION – Mollie Halterman said at the Utah League of Cities and Towns meeting, they handed out a sheet titled “The American Rescue Plan ULCT One-Pager” (attached). It explained that Congress has allocated money directly to all 19,000 municipalities in the country and how the money will be allocated. Mollie said it made her feel like there might be a chance for funding for some of the projects we have been working on. Jim Harris said he met with the City Manager, Cleve Matheson, about this yesterday. Jim said all the prerequisites are in but the money isn’t here yet. Jim said right now the allocation is all dependent on the size of the city, so we will be allocated a certain amount. Mollie said they determine the amount based on a formula of 75% of the city’s annual budget and population; Mollie was concerned with having updated census numbers to determine how much we will get. Jim said that we have the census numbers, and that Cleve Matheson already has the dollar figure for Parowan City’s allocation.

Mollie said she highlighted what was interesting to her on the handout; it definitely says it can be used for a lot of different things. Mollie said when she looks at what project is most important, she always thinks of the foundational needs like water, sewer, and infrastructure. After the foundational need, what is next is on the first bullet in the handout under “Allowable Under ARP Legislation”, it says “*to respond to the pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.*” Mollie said this would include some of the projects this committee has been talking about for 2 years, as well as projects the City could use it for; she said we all should be working toward the same goal. Jim Harris said he thinks what will happen is when we do get the money, it will go into the budget for next year’s use and we haven’t determined what that use will be yet. Jim said we won’t get it in time to be able to use this year, so that will give this committee time to determine how much we will need to help with, or even accomplish, some of the goals we have, but that will depend on how much we get. We can’t count on anything yet, maybe next year. Mollie said the first tranche for the funds will be approximately June 9 through August 8, and there will be a second tranche. There is a time limit

on how long you have to use the funds. The City Council needs to decide what to use the money for.

Jim said there hasn't been anything budgeted for the city park and community trail system because we don't know what we need yet. Jim said the only thing that has money earmarked is for the Meeks Pond which is in agreement right now with the DWR and North Field Stream. DWR is working on a grant to dredge the Meeks Pond; Councilmembers David Burton and Jim Shurtleff are working directly with them. Jim said the Old Rock Church gets \$15,000 year to cover the maintenance and upkeep. Ken said the Old Rock Church committee talked about having a revenue source to pay for the maintenance and upkeep of it after it has been renovated. Ken talked about the unique donation box at Bryce Canyon and how much money it generates.

Mollie asked if the City budgets for sidewalks; Jim said yes, \$5,000 or \$15,000. He said that is used for repairs, but a lot of years the repairs are more than we have budgeted. Another problem is that contractors are too busy or not interested in smaller jobs. Mollie said Steve Worthen with Cedar City said the way they get their sidewalks done is every time a contractor has extra concrete left over, they pour squares of concrete in an area designated they were working on. Mollie said she would really like to have the park loop finished; it's a quarter mile trail. Jim said he thought the money this year is stated to go for the new sidewalk to try to finish the Lion's Park. Mollie said she thought a lot of people would use it.

Mollie asked if the City had a priority list of projects that money would be used for; Jim said Cleve Matheson, the City Manager, has a list of where the money will be spent. Jim said he could get the list by our next meeting. He said most of the items on the list are budgeted items so if we get the CARES Act money, it will help get them off the list.

Mollie talked about the Advisory Board in Cedar City and sending them a list of the projects we would like to get funding for.

Gail Harris said her summation is to get the list of City projects from Cleve, then put whatever addition personal Economic Development projects we have identified on the list, then submit it and see which projects they see as the best use of their money for immediate return. Gail said the Rock Church, and TARP should be on the list.

There was a discussion about increased taxes from new construction and the City rate increases and how that should help with some of these projects. There was also a discussion about the RAP tax.

OLD ROCK CHURCH UPDATE: Corey McNeil said he was able to create a test Facebook account, now we just need to get with the brick people.

Ken said he had a very positive meeting with Eric Schmutz at State Bank. They discussed the banks support in opening a merchant account for us, and how they want to sponsor the Old Rock Church event. Ken said the bank with the merchant account will set it up however we want, so people can contribute via Visa, MasterCard, check, PayPal, Venmo, or Zelle, and try to minimize the expense associated with using any of those pathways. It will be set up that the funds will go directly into Parowan Heritage Foundation savings account. Ken said Steve Decker is working

on about 5 grants. Ken said until we get about \$500,000 in the bank, the bigger contributors aren't going to pay attention to us, so we need to start selling bricks.

Ken said that he and Kristen Robinson need to get the merchant account set up, then he can meet with the brick people to design the logos, flyers, and posters. By that time the financial pathway will be clean then Corey can have the information he needs to maintain our social presence online.

Ken said it was really a good meeting with State Bank. They are onboard and will put up flyers; you can even buy a brick when you go to the bank.

Gail asked if once the building is complete, will it be a community use building where we can have a birthday party or reunion; Ken said yes, it has to be a revenue maker. Jim said part of the plan is to make enough storage so that building can be used to create revenue. Ken said the two objectives we have are to (1) preserve the building, and (2) to preserve the contents/artifacts. To preserve the contents/artifacts, we have to have an ancillary building of some kind. Ken said councilmen Jim Shurtleff and David Burton said to take a shot at buying the Wells Fargo building and turn that into a museum.

There was a discussion about ideas on how to preserve the artifacts that are in the Old Rock Church, and how to get on the Mormon Pioneer National Heritage Area website, www.mormonpioneerheritage.org. Ken said this committee and the City can work on getting the political push to get on this website.

COMMITTEE MEMBERS UPDATES ON PROJECTS – Gail Harris said she will present at the next meeting.

Mollie said we need to keep this group meeting, especially right now. Ken suggested using Zoom. Corey reminded the committee about the google drive he created that can be found on drive.google.com.

ADJOURNMENT – Mollie Halterman moved to adjourn the meeting. Jim Harris seconded the motion. All members voted in favor of the motion. The meeting was adjourned at 6:50 p.m.

The next meeting is scheduled for June 1, 2021.

Minutes Approved at August 3, 2021 Meeting



Mollie Halterman, Committee Chair



Stacy Gale, Secretary

UTAH LEAGUE OF CITIES AND TOWNS

The American Rescue Plan ULCT One-Pager

The American Rescue Plan (ARP) Act of 2021 was signed into law on March 11, 2021, which allocates \$1.9 trillion to aid in the recovery and management of the COVID-19 pandemic. This funding includes \$130.2 billion divided evenly for cities and counties, to be distributed in two tranches. This is the first time in recorded history that Congress has allocated money directly to all 19,000 municipalities in the country. The ULCT Board of Directors endorsed a direct allocation to all municipalities without the state or county acting as a "middleman" and endorsed flexibility in how to spend the dollars. ARP delivers on both of those ULCT priorities. Direct allocation was in part due to the advocacy of the National League of Cities on behalf of ULCT and other state leagues.

For the first tranche, municipalities with populations of at least 50,000 using a modified Community Development Block Grant formula and sent directly from the Treasury to the city. For communities smaller than 50,000 residents, funds will be sent to the State to distribute to the local community based on population within 30 days of receipt unless an extension is granted. Even if granted an extension, States must distribute the funds to the local community not later than 120 days after they receive this funding for distribution or face a monetary penalty and cannot change the allocations or impose additional requirements. The second tranche can be accessed after a year of accessing the first tranche using the same distribution formulas.

Local Funding:

- \$65.1 billion will be allocated to metropolitan cities.
- \$45.57 billion will be allocated to municipalities with populations of generally at least 50,000 using a modified Community Development Block Grant formula and sent directly from the Treasury to the city.
- \$19.53 billion will be allocated to municipalities with populations of generally fewer than 50,000 in states and territories, with allocations capped at 75% of the locality's most recent budget as of January 27, 2020.
- The U.S. Treasury has released pre-award requirements for States, entitlement cities, and non-entitlement cities. Entitlement cities and non-entitlement cities must have an active DUNS number. If your city does not have a valid DUNS number, please visit <https://fedgov.dnb.com/webform/> or call 1-866-705-5711 to begin the registration process. Also, entitlement cities need to have an active SAM account from SAM.gov.

Allowable Under ARP Legislation:

- To respond to the pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality. So similar expenses allowed under the CARES act.
- For premium pay to eligible workers performing essential work (as determined by each recipient government) during the pandemic, providing up to \$13 per hour above regular wages.
- For the provision of government services to the extent of the reduction in revenue due to the pandemic (relative to revenues collected in the most recent full fiscal year prior to the emergency).
- To make necessary investments in water, sewer, or broadband infrastructure.
- The Treasury will be offering rolling guidance on allowable uses for these funds.

#CitiesWork

UTAH LEAGUE OF CITIES AND TOWNS

Timing for 1st tranche:

- The Treasury has 60 days to make these funds available to States and larger municipalities. (Approximately May 10, 2021)
- States have 30 days with the option to extend up to another 60 days to provide funding to small municipalities. (Approximately June 9 through August 8, 2021)

Frequently Asked Questions:

1. Can these funds be used for lost revenues?
 - Yes, ARP funds can be utilized to cover revenue losses because of the COVID-19 pandemic. It is anticipated the Treasury will provide further clarity.
2. Can these funds be used to support grant programs created for local businesses and residents with CARES funding?
 - Yes, these funds can be used to mitigate the impacts of COVID-19 on your residents and local businesses.
3. When will the city or town receive these funds?
 - If you are a community with a direct allocation, you can access these funds 60 days after the passage of the law. For smaller communities, the State of Utah will need to make these funds available within 30 days of receiving the funds. However, the State can request two additional 30-day extensions.
4. Is the second tranche a guarantee?
 - According to the legislation, the second tranche can be accessed within a year of the 1st tranche and distributed using the same formula as the first tranche. It is the recommendation of ULCT not to allocate those funds until you receive them. Congress and the President could make changes to the second tranche before it is distributed.
5. What kind of record-keeping is required? Will it be similar to the tracking of CARES funding?
 - The legislation requires periodic reports to the Treasury. The guidance on how the Treasury would like to receive those funds is still to be determined. However, be prepared to track and report back on how these funds are being used.
 - With the distribution of the CARES funds, many cities and towns were curious how their neighboring communities were utilizing the funds. ULCT will be asking cities to provide the organization with examples of the use of ARP funds.
6. Will the State, county, or auditor's office be able to direct the spending of ARP funds?
 - It is clearly stated in the ARP that State governments can't add additional requirements to ARP funds. Just like the CARES funding, you will receive the same guidance as other government entities and elected officials. It will ultimately be your community's decision on how to spend these funds. ULCT will continue to provide updates when new information and guidance becomes available.