City Council – Action Request Form

Date: February 14, 2022

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Scott Tesh, Budget and Performance Management Director

Meridith Martin, Budget and Performance Management Deputy Director

Council Action Requested:

Resolution Authorizing the Use of the City's Allocation of Coronavirus Local Fiscal Recovery Funds (CLFRF) for the Transformational Grant Phase for Non-Profit Organizations

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On August 23, 2021, in a Special Meeting of the City Council, City staff presented a framework (Exhibit A) for spending the City's \$51.7 million allocation of Coronavirus Local Fiscal Recovery Funds (CLFRF). City staff recommended a phased approach for spending the funds. Under this approach, the City would provide immediate relief to the local economy through a recovery grant program and more transformative, outcome-based programs in future phases. The guiding principles for spending the City's CLRFR funds include process transparency, economic restoration, community transformation, fiscal soundness, and equitable outcomes. This item was originally presented in November 2021 and an information item update was provided in January 2022.

Through the transformational grant program, the City of Winston-Salem seeks to move the needle on key components of the City's Strategic Plan, which trigger a profound, ripple effect of positive, multidimensional changes. Further, the City seeks to place equity at the forefront of the application, transforming historically significant and deeply disinvested low-income communities. This will involve ambitious planning and action for community-wide impact. Preliminary program eligibility includes that the applicant must be a non-profit organization with current 501(c)3 tax exempt status as confirmed by the Internal Revenue Service and current

Committee Action:			
Committee	Finance 2/14/22	Action	Approval
For	Unanimous	Against	
Remarks:		•	

active status to conduct business in North Carolina at least one year prior to the date of the request for proposals publication as confirmed by the North Carolina Secretary of State.

A preliminary review of applications will be conducted by the City's CLFRF Task Force to ensure minimum eligibility and the submission of all required materials. The eligible applications will be reviewed and scored by an internal staff team, consisting of personnel at pay grade 15 or above, using the attached Transformational Scoring Matrix (Exhibit B).

The City's CLFRF Steering Committee and Task Force developed the scoring matrix for the transformational phase of spending. The matrix includes criteria that align with the U.S. Department of the Treasury's Final Rule and reporting requirements, as well as the City's strategic priorities. The matrix will be used to score applications from the request for proposals processes surrounding social and economic assistance and other areas. The attached matrix provides scoring and definitions for the following criteria:

- Organizational Capacity and Implementation Plan 20%
- Geographic and Demographic Factors 15%
- Alignment to Specific Strategic Planning Priorities by Tier 15%
- Short-Term and Long-Term Impact on Community Needs 15%
- Collaboration and Stakeholder Partnerships 10%
- Funding Sustainability 10%
- Administration and Reporting 10%
- Board Representation Matching Community Demographics 5%

The updated Transformational Scoring Matrix reflects an addition of an outcomes-based approach to the poverty reduction component in Tier 2 of the Strategic Priority (Exhibit C) alignment scoring. Staff recommends utilizing the Winston-Salem Poverty Thought Force's Final Report to center aid in defining and scoring poverty reduction. Poverty reduction components include food insecurity, job training and workforce development, transit/transportation, child and student services, community connectedness, and financial literacy.

As illustrated within the ARPA framework, \$10,500,000 is the current obligation for social and economic assistance. Programs and projects that address social and economic assistance include programs established in the Transformational Phase and additional projects designated by the Mayor and City Council.

City staff propose releasing the request for proposals for the Transformational Phase in March 2022. The ARPA Framework, Transformational Scoring Matrix, and Strategic Priorities are attached as Exhibit A, B, and C respectively.