

Item available for public inspection in the Clerk's office during regular business hours (Monday - Friday, 9 AM - 5 PM)

November 22, 2022

Special Meeting

Item #2C -American Rescue

Plan Act (ARPA) and Local

Assistance Tribal

Consistency Funds (LATCF)

Workshop

(Agenda Item)

Finance, CAO

Presentation by Janet Dutcher,

Finance Director

AMERICAN RESCUE PLAN ACT (ARPA) LOCAL ASSISTANCE TRIBAL CONSISTENCY FUND (LATCF)

Board of Supervisors Workshop
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DISCUSSION TOPICS

Best Practices: Non-recurring revenues pay for non-recurring expenditures

Available for Appropriation

Unmet Needs List

ARPA Spending Framework

LATCF Spending Framework

Next Steps

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BEST PRACTICES: Non-Recurring revenues and Non-Recurring Expenditures



4.4 Develop Policy on Use of One-time Revenues

Principle: Develop Approaches to Achieve Goals

Element: Adopt Financial Policies

Practice: A government should adopt a policy limiting the use of one-time revenues for ongoing expenditures.

Rationale: By definition, one-time revenues cannot be relied on in future budget periods. A policy on the use of one-time revenues provides guidance to minimize disruptive effects on services due to non-recurrence of these sources.

Source: National Advisory Council on State and Local Budgeting. (1998). *Recommended budget practices: A framework for improved state and local government budgeting*. Retrieved from: https://gfoa.org/cdn/prismic.io/gfoaorg/e4534548-fa06-47ad-9cc8-5f37e6e2f21e_RecommendedBudgetPractices.pdf

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AVAILABLE ARPA & LATCF RESOURCES

	ARPA (by 12/2024)	LATCF (no end date)	TOTAL
Resources received:			
2021	\$1,402,789	--	
2022	1,402,789	--	
2023	--	2,794,327	
2024	--	2,794,327	
Total Resources	\$2,805,578	\$5,588,654	\$8,394,232
Expended:			
Essential worker pay	(99,130)	--	
Total Expended to date	(99,130)	--	(99,130)
Net Resources available for Appropriation	\$2,706,448	\$5,588,654	\$8,295,102

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Unmet Needs list

- Affordable housing units
- Workforce housing units
- Supportive housing units & services
- Transitional housing units & services
- Radio infrastructure (\$3M)
- Deferred facility maintenance
- CARB Compliance (\$6M)
- EMS Heart Monitors (\$250K)
- Hiring, recruiting & retention of workforce (private & public)
- Broadband internet availability and reliability
- Regional Dispatch facility
- Childcare facilities and services
- Local business recruitment & investment
- ERP information system (\$1-\$2M)
- Fire hazard mitigation measures

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ARPA: American Rescue Plan Act

Background, Treasury Guidance,
Spending Framework

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BACKGROUND

November 22, 2022

- *American Rescue Plan established the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)*
 - *Congressional legislation – March 11, 2021*
 - *\$350 billion for local governments*
 - *\$65.1 billion directly to counties*
- *Moral Imperative to right Injustices from COVID-19 and the economic consequences of public health measures*
- *Recovery themes*
 - *Establish resiliency*
 - *Social equity goals*
- *Key Objectives*
 - *Fight pandemic, support families/businesses impacted by COVID-19*
 - *Maintain vital public services*
 - *Build a strong, resilient, and equitable recovery*
 - *Long-term investments for growth and opportunity*

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TREASURY GUIDANCE: Final Rule Effective April 1, 2022

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- \$10 million revenue loss standard allowance
- Broader set of eligible uses
- Expanded guidance for affordable housing solutions
- Streamline options

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ARPA SPENDING FRAMEWORK

March 3, 2021 to December 31, 2024

Revenue Loss	Public Health Impacts	Economic Impacts	Affordable Housing Options	Premium Pay	Infrastructure
<ul style="list-style-type: none"> • Enhance or sustain public services • Greatest flexibility • \$10M allowance in lieu of actual loss 	<ul style="list-style-type: none"> • COVID-19 impacts • Proportional to harm • Health disparities 	<ul style="list-style-type: none"> • Counteract negative impact of COVID-19 measures • Low-moderate communities, individuals • Business lost revenue 	<ul style="list-style-type: none"> • Develop • Purchase • Repair • Operate • LT Loans 	<ul style="list-style-type: none"> • For essential workers • \$13/hr or \$25K • Not remote or telework 	<ul style="list-style-type: none"> • Water • Sewer • Broadband

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INELIGIBLE USES

- Extra deposits to pensions
- Increase / rebuild fiscal reserves (rainy day funds)
- Debt service
- Settlements and judgments
- General infrastructure outside of water, sewer, or broadband?

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ARPA EXAMPLES FROM OTHER JURISDICTIONS

Public Services

- System modernization
- Implement digital operations
- Upgrade technology
- Sick leave banks
- Facility upgrades
- Implement performance metric system (KPI)
- Community outreach capabilities

Public Health Impacts

- Incentive program for vaccinations
- Testing, monitoring, tracing
- PH data systems
- PPE
- Ventilation systems
- Education and outreach
- Water testing
- Vehicle purchases
- Training

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ARPA EXAMPLES FROM OTHER JURISDICTIONS

Economic Impacts

- Business grants
- Façade improvements
- Re-entry program
- Paid internships
- Housing vouchers
- Relocation assistance
- Neighborhood investments
- Improvement to vacant properties

Affordable Housing

- Down payment assistance
- GAP Mortgage loans
- Funding gaps on construction / rehabilitation projects
- Adaptive reuse projects
- Land acquisition for future development
- Predevelopment and site prep
- Temporary & permanent shelters
- Transitional housing
- Motel vouchers
- Housing navigator services

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LOCAL ASSISTANCE and TRIBAL CONSISTENCY FUND

LATCF

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LATCF SPENDING FRAMEWORK

- Funded from the American Rescue Plan Act of 2021 – two year distribution (2023 & 2024)
- General Purpose Revenue sharing program - \$2 billion
- Eligible uses
 - Anything we would use our own revenue sources
 - Except: lobbying
- Examples
 - Maintain / expand public services
 - Invest in infrastructure
 - Improve government capacity (invest in service delivery mechanisms)
 - Transition to clean energy
 - Economic development
- No expiration date

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DESIGN OPTIONS



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NEXT STEPS

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