

SPECIAL CITY COUNCIL MEETING
MINUTES
November 6, 2021

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The City Council Meeting was held via Zoom videoconference and broadcast from the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Martínez-Rubin called the Special Meeting of the City Council to order at 9:31 a.m. and led the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT

Before we begin, we would like to acknowledge the Ohlone people, who are the traditional custodians of this land. We pay our respects to the Ohlone elders, past, present and future, who call this place, Ohlone Land, the land that Pinole sits upon, their home. We are proud to continue their tradition of coming together and growing as a community. We thank the Ohlone community for their stewardship and support, and we look forward to strengthening our ties as we continue our relationship of mutual respect and understanding.

3. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

An official who has a conflict must, prior to consideration of the decision; (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself/herself from discussing and voting on the matter; and (3) leave the room until after the decision has been made, Cal. Gov. Code § 87105.

A. COUNCILMEMBERS PRESENT

Norma Martínez-Rubin, Mayor
Vincent Salimi, Mayor Pro Tem
Anthony Tave, Council Member
Maureen Toms, Council Member

COUNCILMEMBERS ABSENT

Devin Murphy, Council Member

B. STAFF PRESENT

Heather Bell, City Clerk
Eric Casher, City Attorney
Hector De La Rosa, Assistant City Manager
Markisha Guillory, Finance Director
Roxanne Stone, Management Analyst

City Clerk Heather Bell announced the agenda had been posted on Thursday, November 4, 2021 at 2:00 p.m. No written comments had been received for the agenda item.

Following an inquiry, the Council reported there were no conflicts with any items on the agenda.

4. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes and is subject to modification by the Mayor. Individuals may not share or offer time to another speaker. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

Irma Ruport, Pinole, reported the City's website had gone down a few minutes ago and some people may be trying to call in. She commented that during the November 2, 2021 City Council meeting, there had been a discussion about Fire Station No. 74 and sending a letter to the Contra Costa County Board of Supervisors (BOS) regarding the possible expenditure of Measure X funds, which the BOS would consider during its November 16, 2021 meeting. If the City was sending a letter to the BOS, she urged consideration of a letter drive, or petition, posting on the NextDoor website, local newspaper or at the Farmer's Market. She suggested an aggressive effort on the part of the City to get the information out to the public with letters of support forwarded to the BOS prior to its November 16 meeting.

Cameron Sasai, Pinole, emphasized the need for a small business grant program in the City and the use of American Rescue Plan Act (ARPA) funds for that purpose. The City's initial small business program had been ineffective, had not addressed the unique position of businesses in Pinole, with the grant amount barely making a dent in operation expenses. He detailed specific criteria that should be considered for a small business grant program including a scaled system with grants as low as \$2,000 up to \$15,000 per business. Grants could be based on the size of the business, co-efficiency to share staff size based on a pre-pandemic income, years the business had been based in the City of Pinole, demographic information of the primary business owner, and a demonstrated extent of the revenue loss since the pandemic as the most efficient and equitable way to approach the issue, which approach had been used by other jurisdictions in the Bay Area. Continuity grants could also be considered with the ARPA funds. While a gift card initiative had been recommended during the October 9, 2021, ARPA workshop, the goal was not to stimulate the economy but revitalize small businesses with immediate fiscal stimulus which allowed a business to keep up with operating costs, hire necessary staff needed to reopen fully and provide pre-pandemic revenue. He urged the City Council to allocate a portion of the ARPA funds in this way.

Mayor Martinez-Rubin clarified this agenda item was to provide comments for items not on the meeting agenda. Public comments on the use of the ARPA funds would be welcome as part of a later agenda item.

Rafael Menis, Pinole, commented that the letter to be submitted to the BOS about the use of Measure X funds had been from the City as an institution and not from individual citizens. There were things the City could do to promote the letter, encourage individual letters, or a petition from citizens with more electronic outreach to the community on the topic of using Measure X funds to reopen Fire Station No. 74. In addition to the City's letter, a separate letter expressing community support should be considered. He expressed the willingness to work with City officials to draft such a letter which may offer a more effective way to demonstrate the community support and backing of the Measure X funds allocation.

5. WORKSHOP ITEMS

A. American Rescue Plan Act (ARPA) Funds Workshop and Preliminary Staff Recommendations for Allocating ARPA Funding **[Action: Engage in Workshop and Receive Public Input and Consider Staff Recommendations (Guillory)]**

Please Note: Public Comments and questions will be facilitated in an open workshop format following staff's presentation. Comments and questions will be taken one at a time in the order in which hands are raised on Zoom. Members of the public may raise their hands more than once for follow-up comments and/or questions. Please see the coversheet of the agenda for more details on how to participate via phone or Zoom software. Contact the City Clerk if you have any questions - Heather Bell hbelle@ci.pinole.ca.us or (510) 724-8928

Finance Director Markisha Guillory provided a PowerPoint presentation of the City of Pinole Community Workshop for the ARPA Funds with the goal of the workshop to have more public engagement on the topic of the ARPA funding and ensure all stakeholders were at the table to determine the best needs of the community in response to the COVID-19 pandemic. She was joined by Consultants Barry Foster, Managing Director and Sandra Meyer, EconSolutions, HdL's Economic Development team who would be providing assistance in facilitating the meeting and ensuring the City of Pinole abided by the guidelines set forth by the U.S. Department of the Treasury as it related to the use of the ARPA funds and in preparing a funding plan once final decisions had been made.

Finance Director Guillory provided an overview of ARPA, which had been signed into law on March 11, 2021, a \$1.9 trillion economic stimulus package enacted in response to the COVID-19 pandemic. ARPA included the Coronavirus State and Local Fiscal Recovery Funds program, which provided \$350 billion in emergency funding for eligible state, local, territorial, and tribal governments to mitigate the fiscal and public health impacts of the COVID-19 pandemic on communities, individuals, and businesses.

ARPA funds may be used to respond to COVID-19 and the public health emergency, replacing lost or delayed revenues, addressing negative impacts on local businesses and individuals, and investing in water, sewer, or broadband infrastructure. ARPA funds may not be allowed to pay for pension funds such as the California Public Employees' Retirement System (CalPERS) or to offset any tax measures.

The City of Pinole's total ARPA allocation had been identified as \$4,605,009. The City received its initial allocation of \$2,302,504.50 (50 percent) in July 2021 with the remaining 50 percent of the total funds to be received in July 2022. ARPA funds must be allocated by December 31, 2024 and spent by December 31, 2026, with any unspent funds to be returned to the U.S. Treasury Department.

Finance Director Guillory highlighted the results of the Business Recovery Survey and Community Survey with the results outlined in the November 6, 2021 staff report. After a review of the input from the public and City Council during the October 9, 2021 workshop and based on the results of the surveys staff proposed the following recommendations:

- Backfill of revenue loss of \$2 million (estimated revenue loss using the Public Loss Calculator not actual revenue loss).
- Fund financial assistance to businesses.

- Fund assistance to households.
- Fund public health support for weekly testing requirements.
- Staff was not recommending investment in the sewer, water and broadband infrastructure at this time for a number of reasons since they were long-term projects.
- Defer decision on remaining funds as staff continued to complete various plans which would inform the decision making on the use of the ARPA funds.

Finance Director Guillory explained that after this workshop was completed and decisions made by the City Council staff would advance any initiatives identified by the City Council.

PUBLIC COMMENTS OPENED

Travis (no last name given), Pinole, understood a number of recommendations had been made already based on the survey results but suggested that limited sample size based on the City's population was woefully inadequate to make any decisions. He asked what was being done to increase the sample size, whether a mailer had been sent out to the public, and again questioned the sample size of the survey results. Prior to any expenditure of funds, more effort should be made to seek input from the entire community.

Finance Director Guillory acknowledged the survey results were limited; however, the City had sent out mailers to every residential and commercial address in Pinole prior to the October 9, 2021 workshop and the Business Recovery Survey had been open for one month. The Community Survey was open for two weeks. A second mailer for the November 6, 2021 workshop had been sent out to the community after the October 9, 2021 workshop and the workshop schedule had been posted on the City's website, Facebook, Administrative Report, with the Bay Front Chamber of Commerce, and flyers had been distributed during community events. Some residents had even gone door-to-door to inform the public of the upcoming workshop. Staff had expended a great deal of effort on the community engagement effort and the Community Survey remained open beyond this meeting to allow residents to provide responses.

David Ruport, Jr., Pinole, reminded everyone that the allocation of ARPA funds had been something that communities had been working on nationwide since the legislation had been enacted in January 2021, and there was a lot of information available on the use of ARPA funds. There was also information available for the use of ARPA funds on broadband projects. State agencies had also weighed-in on how cities should use their ARPA funds. Pinole's ARPA allocation would not go too far, and while he did not disagree with the City's prioritization of the funds, he asked that the ARPA funds not be wasted on generic items. He urged the City Council to look at the real needs with the realization the City would not be able to satisfy everyone's needs, but set a priority not based on partisanship but what served the City best. He had previously provided written comments to the City Council and would be submitting additional comments in writing for the record.

Irma Ruport, Pinole, also questioned the survey results. She had a problem with some of the staff recommendations and top priorities. She pointed out there were many grant opportunities the City should consider such as grants for public safety and she urged the City Council to bring on people who could help the City move forward and not hire people or consultants who were

unqualified. She was not opposed to deferring spending the ARPA funds at this time, but pointed out that with the increase in costs for PG&E, food, and the like, the City may be in dire straits after the expenditure of the funds. She also opposed placing the ARPA funds into the General Fund, given the City's history of not spending money wisely. She emphasized that Fire Station No. 74 needed funds and she urged the City Council to do the right thing with the taxpayers' money and ensure what was done was for emergencies and not for someone's paycheck. She further urged that more be done to improve participation for the surveys.

Christy Lamb Julian, Pinole, agreed the results of the surveys was sad and she questioned who was in charge of community engagement, suggesting more should have been done to engage the community with prioritization of the City's needs. She questioned the number of consultants the City had hired, and urged the City Council to be on the base level of the everyday resident. She suggested consideration of more meetings to solicit input from the public. She also expressed disappointment with the condition of the City's schools and urged the City Council to visit the schools to see what students and teachers were facing after a very hard year.

Rafael Menis, Pinole, asked what percentage of City staff had been vaccinated against COVID-19 and whether that information could be shared with the public, particularly if COVID-19 testing was required by the City. If City staff had chosen not be vaccinated, he would have more difficulty supporting City funding for personal choices. He agreed a broader community response was desired with respect to the surveys but noted that even pre-pandemic responses to City surveys had been similar based on the public outreach. A higher level of community engagement would likely require the City to consider a door-knocking program or volunteers to be involved which would take substantially more effort, cost, and risk for the City to implement particularly during COVID-19. He recognized the challenges during a pandemic to gain a broader outreach sample size but agreed the City could do better.

Ruchet Rane, Manager, Orange Theory Fitness, Pinole, hoped the meeting would bring positive hopes to small businesses in Pinole. He asked for consideration of the use of ARPA funds to help small businesses with back rent, low interest long-term loans potentially forgivable if qualified, the County to consider a reduction in property taxes for affected commercial properties, and more updates and details as to how small businesses may receive assistance. He explained that his business had sponsored local community events and would continue to do so, regardless of his business' financial condition, but he needed help and hoped they could help each other during these challenging times.

Terri Stott, Pinole, Bearclaw Bakery, explained that she and her husband had operated a business in Pinole for around 40 years and their children and grandchildren had been educated in Pinole. She agreed there were issues with the schools, but those concerns should be addressed to the West Contra Costa Unified School District (WCCUSD). She acknowledged there had been challenges for her small business, but there were state and federal programs available to provide assistance to small businesses and she encouraged small businesses to tap into those opportunities. In terms of the community engagement, she was uncertain what more could be done by the City to reach out to the community, since the meetings had been noticed on social media and flyers had been distributed during community events. Unless something impacted people directly they may not want to become involved. She suggested the next year would be more difficult than the prior two years given the cost of living would only increase, and she hoped to make it through with everyone safe, healthy and happy.

Rafael Menis suggested the financial assistance to small businesses should not consider lost revenue since it would vary based on the business size. He suggested it would be better to have assistance based on need in terms of the resources the business had for support, reserves to rely upon, costs incurred in proportion to the pre-pandemic costs as compared to the pre-pandemic revenue, and although the City was not obligated to spend the ARPA funds prior to 2026, it would be worthwhile to spend a portion of the ARPA funds this fiscal year to show immediate assistance to the small business community and individual households rather than waiting for the future. While there were some benefits for a planned out process, he suggested there were benefits to immediate aid to offset the immediate impacts of the pandemic.

Mayor Martinez-Rubin recognized public comment received was from the same members of the public and it was likely responses to the surveys were also from the same respondents. While it was troubling there was not more input from the community, she suggested that may be a consequence of a lack of outreach and other approaches may have to be considered. In response to concerns with the local schools, she agreed those concerns should be addressed with the WCCUSD, which had its own funding sources but that did not mean the City should not consider a conversation with the WCCUSD.

David Almeida, Pinole, explained that he was in the process of trying to start a new business for vintage collectibles in the former Blue Sky Sports building on San Pablo Avenue. He implored the City Council to consider immediate assistance for small businesses as a bridge from the past to the future and suggested that providing assistance between now and 2026 would be too late for some of the small businesses in Pinole. He also suggested while a grant program would be nice, a loan program would be preferred and once a process had been identified he hoped to be able to make application.

Peter Murray, Pinole, commented that the ARPA funds were one-time monies to be spent with that consideration in mind. In response to the flyers that had been mailed to the community, he commented that oftentimes since the mailers/cards were so small they were discarded and not noticed. He encouraged the City Council to return to in-person meetings rather than the Zoom format to allow public engagement and input to be provided in-person. He commented on the deterioration of the City's infrastructure, some of which may be a result of the pandemic, but which needed to be kept in the forefront in that the City was faced with great expenses that must be addressed with the ARPA funds to save the General Fund from being overly taxed. He pointed out that the striping on City streets had deteriorated in areas and more accidents in the evenings could result given the lanes were not properly identified. City parks must also be brought up to the standards the community expected. He again urged the City Council to consider returning to in-person meetings.

Christy Lamb Julian reiterated her concerns with the condition of the local schools and suggested the older generation which did not have children in school did not care. She encouraged the City to reconsider its community outreach efforts. She was also disappointed to hear the concerns with the schools should be addressed with the WCCUSD since the City should be willing to address the concerns. She expressed the willingness to work with the City on a grassroots effort to address her concerns.

Terri Stott clarified her comments and stated while it would be nice for the City Council to speak on the residents' collective behalf to leverage certain things, she understood school officials would like more support and the only way that could be done to address the school issues would be through political leverage.

Ruchet Rane pointed out the ARPA funds were one-time funds, and a low-interest loan program would allow reinvestment into many categories. He was not asking for free money but assistance since banks were not providing any financial assistance since that did not provide revenue. The City could help to fund small businesses' immediate needs through a loan program, and he would be willing to donate back to the community if the community provided assistance during the pandemic.

Lance Smith, Pinole, reminded everyone that while the ARPA funds sounded like a lot, in the global scheme of what the City had to tackle, it was a limited amount and the City should focus on the most immediate needs, which in his opinion was infrastructure. He suggested the City's roads, fire protection, police, and anything to improve the City's infrastructure were the most immediate needs and would bring in new businesses, improve property values and increase property taxes. With a good foundation the City would have a good future.

David Almeida, as a former Police Officer and business owner, supported investment in infrastructure and in businesses that provided a steady revenue stream for the future, which would provide for infrastructure needs and tax revenue for services in the future.

Lisa Ancira, Pinole, recognized the impacts from the pandemic and supported the City Council and its efforts to work through those issues. She trusted the City Council to see the things the community did not see. She emphasized that schools, sidewalks and infrastructure needed help and speaking on behalf of small businesses with 50 or fewer employees, she commented that the classification of a small business should be redefined. In her opinion, a business with 100 or more employees was not a small business. While loans were valuable for a business with 50 employees or less, loan assistance was already in play and any grant money that could be used due to the pandemic would be more helpful for an established business. She emphasized the pandemic had decimated small businesses and suggested as much as the City could support the Main Street businesses in the Old Town Corridor would be appreciated, with grant monies for the one-time ARPA funds offering a better investment.

Travis (no last name given), understood the City's investment in infrastructure and schools was needed, but the ARPA funds should not be used for items the City should already be funding. He suggested it was likely the City would not be able to find a fair and equitable way to distribute the ARPA funds to small businesses since the City was not a bank and should not be in the business of making loans and grants to a small business since some businesses may have failed without the pandemic. In his opinion, the City Council should find a way to distribute the ARPA funds evenly to every Pinole citizen through debit cards and possibly restricting the use of the debit cards to local businesses.

Council member Toms thanked everyone who had participated in the ARPA Workshops and provided their input. She reiterated the community outreach effort that had been provided including a newsletter she personally had distributed to people in the community. It was possible the small response to the surveys and participation in the workshops was because people were fine with how things were going and those who had concerns were present and engaged. She

had received input directly from members of the community who had provided similar comments to those provided at the workshops.

Council member Toms added that special districts, like cites, had also received ARPA funds. She encouraged those concerned with Pinole schools to contact Jamela Smith-Folds, WCCUSD Ward 1 Trustee, to discuss the expenditure of ARPA funds the WCCUSD had received.

Council member Toms did not support an equitable distribution of the ARPA funds to all citizens of Pinole since not everyone had been impacted equally. The debit card program promoted by the Bay Front Chamber of Commerce would directly benefit local businesses, which was important to the small businesses and the City and could help market businesses. A publication of City-sponsored programs for recreation could add a promotion for Pinole businesses at minimal cost to the City. Special events could draw people into the downtown which was another form of marketing. Improvement of the infrastructure in the downtown was needed and striping and signage to assist in directing people to parking was also needed. The City Council had previously agreed to install holiday lighting in the downtown and to keep the lights up year round, and those efforts could be expanded.

Council member Toms also commented she had spoken to some people in the restaurant and bar business who, even when the businesses had been closed, had still been required to pay Health Department fees. The City may consider a grant program to rebate those fees or rebate the City's business license fees for a period of time. In terms of loans versus grants, she asked how the City would secure public funds for loans on property where the small business did not own the property. She did not want to plug a hole that could be filled by another loan program. She looked forward to more discussion before a decision was made.

Mayor Pro Tem Salimi recommended that essential workers in the Fire, Police and Public Works Departments be given \$500 each representing a \$50,000 investment to thank them for their essential work for the City of Pinole. He also recommended the allocation and distribution of \$3,000 for up to 100 small businesses, which represented \$300,000 in the form of a grant; \$300 for up to 1,000 Pinole residents representing \$300,000 in the form of a grant; and \$100,000 for public health for the cost of administering COVID-19 testing and other associated costs related to the pandemic. He suggested that \$700,000 could be dedicated in 2022 and replicated in 2023 totaling \$1.4 million between 2022 and 2023, in addition to the \$50,000 bonus for essential workers. Of the remaining funds, he recommended \$1 million be allocated for the City's infrastructure, with \$1,055,000 remaining to be dedicated to revenue replacement and Department Head needs.

Council member Tave emphasized the ARPA funds must be an investment for the City over time. He agreed there were challenges with a loan program and recommended a gift card program which could be tiered based on the business size and need, with the criteria to be flushed out and which would allow a business to work towards getting its customer base back.

Council member Tave wanted to build in flexibility with respect to helping small businesses and wanted to incrementally help the small businesses in need, which the gift card system would do. In terms of the City's infrastructure, roads and parking were ongoing issues, and the infusion of ARPA funds would help to increase the number of roads that could be addressed. Moving some of the ARPA funds into loss revenue would also help the City as it moved forward to the next phase of ARPA funds. He also recommended a tracking mechanism to identify how the ARPA

funds were being spent, to be transparent to the community, and when moving forward to help better engage the community.

Mayor Martinez-Rubin wanted to wait for the conclusions from the various assessments the City was undertaking in terms of its infrastructure needs and community engagement options before discussing the second phase of ARPA funds. She detailed the intended use of the ARPA funds, and while there had been some comments on what was needed in the community suggested the City must complement the input whether via surveys, correspondence to the City Council, or individual conversations with residents, with information to reflect the composition of the City. She noted, for instance, that some residents may be in danger of losing their homes or not being able to make rent payments, which had not been reflected in the input from the surveys.

Mayor Martinez-Rubin also recognized the City Council may not be hearing from everyone it needed to hear from and may have to consider funds to enhance programs that had proven to be successful plus a new way of doing things and reacting to the losses in government and small businesses. The timeline for the use of the ARPA funds allowed the City to consider immediate needs and think further about the use of the second phase of the funds.

Mayor Martinez-Rubin suggested to address some of the concerns raised as well as recognizing the ongoing infrastructure needs of the City and recognizing there still remained assessment information to be presented that could be used by the City to inform the process, a gift card program would allow the recirculation of funds locally, supplementing the small business contribution, and suggested staff further investigate the relationship between small businesses, the City, and residents as part of a gift card program since that would offer a more equitable distribution of public funding.

As to a grant or loan program, Mayor Martinez-Rubin noted there were other entities that offered such programs with more experience than the City to determine where the need was, with the small businesses in Old Town having experienced a need for the City to complement what was being done even pre-COVID-19. The services and products offered in Old Town was a larger discussion that needed to occur, with an economic development strategy yet to identify benefits in the long term.

Mayor Martinez-Rubin saw the immediate needs in the range of \$700,000 to address infrastructure and support of larger projects that benefitted residents and businesses, partly reflected in the City's Capital Improvement Plan (CIP) to the extent the ARPA funds may be used for that purpose, and another third of the funds to be deferred pending the results from the various assessments that were underway. The City Council could then have a further discussion on the second phase of the ARPA funds and along with those conversations and the results of the assessments, would have the opportunity to do something different and reach out more directly with residents and businesses, which she hoped would be COVID-19 safe.

Mayor Martinez-Rubin emphasized there was some discretion on how the ARPA funds could be used, although there was some uncertainty whether the country may be heading into a recession and world-wide conditions may affect local municipalities. There was a benefit to having longtime funds that could be available when needed, rather than dipping into the General Fund.

Barry Foster, Managing Director, HdL, reported that seven to eight drafts of business surveys had been drafted for different municipalities related to the use of ARPA funds throughout the state,

and he detailed the range of responses from the different municipalities. He noted that many businesses did not always respond to surveys. He also detailed the responses from community surveys HdL had been involved for the different municipalities, another option for feedback for a community to use when considering allocation of the ARPA funds. Pinole did not have to allocate all of its first phase of ARPA funds now, there was flexibility, and the National Infrastructure Bill had just been approved after months of internal movement, which would have to be reviewed in terms of what could actually be approved as part of that bill. There was also national legislation that may revise ARPA since the Senate had approved SB 3011, State, Local, Tribal, and Territorial Fiscal Recovery Infrastructure, and Disaster Relief Flexibility Act, which would provide more flexibility for ARPA with the revenue loss calculation potentially being modified and where some eligible uses had been broadened.

Mr. Foster again identified what was currently eligible for the use of the ARPA funds. He was confident the new legislation would allow some flexibility on the use of the ARPA funds, with no rush to spend or allocate all ARPA funds now given the fluid situation with respect to existing legislation. He also clarified that public safety workers were not considered essential workers under ARPA but had been so defined under the Coronavirus, Aid, Relief, and Economic Security Act (CARES). Funding could be provided for public safety under the revenue loss calculation but essential workers, as defined under ARPA, was currently very restricted.

Mr. Foster suggested that grants would be much easier for a city to administer than a loan program. HdL was currently working with different jurisdictions on small business grants to address back payments of rents where the funds would go directly to the landlords. HdL was also involved in a pilot project for the City of Lafayette for an e-gift card program, which structure would involve a buy one get one free gift card through the use of ARPA funds, to be used for local businesses who must agree to participate in the program. The program had been utilized by many jurisdictions in the Bay Area and benefitted residents and local businesses. He recommended consideration of a similar pilot program and consideration of more funding later with the program to be structured by the City Council.

Mr. Foster reiterated there was no rush at this time to spend the ARPA funds given the potential legislative changes that may provide more flexibility and the potential benefits from the National Infrastructure Bill. The immediate needs were small businesses and trying to come with a structure to address that need via grants and e-gift card programs, and also consider social needs by working with non-profits in the community that had established networks and were aware of who had the most need.

Mayor Pro Tem Salimi agreed that social workers were not essential workers and suggested \$500 in ARPA funds be provided for public safety and related staff as part of the public health response. He presented a spreadsheet to identify his recommendations for the use of the ARPA funds.

The results of the Business and Community Surveys were again highlighted, Council members reiterated each of their recommendations for the use of the ARPA funds, debated at length with staff and the consultant as to how to prioritize the use of the ARPA funds, and debated whether to support Mayor Pro Tem Salimi's recommendations.

Finance Director Guillory advised a Small Business Grant Program could be created similar to a Small Business Assistance Program enacted by the City in 2020, and in the short term fleshing out the criteria if that was the priority direction of the City Council, which should not take longer

than 60 days to become operational. An e-gift card program could also be rolled out soon to boost the local economy.

Mr. Foster again clarified the eligibility criteria for the use of the ARPA funds and the differences between the CARES Act and ARPA. The revenue loss piece could be funded through ARPA. He again defined essential workers and explained that to qualify as an essential worker an individual would have to spend 50 percent or more of their time related to the COVID-19 pandemic to qualify for public health/public safety.

Mayor Martinez-Rubin identified the immediate needs including expanding the grant program comparable to the program the City had provided in 2020 with the need for criteria to be established with “x” number of businesses in the business license data base, and with responses from only 21 businesses to the business survey. There was a need to complement existing information with background information related to the types of businesses in Pinole, and with the knowledge that not all businesses would need assistance. Minority-owned businesses were also important and the number of minority-based businesses impacted by the pandemic was unknown. Also, the trend of online shopping and whether it had impacted local businesses was unknown and given the pandemic there had been an increase in online services, which may be an area of need as to whether the business had the capability to provide online services to its customers.

Finance Director Guillory clarified the City had 1,001 businesses in the Business License Program but the program did not identify whether the business was minority owned.

Mayor Martinez-Rubin asked the City Attorney to clarify whether it would be possible to ask that question on business license applications, which would be helpful when considering the next round of ARPA funds.

City Attorney Eric Casher confirmed the question could be asked to be provided voluntarily on the business license application, but more research was needed to determine whether it could be required to be provided.

In response to Council member Tave as to the number of businesses that involved landlords renting out their property to tenants, Finance Director Guillory explained that she would have to filter out that information.

Council member Tave offered a motion, seconded by Mayor Pro Tem Salimi to allocate \$600,000 now to expand the Small Business Grant Program (\$300,000) and issue an e-Gift Card Program (\$300,000) for businesses, to be developed by staff and brought back to the City Council for approval.

Mayor Martinez-Rubin did not support the motion with some portion of the first phase of the ARPA funds to be used for immediate relief for small businesses and families. She preferred a maximum of \$700,000 of the total first payment of ARPA funds received to be used for immediate relief and she suggested that allocating the amount proposed for grants to small businesses was not the best distribution of the funds or the needs of Pinole residents.

Mayor Martinez-Rubin preferred that only \$300,000 at most be allocated to expand the existing Small Business Grant Program, which may provide an opportunity to test out how receptive businesses may be and how they may use the funds.

Council member Toms asked that the motion be amended to consider the allocation of \$300,000 for the expansion of the Small Business Grant Program only, which she could support with the form of the program to come back to the City Council. She suggested the e-Gift Card Program be allocated \$100,000 as a pilot program and possibly the funding could be increased in a few months if the program was successful.

Mayor Martinez-Rubin supported Council member Toms recommended amendment.

Mayor Pro Tem Salimi clarified the initial motion offered by Council member Tave and the amendment as offered by Council member Toms. He restated his initial recommendations for ARPA funding. He also offered an amendment to the motion to allocate \$300,000 immediately for small businesses in 2022 and \$300,000 in 2023 for small businesses for a total of \$600,000, with the form of distribution to be at the discretion of the City Council.

City Attorney Casher clarified that Council member Tave's initial motion had been seconded by Mayor Pro Tem Salimi. If Council member Tave desired to amend his motion, he may call for a second to the amended motion with a discussion on the amended motion.

Council member Tave seconded Mayor Pro Tem Salimi's amended motion to allow a discussion on the motion.

Council member Toms stated she had amended Council member Tave's initial motion, and City Attorney Casher confirmed that amendment had come before Mayor Pro Tem Salimi's amendment.

Council member Toms restated her amendment to Council member Tave's initial motion to allocate \$300,000 for the expansion of the Small Business Grant Program and \$100,000 for the e-Gift Card Program. She emphasized for the present discussion that she was interested in the allocation of the \$2.3 million in ARPA funds the City had already received and there was time to discuss the expenditures for 2023 after a review of the 2022/23 budget in May/June.

Council member Tave agreed with the comments but getting information back was important to gauge where they were going with the recommended programs. He supported a more practical and calculated approach versus expanding over two years since they did not know what 2023 would look like. He supported his initial motion, as amended.

Ms. Stone reported there were additional public comments waiting to be heard.

City Clerk Bell clarified the motion on the floor that had been made by Council member Tave to allocate \$600,000 (\$300,000 for each program) to expand the Small Business Grant Program and issue an e-Gift Card Program for businesses, to be developed by staff and brought back to the City Council for approval, amended by Council member Toms to allocate \$300,000 for the expansion of the Small Business Grant Program and \$100,000 for the e-Gift Card Program, which amendment had been accepted by Council member Tave.

Recognizing there was a request for more public comment, City Attorney Casher explained that it was now up to the City Council to take a vote on the motion. While public comment could be

accepted, it was not typical. The motion had been seconded and was now before the City Council for consideration.

On the motion, Council member Tave clarified the motion was for storefront business owners not housing or renters.

On the discussion, Finance Director Guillory clarified there were 262 business licenses for rental property.

Mayor Martinez-Rubin asked that the motion clarify that the Council was discussing storefront businesses.

Council member Toms pointed out some people worked from home, were not renters, and it would be someone who had a business license with a business not including residential landlords.

ACTION: Motion by Council members Tave/Toms to allocate \$300,000 for the expansion of the Small Business Grant Program and \$100,000 for the e-Gift Card Program.

Vote:	Passed	4-0-1
	Ayes:	Martinez-Rubin, Salimi, Tave, Toms
	Noes:	None
	Abstain:	None
	Absent:	Murphy

Council member Toms commented that different jurisdictions had received different funds such as Contra Costa County, which had received Community Development Block Grant (CDBG) funds that had been allocated for food security and the Housing Is Key Program, a focused program where a budget had been allocated. Information on rental relief was available on the housing.ca.gov website. She suggested the City not attempt to duplicate an existing program which was not the best use of revenue. If there were businesses or residents who did not qualify for some reason, she wanted to see evidence that there was some special circumstance why the request had not been made to those agencies, which answer could not be provided today.

Mayor Martinez-Rubin understood there was some food insecurity assistance through the Food Bank and she was uncertain the City should augment that assistance. She also questioned what could be done with the ARPA funds to allow the City to identify residents' needs, if at all, with the knowledge that the response to date was limited. She was not suggesting ignoring residents' needs entirely since there were people who may not have availed themselves to respond to the surveys and the City had input that some people needed help. She agreed the City should not duplicate what other organizations/agencies had offered if there was a need in Pinole.

Council member Tave agreed there were more questions based on the conversations and he asked if the City Council would consider appropriating funds to the General Fund earmarked for some of the topics that had been discussed. He did have concerns that moving funds to the General Fund may be spent on other things and not for what it was intended and wanted assurance the topics that had been discussed would be addressed with ARPA funds. He asked for guidance from staff.

Finance Director Guillory explained that even if the ARPA funds were used for activities and services typically funded by the General Fund, a separate track had been put in place to track the ARPA funding to ensure the funds were expended pursuant to the reporting guidelines and pursuant to the requirements of the U.S. Department of Treasury. She noted the City Council had allocated \$400,000 of the ARPA funds, pursuant to the earlier motion with the remainder of the funds to sit in the General Fund until appropriated to other items.

Council member Tave suggested it would behoove the City to move the remaining funds into the General Fund, with further discussions on the remaining topics.

Mayor Martinez-Rubin clarified the issue of food insecurity could be addressed through different programming, such as a community garden program as an example, but in and of itself would not address food insecurity. She suggested the ideas of programming be kept in mind, with more information to provide guidance on the need, such as information from the census data, and analysis that staff needed to do to identify the need.

Council member Toms suggested the funds did not have to be moved to the General Fund since they would not be allocated at this time. A community garden which did not meet the parameters of the use of the ARPA funds could be addressed by reimbursing the City for funds the City may expend, with the reimbursement to go towards the General Fund, with General Fund monies for a program that not quite meets the parameters of ARPA. The City Council had addressed \$100,000 for residents via the e-gift card program. She recognized there was additional public comment that could provide guidance on this topic.

Mayor Martinez-Rubin welcomed additional public comment at this time.

David Rupert Jr., would have preferred to have spoken prior to the vote the City Council had taken on the motion and he had submitted an e-mail to that effect. He noted the agenda had identified this discussion as a workshop and secondarily preliminary staff recommendations for allocation of the ARPA funds. There was no mention the City Council would take economic actions on the ARPA funds. He asked for a legal ruling since there could be a potential violation. He found the City Council decisions hasty, the ARPA funds took months to resolve, and as the consultant had stated, there may be legislative changes to the eligibility requirements of the ARPA funds.

City Attorney Casher stated the City Council meeting agenda had been noticed as a workshop with a robust discussion with public speakers allowed to speak multiple times. As noted in the staff report, as next steps, *if the City Council decides at the November 6, 2021 workshop on general or specific types and amounts of ARPA expenditures, City staff will take the appropriate follow-up steps to advance the initiatives identified by the Council.* He expected the discussion would be continued and there would be further opportunities for input.

Irma Rupert, agreed the City Council was making decisions too hasty, suggested the recent action was a Brown Act violation, and disagreed with the City Attorney's comments. She was disappointed the public had not been allowed to comment prior to the vote being taken on the motion. She was also disappointed with the workshop format suggesting the City Council should do the right thing for the community, more outreach should have been provided, and community input before any decisions were made.

Eric (no last name given), Pinole, appreciated most of the comments made, particularly how the Mayor Pro Tem had outlined his recommendations for the use of ARPA funds. He agreed that immediate needs were public safety, small businesses, residents, police, fire, public works and infrastructure. He cited the City of San Francisco as an example of a community which had driven out small businesses, violence was escalating, and he implored the City Council to preserve, protect and ensure the safety and quality of life in Pinole. He also asked that race and gender not be part of any assistance to small businesses and assistance provided equally without consideration of race or gender.

Elle Sheen, Pinole, was not expecting a vote would be made at this time but a discussion on how the ARPA funds could be spent. Rather than studies that cost money, she suggested that dealing with the pandemic goes hand in hand with global warming. She commented on the number of dangerously hot days that impacted the elderly. She understood that one city had been able to lower the temperature by covering the street with a substance on the roadways which lower temperatures benefitted the elderly or infirm. She supported assistance for small businesses such as Mom and Pop businesses.

Mayor Martinez-Rubin asked that the City Council meeting be extended to 1:15 p.m. to allow additional public comment and final comments from the consultant and staff on next steps.

ACTION: Motion by Council members Toms/Tave to Extend the City Council meeting to 1:15 p.m.

Vote:	Passed	4-0-1
	Ayes:	Martinez-Rubin, Salimi, Tave, Toms
	Noes:	None
	Abstain:	None
	Absent:	Murphy

Rafael Menis, agreed with the prior speakers it would have been helpful to have these comments prior to a vote on the motion given this was a workshop format but suggested the information in the staff report strongly implied the City Council could vote to appropriate funds during this meeting. While it could have been stated more clearly in the staff report, it was indicated a vote was possible during the workshop.

Anastasia Dotson, Pinole, supported any effort to use the funds for climate change at all levels of government and any and all ideas to address climate change would be great. She also supported gift cards that could benefit residents and small businesses.

David Rupert, Jr., again suggested the intent and purpose of the workshop was to obtain additional community input and all of the hype and discussion over the past month had not specifically stated the City Council would make suggestions as to how to spend the ARPA funds. He again questioned and disagreed with the City Attorney's interpretation and cited the language under the fiscal impact section of the staff report.

City Attorney Casher clarified that references to a project not having any fiscal impact meant funds had already been received by the City as it related to the language in the staff report under the fiscal impact section as shown on page 7 of the staff report.

Mayor Martinez-Rubin suggested the City Council had not made a rash decision on the use of the ARPA funds, but had simply identified an area of need they had heard time and again. She asked staff to clarify the next steps

Mr. Foster stated that HdL would work with staff on moving forward with a pilot program for the e-Gift Card Program to determine a structure of the program and return to the City Council with more information, thoughts and ideas for the grant program and eligibility requirements that would be effective, and which fit the needs of Pinole. He would also encourage staff to engage with the non-profits doing work with the community such as the Food Bank and others to identify the immediate needs, and understand what was happening in the federal government as it related to the recently adopted infrastructure bill and the City's various needs assessments, as well as understanding the potential changes to ARPA and possible impacts with more work to be done.

Director Guillory suggested the City Council was addressing the immediate needs based on the motion that had been passed, reiterated the comments offered by Mr. Foster, with the criteria for the e-Gift Card Program and expansion of the Small Business Program criteria to be presented to the City Council before roll out. There were a number of legislative changes occurring with staff to keep the City Council apprised of the status and potentially more workshops may be considered in the coming months given the numerous assessments underway which would help to inform many of the issues to be addressed.

Mayor Martinez-Rubin thanked everyone for their participation, including staff and the consultant for their work.

6. ADJOURNMENT to a Regular City Council Meeting of November 16, 2021 in Remembrance of Amber Swartz.

At 1:11 p.m. Mayor Martinez-Rubin adjourned the meeting to the Regular City Council Meeting of November 16, 2021 in Remembrance of Amber Swartz.

Submitted by:



Heather Bell, CMC
City Clerk

Approved by City Council: December 7, 2021

