Introduction to American Rescue Plan Act of 2021: Responding to the Pandemic & Its Negative Economic Impacts
ARP/CLFRF Zoom Office Hours

• Wednesday, October 27, at 4:00pm
• Monday, November 1, at 8:30am
• Wednesday, November 10, at 12:00pm
• Tuesday, November 16, at 8:30am
• Monday, November 22, at 12:00pm
• Friday, December 3, at 8:30am
• Tuesday, December 7, at 12:00pm
• Thursday, December 16, at 8:30am

https://unc.zoom.us/j/94011361206?pwd=MjIzWnlzOWxtNGtoUlNjaEV3ZWNPdz09
Meeting ID: 940 1136 1206
Passcode: 522329

Ask questions, learn about other local government’s proposed projects, identify opportunities for collaboration, share compliance practices, and more.
Agenda

Session 1 (8:30-9:15)
Addressing COVID-19 Public Health Issues and Negative Economic Impacts

Session 2a (9:30-11:30 / 12:30-2:30)
Funding LG Employees (premium pay, public health/safety employees, replenish workforce to pre-pandemic levels, etc.)
Eligible Uses Related to Development
Other Examples of Eligible Projects Targeted to Disproportionately Impacted Populations

Session 2b (9:30-11:30 / 12:30-2:30)
Necessary Water, Sewer, Stormwater Infrastructure

Session 3 (3:00-4:00)
Funding General Government Capital, Programs, and Services
Lost Revenue Growth Formula
Can We Fund It With ARP/CLFRF?


Define the Project

Is there State Law Authority?

Is all or some portion of the project within an ARP/CLFRF Category?

What are the compliance, justification, reporting, documentation requirements?

Eligible Project
ARP/CLFRF Allowable Expenditures

**Address COVID Public Health**
Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;

**Address COVID Economic Impact**
Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;

**Replace Lost Revenue**
Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;

**Premium Pay**
Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,

**Infrastructure Investments**
Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Disproportionately Negatively Impacted by Pandemic
Address Pandemic-Related Public Health Issues & Negative Economic Impacts

- What is the pandemic-related public health issue?
- How does the project specifically address the public health issue?
- What is the pandemic-related negative economic impact?
- How does the project address the negative economic impact?
- Does the project serve a disproportionately negatively impacted area, group, community, household, or individual?

These questions set up the basic framework for determining eligibility within these Expenditure Categories.
Address Pandemic-Related Public Health Issues & Negative Economic Impacts

Does the project serve a disproportionately negatively impacted area, group, community, household, or individual?

Is the project in a Qualified Census Tract (QCT) or does it primarily benefit households and populations that live within a QCT?

Does the project benefit other households, businesses, or populations disproportionately impacted by the COVID-19 public health emergency?

A QCT is any census tract which is designated by the Secretary of Housing and Urban Development and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for such year or which has a poverty rate of at least 25 percent. 26 U.S.C. 42(d)(5)(B)(ii)(I).
May assume that project is targeted towards economically disadvantaged communities if project funds are spent on:

- A program or service where the primary intended beneficiaries live within a QCT
- A program or service is provided at a physical location in a QCT (for a multi-site project, a majority of sites are in a QCT)
- A program or service for which the eligibility criteria are such that primary intended beneficiaries earn less than 60% of the median income for the LG
- A program or service for which the eligibility criteria are such that over 25% of intended beneficiaries are below the federal poverty line

May make reasonable estimates, including identifying eligibility based on income characteristics, geographic location, or other criteria. Do not need to collect individualized data.
General Targeted Beneficiaries

LG Facilities, Operations, Personnel
Community Programs
Household / Individual Assistance
Travel & Tourism and Other Impacted Industries
Small Businesses & Nonprofits
Ineligible Expenses

• Borrowing money, loan repayments
• Rainy day fund contributions or financial reserves
• Litigation costs
• As a non-Federal match for many other federal awards, included State Revolving Fund grants
• General growth or economic development purposes
• Pension contributions
Addressing Pandemic-Related Public Health "Safe Harbor" Examples

Local government facilities and operations
- Improved air filtration in LG facilities
- Other renovations to LG facilities to allow for better social distancing, air flow, and other protective measures
- PPE for LG staff & users of LG facilities
- Disinfection/increased cleaning of LG facilities

Local government programs and outreach
- Communications with public about COVID-19 mitigation, testing, vaccination, etc.
- Technical assistance to other public and private entities on COVID-19 mitigation and response
- PPE for low- or moderate-income or senior citizens
- Air filtration systems, other supports for COVID-19 mitigation in congregated settings for low- or moderate-income or senior citizens
Addressing Pandemic-Related Public Health "Safe Harbor" Examples

Local Government Operations
- Employee vaccine incentive programs

Public Health Programs
- Contract tracing
- Public health surveillance programs
- Enhancement of public health data programs
- Vaccination clinics
- Testing programs
- Other pandemic-related public health programs
Addressing Pandemic-Related Public Health “Safe Harbor” Examples

Local Government Facilities and Operations

- Temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs
- Other capital investments in public facilities to meet LG COVID-19-related operational needs
- LG emergency medical response expenses, including emergency medical transportation, related to COVID-19
- COVID-19-related expenses of public hospitals, clinics, and similar facilities

Local Government Programs

- Mental health treatment, substance misuse treatment, and other behavioral health services (acting through LME)
Addressing Pandemic-Related Negative Economic Impacts: ”Safe Harbor” Examples

Local Government Facilities and Operations
- Increased maintenance/repair costs due to pandemic-related use
- Improve efficacy of existing programs to address pandemic-related issues

Local Government Programs
- Assistance programs for low- and moderate-income citizens and senior citizens, including cash assistance programs, that respond to the COVID-19 public health emergency.
- Job assistance programs for low- and moderate-income citizens, such as job training, for individuals who want and are available for work, including those who have looked for work sometime in the past 12 months or who are employed part time but who want and are available for full-time work.
- Public projects or programs that aid tourism, travel, hospitality, and other impacted industries that responds to the negative economic impacts of the COVID-19 public health emergency.
EC’s for Public Health and Negative Economic Impacts

### 1: Public Health
- 1.1 COVID-19 Vaccination
- 1.2 COVID-19 Testing
- 1.3 COVID-19 Contact Tracing
- 1.4 Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
- 1.5 Personal Protective Equipment
- 1.6 Medical Expenses (including Alternative Care Facilities)
- 1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
- 1.8 Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
- 1.9 Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
- 1.10 Mental Health Services*
- 1.11 Substance Use Services*
- 1.12 Other Public Health Services

### 2: Negative Economic Impacts
- 2.1 Household Assistance: Food Programs*
- 2.2 Household Assistance: Rent, Mortgage, and Utility Aid*
- 2.3 Household Assistance: Cash Transfers*
- 2.4 Household Assistance: Internet Access Programs*
- 2.5 Household Assistance: Eviction Prevention*
- 2.6 Unemployment Benefits or Cash Assistance to Unemployed Workers*
- 2.7 Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)*
- 2.8 Contributions to UI Trust Funds
- 2.9 Small Business Economic Assistance (General)*
- 2.10 Aid to Nonprofit Organizations*
- 2.11 Aid to Tourism, Travel, or Hospitality
- 2.12 Aid to Other Impacted Industries
- 2.13 Other Economic Support*
- 2.14 Rehiring Public Sector Staff
Replenish LG workforce to pre-pandemic levels. Compensation during award term, plus training and other employment incentives.

Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.

Salaries and benefits of public health, public safety, and social services employees to the extent they are Dedicated to COVID-19 response.

Allowable costs for each project include LG staff time dedicated to that project. (Also allowable as indirect costs are general administration, clerical support, and finance personnel.)

Self-insured LG expenses for employee COVID-19 treatment, including the long-term symptoms or effects of COVID-19.

Premium Pay for LG employees performing essential work (this is a separate ARP/CLFRF category).
Address Pandemic-Related Public Health Issues & Negative Economic Impacts

Does the project serve a disproportionately negatively impacted area, group, community, household, or individual?

Is the project in a Qualified Census Tract (QCT) or does it primarily benefit households and populations that live within a QCT?

Does the project benefit other households, businesses, or populations disproportionately impacted by the COVID-19 public health emergency?

A QCT is any census tract which is designated by the Secretary of Housing and Urban Development and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for such year or which has a poverty rate of at least 25 percent. 26 U.S.C. 42(d)(5)(B)(ii)(I).
Programs or services that facilitate access to health and social services, including:

• Assistance accessing or applying for public benefits or services;
• Remediation of lead paint or other lead hazards; and
• Community violence intervention programs;

Programs or services that address housing insecurity, lack of affordable housing, or homelessness, including:

• Supportive housing or other programs or services to improve access to stable, affordable housing among individuals who are homeless;
• Development of affordable housing to increase supply of affordable and high-quality living units; and
• Housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity and to reduce concentrated areas of low economic opportunity;

Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on education, including:

• New or expanded early learning services;
• Assistance to high-poverty school districts to advance equitable funding across districts and geographies; and
• Educational and evidence-based services to address the academic, social, emotional, and mental health needs of students; and

Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on childhood health or welfare, including:

• New or expanded childcare;
• Programs to provide home visits by health professionals, parent educators, and social service professionals to individuals with young children to provide education and assistance for economic support, health needs, or child development; and
• Services for child welfare-involved families and foster youth to provide support and education on child development, positive parenting, coping skills, or recovery for mental health and substance use.
### 3: Services to Disproportionately Impacted Communities

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<td>3.16</td>
<td>Social Determinants of Health: Community Violence Interventions* ^</td>
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EC’s for Disproportionately Impacted Communities
Services to address health disparities are presumed to be an allowable use in QCTs & for disproportionately impacted persons/communities.

- Healthcare resources
- Public assistance programs
- Building healthier environments
Address COVID Public Health Disparities

Funding community health workers to increase access to health services and services that address the social detriments of health

- Programs that support early detection and timely management of chronic conditions
- Support for elderly adults
- Health education

Funding public benefits navigators to assist community members with navigating and applying for federal, state, and local public benefits or services
Funding evidence-based community violence intervention programs

Increasing access to behavioral health care services
  • Mental health treatment
  • Substance misuse treatment
A LG may provide these assistance programs to both low- and moderate-income citizens or to senior citizens who were negatively impacted by the pandemic. These assistance programs are not limited to the disproportionately impacted subcategory.
In a QCT or Benefiting Low-Income Citizens?

- Programs to address health disparities
- Food assistance, or programs addressing food deserts
- Rent, mortgage assistance, utility bill subsidies
- Counseling and legal aid to prevent eviction or homelessness
- Emergency assistance for burials
- Home repairs, weatherization, remediation of lead paint, or other needs
- Internet access or digital literacy assistance
- Job training to address negative economic or public health impacts experienced due to a worker’s occupation or level of training
- Other assistance for unemployed workers
- Affordable housing
- Programs to support educational disparities
- Community intervention programs
- Behavioral and mental health programs
- Investments in parks, greenways, and other public facilities
- Programs promoting health childhood environments