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Date: 08/05/2021
To: Mayor Steel and City Council
From: Jimmy Liles, C.A.
Subject: Potential COVID-19 Incentive Programs

We have received several inquiries about whether the City of Nixa will participate in any type of incentive program for COVID-19 vaccinations. We researched several options for Council to consider if you should decide to initiate an incentive program.

One option would be to offer \$25 gift cards to anyone living within the city limits who shows proof of vaccination. These gift cards could be purchased locally, which in turn would help support our local businesses. According to the United Census Bureau, the City of Nixa had an estimated population of 22,515 as of July 1, 2019. 73.7% of those were estimated to be over 18 years of age. If we were to achieve 100% vaccination rate, the total cost would be approximately \$414,838. If we were to reach a target of 70% vaccination rate, the total cost would be approximately \$290,377.

Another option we explored would be the possibility of holding drawings for discounted utility bills, free memberships to the fitness center and/or free pool passes. The utility bill discount would be given in a certificate form and could be in varying amounts. The cost of an aquatic season pass would be \$95 for the first person and an additional \$15 for each member of the household. For example, a family of 4 would be \$140. The total expense would depend on how many passes were given out. The costs of an individual annual membership to the fitness center would be \$310 and the cost of a family annual membership would be \$505. The total expense would depend on how many passes were given out.

We also explored the option of doubling the governors grand prize incentive if that person resides within the City of Nixa. This would mean if a person who resides inside the City of Nixa were to win one of the Governor's \$10,000 prizes, they would win an additional \$10,000 from the City of Nixa.

There will be a total of 900 winners from across the state, with 100 of \$10,000 cash prizes coming out of our congressional district. There will also be 100 adolescents from across the state that will be randomly selected to receive a \$10,000 education savings account. The cost of matching the governor's prize is hard to judge due to the number of people being drawn. There is also the option of providing a smaller prize to anyone in the City of Nixa that would win one of the Governor's prizes. For example, if we were to offer a \$1000 dollar prize, the potential expense would be much lower.

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If Council were to utilize an incentive program, the American Rescue Plan Act (ARPA) funds can be used for such programs. This includes cash, in-kind transfers, lottery programs and other incentives. The U.S. Treasury Department's interim rule FAQ states, "Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit."

Staff is seeking direction from Council on whether to pursue an incentive program, and if so, which incentives Council would like to offer.

Thanks,

Jimmy