

# American Rescue Plan Act (ARPA)

Community Conversations (February – March 2022)

**Chatham County** 

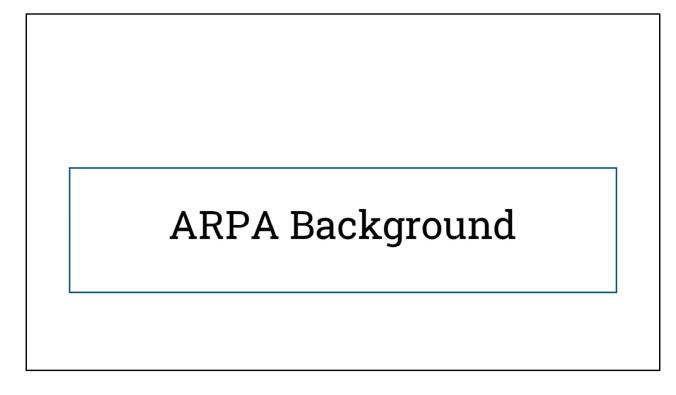
### Agenda

- 1. Background
- 2. Allowable Uses
- 3. Chatham County's Parameters
- 4. Chatham County's Process
- 5. LET'S TALK

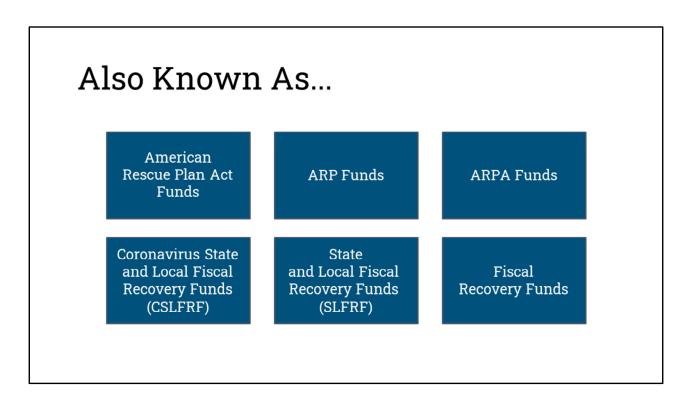
Here is our agenda for my portion of the meeting, we will review:

- Background Information about the ARPA
- Important definitions that tie to eligible uses
- Funding Priorities & Allowable uses as outlined by US Treasury
- Chatham County Planning Process including guiding parameters and methodology, and
- Review of Prospective Projects

Feel free to ask questions as we move along. And towards the end, we will request some feedback and discuss next steps



Take a moment to briefly review ARP background information



There are many ways that people refer to the American Rescue Plan dollars.

Most of them are captured here:

 American Rescue Plan Act Funds, ARP Funds, ARPA Funds, Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), Fiscal Recovery Funds

You may hear these terms throughout the presentation.

Please note that there are other federal government agencies that have received an allocation that they may also call one of these variations and they may have similar and slightly different requirements and stipulations for use.

# ARPA Background Effective Date: March 11, 2021

On March 11, 2021, President Biden signed the American Rescue Plan Act into law.

Effective Date: March 11, 2021

 \$1.9 trillion federal package intended to combat the COVID-19 pandemic, including public health and economic impacts

The ARPA included 1.9 trillion-dollar package intended to combat the COVID-19 pandemic, including public health and economic impacts

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- \$1.9 trillion package intended to combat the COVID-19 pandemic, including public health and economic impacts
- Chatham County has been allocated almost \$14.5 million

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- Chatham County has been allocated \$14,464,924

Deadline for obligation - December 31, 2024

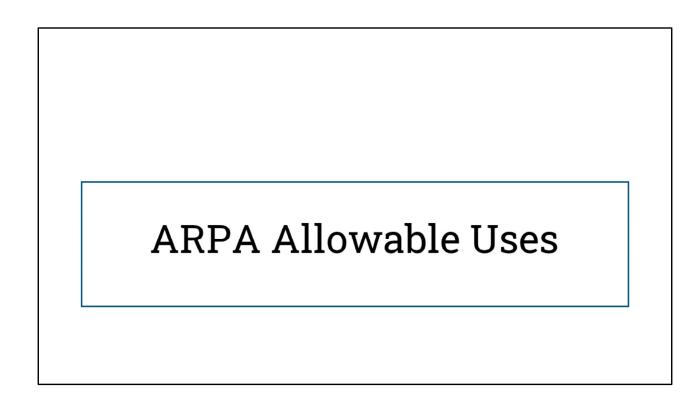
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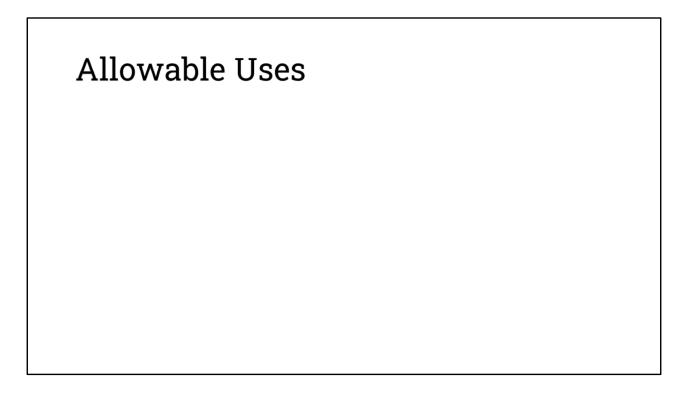
- \$1.9 trillion package intended to combat the COVID-19 pandemic, including public health and economic impacts
- Chatham County has been allocated \$14,464,924

Deadline for obligation - December 31, 2024

Deadline for expending - December 31, 2026

We know that is may seem early, but some of the projects that we may want to consider may take a considerable amount of time, so we want to make sure we provide ample time to plan.





Now, we will shift to discussing the allowable uses as outlined by the interim final rule by US Treasury

 Support public health response: Fund COVID-19 mitigation efforts, medical expenses, behavioral healthcare and certain public health and safety staff

Such as ② Vaccination programs ② Medical expenses ② Testing ② Contact tracing ② PPE purchases ② Support for vulnerable populations to access medical or public health services ② Ventilation improvements in key settings like healthcare facilities ② Mental health treatment ② Substance misuse treatment ② Crisis intervention

- Support public health response
- Address negative economic impacts: Respond to economic harms to workers, families, small businesses, impacted industries and re-hiring of public sector workers

With a specific emphasis on serving the hardest-hit communities and families to address and in-response to health disparities

- Support public health response
- Address negative economic impacts
- Replace public sector revenue loss: Use funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic

If local governments experienced revenue loss, then they can supplant that loss with ARP funds and do whatever they want with the money that is supplanted. However, Chatham County did not experience revenue loss as whole.

\*\* CHATHAM COUNTY CAN NOW USE REVENUE REPLACEMENT \*\* as of early 2022

- Support public health response
- Address negative economic impacts
- Replace public sector revenue loss
- Premium pay for essential workers: Offer additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure. Funds can be used retroactively back to January 27, 2020.

**IMPORTANT**: State law does not allow governments to give grants to private businesses. The County can only contract with a private entity (individual, small business, non-profit) to perform a specific activity that we have the legal authority to do.

Chatham County has limited capacity to give to non-government employees.

- Support public health response
- Address negative economic impacts
- Replace public sector revenue loss
- Premium pay for essential workers
- Water, sewer and broadband infrastructure: Make necessary investments to improve access to clean drinking water, invest in wastewater and stormwater infrastructure and provide unserved or underserved locations with new or expanded broadband access

DWSRF: Projects include treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

CWSRF: Projects include construction of publicly- owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

NO State Law Authority for Broadband Infrastructure (but watch for new legislation). See GREAT Grant and CAB Grant from the State.

- Support public health response
- Address negative economic impacts
- Replace public sector revenue loss
- Premium pay for essential workers
- Water, sewer and broadband infrastructure

\*Equity-focused services: Serve the hardest-hit communities and families by investing in housing, addressing health and educational disparities, and promoting healthy childhood environments

There is additional flexibility of allowable uses to have equity-focused services that is broadly applicable to QCTs and other disproportionately impacted areas.

- Support public health response
- Address negative economic impacts
- Replace public sector revenue loss
- Premium pay for essential workers
- Water, sewer and broadband infrastructure

\*Equity-focused services

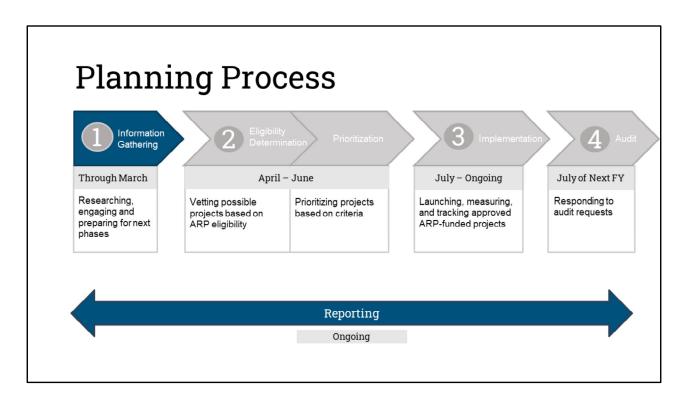
At this point, the allowable uses that Chatham County is eligible to tap into are the four highlighted categories:

- Support public health response
- Address negative economic impacts
- Water, sewer and broadband infrastructure
- Equity-focused services

Which you will see represented in our proposed projects.

## Chatham County's Planning Process

Let's shift to briefly talking about the planning process for these funds.



We are currently in the first phase of Information Gathering, which we anticipate to last through march of this year.



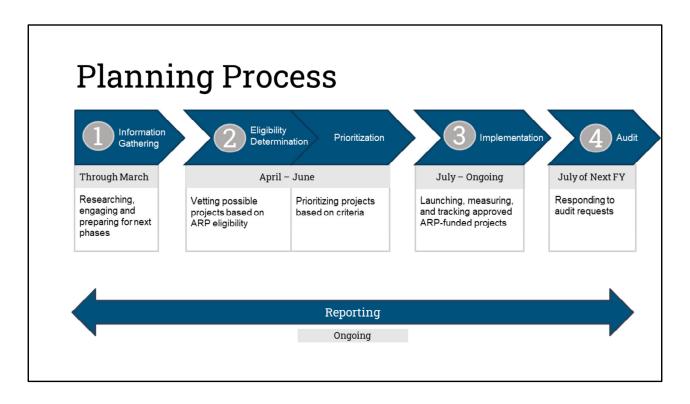
### Public Input & Engagement

### **Public Engagement Sessions**

- Feb 1, 2022 Moncure
- **Feb 3, 2022** Pittsboro
- **Feb 10, 2022** Siler City
- **Feb 15, 2022** Siler City
- Mar 8, 2022 Southwest
- Mar 10, 2022 Southeast
- Mar 15, 2022 Northwest
- Mar 17, 2022 Northeast



Here is just an overview of the overall spread of meetings throughout the county



So what happens after we wrap up the first phase? We will begin digging more in-depth about eligibility and prioritization. Third is the implementation phase, and lastly will be the audits with ongoing reporting.

# Chatham County Guiding Parameters

Talk about how we are thinking about these funds

Prioritize one-time use to avoid fiscal cliffs

We are prioritizing one-time use to avoid creating ongoing costs beyond ARP availability that we cannot sustain

- Prioritize one-time use to avoid fiscal cliffs
- · Consider potential audits to mitigate risk

We are solely responsible for determining eligibility, so we want to consistently consider potential audits to mitigate risk.

- · Prioritize one-time use to avoid fiscal cliffs
- · Consider potential audits to mitigate risk
- Remain flexible as additional guidance and other community decisions are released

And lastly, we want to remain flexible as final guidance, state ARP budget, and other community decisions are released

- Prioritize one-time use to avoid fiscal cliffs
- Consider potential audits to mitigate risk
- Remain flexible as additional guidance and other community decisions are released

Feasibility

Disparity Reduction

Fiscal Foresight

Here are how we are thinking about the projects:

Feasibility: Can we get this done in a reasonable amount of time?

Disparity Reduction/Transformational: Does it impact a community that has been disproportionately impacted? Does it impact ACEs?

Fiscal Foresight: Does it impact the County's fiscal outlook?



Each person will have an opportunity to talk with us

### LET'S TALK

Must be connected to COVID-19 and its impact

Before we do that, let's review a few things. First and foremost, any intended use of these funds must be connected to COVID-19 and its impact.

### LET'S TALK

- Must be connected to COVID-19 and its impact
- Questions to consider:
  - What has significantly impacted you during the COVID-19 pandemic?
  - What public health concerns does the County need to address?

Lastly, if you are unsure about what to share with us, we have some questions you can consider.



Thank you for your time, I am happy to answer any additional questions you may have.

### Resources

- <u>US Treasury Final Rule</u>
- <u>US Treasury FAQs</u>
- **US Treasury Factsheet**
- NACo Legislative Analysis
- NACo FAQs