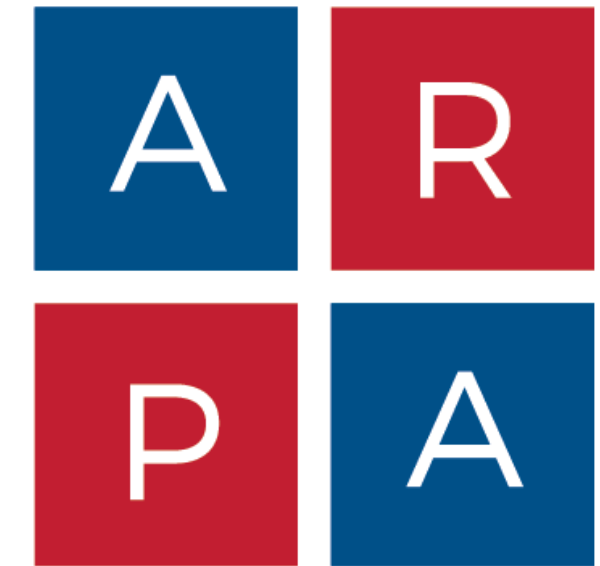




\$200 Million Reasons To Get To Know Your Selectboard: Thinking About the Coronavirus Local Fiscal Recovery Fund



AMERICAN RESCUE
PLAN ACT
2021

January 13, 2022 - VCRD Community Leadership Network

What We'll Cover:

- How Much
- How It Can Be Used
- New Rules
- VLCT's Advice



American Rescue Plan Act

- American Rescue Plan Act (ARPA) – \$1.9 trillion stimulus package signed into law March 11, 2021
- Purpose – Combat the COVID-19 pandemic, including health and economic impacts
- \$350 billion for eligible state, local, territorial and Tribal governments through the Coronavirus State and Local Fiscal Recovery Funds
- The money will be distributed through the U.S. Department of the Treasury
- It is subject to the requirements specified in the Final Rule issued by Treasury and effective April 1, 2022

American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund

Vermont's Share:

- State of Vermont * \$1,049,287,303
- Counties** \$121,202,550
- Metro Cities \$20,721,902
- Non-Entitlement Units of Government (NEUs) \$58,788,245

TOTAL ARPA State and Local Funds: \$1,250,000,000

* Only half the State money has been allocated. The remaining half will be allocated during the 2022 legislative session.

** County money has been reallocated to municipalities. Payments (local and county) can be found by clicking [HERE](#).

American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund

The Vermont Department of Finance and Management is
“Administering” the Funds

A list of the allocations by city, town and village is available on their
website at: <https://finance.vermont.gov/covid-19-guidance>

Every recipient in Vermont is receiving non entitlement unit funding
and county funding, split over two years.

American Rescue Plan Act

Coronavirus State and Local Fiscal Recovery Fund



- **ARPA** - Implemented through the Final Rule, available online at <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>
- **Timeline:**
 - 1st payment (local and county) August 2021
 - 2nd payment (local and county) summer 2022
 - All funds must be **obligated** by December 31, 2024
 - All funds must be **expended** by December 31, 2026
 - Any funds not spent by December 31, 2026, must be returned to Treasury
- **State and Local ARPA** – follows the same timeline and rules

Planning Framework for Maximum Impact and Best Use of Municipal ARPA Funds



Vermont League
of Cities & Towns

1. PRIORITIZE GOOD GOVERNANCE

- Convene all Stakeholders & Build Consensus
- Follow Allowable Uses Under ARPA
- Meet all Accounting & Reporting Rules
- Comply w/ all Local & State Laws/Ordinances
- Ensure Transparency Throughout
- Do Not Create Future Budget Deficits

2. LEVERAGE YOUR ARPA AID

- Use a Thoughtful Strategic Planning Process
- Leverage w/ ARPA, FEMA & Other \$ Fed Sources
- Coordinate w/ Other State & Local Programs
- Collaborate w/ Community Partners & Orgs
- Use Existing Delivery Systems for Efficiency
- Don't Reinvent the Wheel: Learn from Others

3. INVEST IN BEST USES FOR LONG-TERM RECOVERY

- Invest in Urgent Health and Economic Needs
- Prioritize Short-Term Investments w/ Lasting Benefits
- ID and Address Pre-COVID Inhibitors to Growth
- Measure Progress Throughout to Inform Ongoing Plans

What You CAN Spend \$ On



Seven (7) Categories:

1. Public Health
2. Negative Economic Impacts
3. Services to Disproportionately Impacted Communities
4. Premium Pay
5. Infrastructure (Water, Sewer, Broadband)
6. [Revenue Replacement](#)
7. Administrative

What You CAN Spend \$ On



Approach to the Final Rule

Treasury's final rule provides greater flexibility and simplicity for recipients to turn the tide on the pandemic, maintain vital public services amid revenue shortfalls, and build a strong, resilient, and equitable recovery.

KEY NEW FEATURES IN THE FINAL RULE

1

Public Sector Revenues

- Major simplification for thousands of recipients through the **\$10 million revenue loss standard allowance**

2

Public Health & Economic Response

- Providing a **broader set of eligible uses** for impacted and disproportionately impacted populations
- Clarifying that reasonably proportional **capital expenditures** may be allowable (e.g., affordable housing, hospitals)

3

Premium Pay for Essential Workers

- **Streamlining options to provide premium pay** by broadening the share of essential workers who can receive premium pay without a written justification

4

Water, Sewer & Broadband Infrastructure

- **Expanding water and sewer projects** that are eligible
- **Broadening eligible broadband investments** to allow recipients to address access, affordability & reliability challenges



What You CAN NOT Spend \$ On

1. Non-Federal Match* - you can include your ARPA \$ in your capital stack, you just cannot use it as match for other federal grants
2. Pension Funds
3. Infrastructure Not Directly Addressed in ARPA
4. Rainy Day Funds, Financial Reserves, and Outstanding Debt

Things to Consider:



- You can:
 - **Pool your funds** with other municipalities to achieve scale for deeper impact and long-term sustainability that benefits your community.
 - **Transfer your funds** to non-profits or other eligible third-party organizations performing ARPA eligible projects that benefit your community.
 - **Take time to be patient and think bigger** - see how the State of Vermont's ARPA money will be deployed, as well as other federal funding that is and could be on its way like the *Infrastructure Investment and Jobs Act* and the *Build Back Better Act*.

ARPA Spending & Reporting - General Information

- The *legislative body* of a municipality *is the ultimate arbiter* of how ARPA funds will be spent; there is no higher authority or approval process
- All municipalities will be required to report on their spending directly to Treasury
- All municipalities, other than Burlington, have an annual reporting schedule due April 30th each year, 2022-2027
- Reporting guidance issued by Treasury and additional ARPA resources are posted on VLCT's ARPA webpage:
 - <https://www.vlct.org/resources/american-rescue-plan-information>

ARPA Vermont- Emerging Ideas:



- Waitsfield: **wastewater** treatment plant to support housing development
- Rutland: improve air quality in town hall, extending **water** and **sewer** lines
- Montgomery: municipal **sewer** system
- St. Albans Town: exploring **water** and **sewer** projects
- St. Albans City: neighborhood stabilization/housing rehab
- Highgate: **water** and **sewer** projects
- Ferrisburgh: **water** projects, broadband
- Panton: digitizing land records
- Barre Town: stormwater, **water** projects, radio coverage for EMS
- Cavendish: **sewer**/updating pump stations, **water** projects, digitizing land records, public building ventilation, hybrid meeting support
- Manchester: revenue replacement, improving EMS and EOC facilities, **sewer** improvements, town hall ventilation
- Montpelier: revenue replacement, **water/sewer**/stormwater projects, housing
- Weathersfield: grants to businesses, **water** and stormwater projects, COVID modifications to public facilities, premium pay (police)
- South Burlington: restore staffing levels

ARPA - Nationally



686

Distinct Cities

443

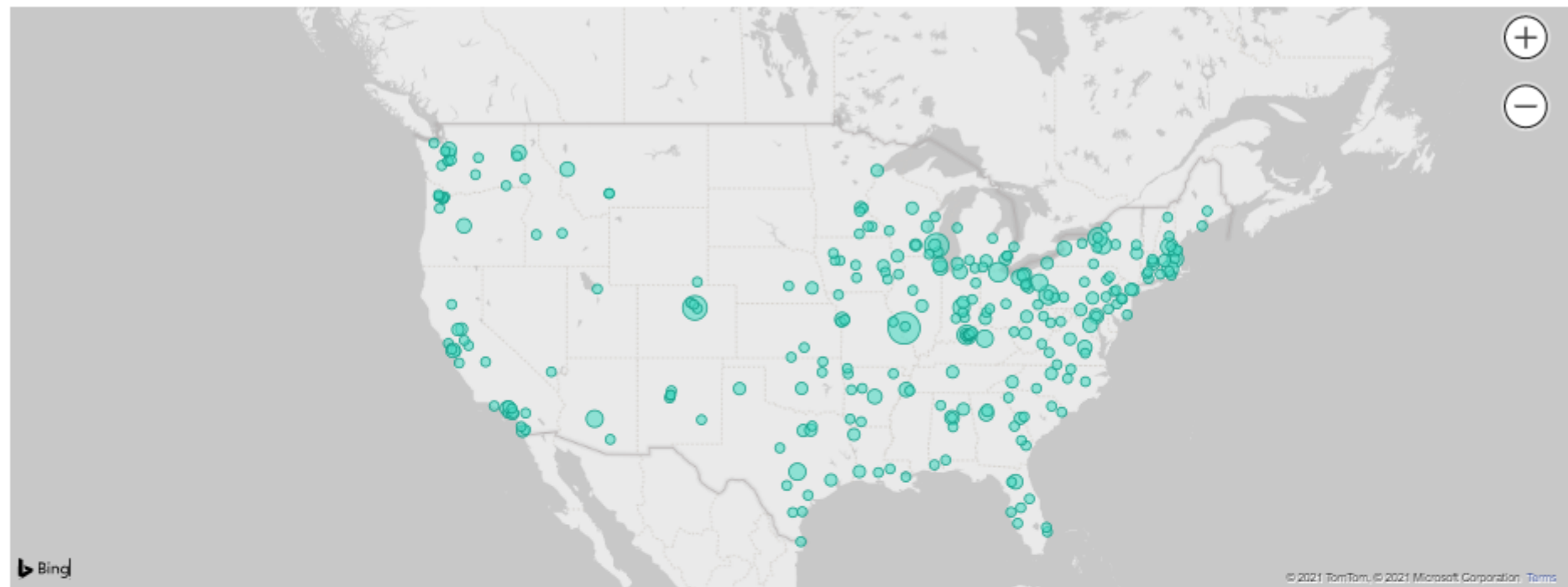
American Rescue Plan Act Plans & Proposals

4612

Policies Tracked to Date

102M

Population Impacted



Search by City or State

Search by Policy Area

Search by City Action

Reset Filter



City	State	Date of Action	Policy Area	City Action	Action Type	Population Impacted	City Population	Link to text or Release
Bentonville	Arkansas	10/27/2021	American Rescue Plan Act (ARPA)	The City Council voted to use federal money for one-time premium payments of \$2,000 to eligible full-time city employees and \$1,000 to eligible part-time employees. The estimated cost is \$1.4 million.	Administrative Procedure	Municipal Employees	54,909	Link
Kalamazoo	Michigan	10/27/2021	American Rescue Plan Act (ARPA)	City and county leaders planned a community listening session to discuss gun violence in Kalamazoo. The city and county each committed \$1 million of Federal American Rescue Plan funding toward community violence intervention.	Administrative Procedure	General public	76,200	Link
Parkersburg	West Virginia	10/27/2021	American Rescue Plan Act (ARPA)	Parkersburg City Council approved the first readings of water rate related ordinances and accompanying improvement project. Councilwoman Sharon Kuhl said the rate increase was projected to have been nearly 16 percent before council allocated \$7 million in American Rescue Plan funds to the project.	Administrative Procedure	General public	29,306	Link
St. Clair Shores	Michigan	10/27/2021	American Rescue Plan Act (ARPA)	Taking the first step toward the separation of combined sewers, City Council approved a flow metering plan to determine how much storm water is within the lines during a rain event. The project has a cost not to exceed \$48,500 and will be paid for using American Rescue Plan Act funding, as will the future costs of the sewer separation.	Administrative Procedure	General public	58,984	Link
Augusta	Georgia	10/26/2021	American Rescue Plan Act (ARPA), Vaccinations	The City of Augusta increased its \$100 vaccination incentive. Now, residents will receive \$100 for each shot. The City says the money for the doubled incentive is coming from the American Rescue Plan.	Administrative Procedure	General public	197,888	Link
Baltimore	Maryland	10/26/2021	American Rescue Plan Act	Mayor Brandon Scott announced Baltimore City is investing \$50 million of the city's	Administrative	General public	593,490	Link

- [National League of Cities COVID-19 Local Action Tracker](#)
- [ICMA ARPA Local Fiscal Recovery Fund Spending Priorities Survey](#)
- [U.S. Department of the Treasury - Early Reporting Highlights – Coronavirus State and Local Fiscal Recovery Funds \(October 14, 2021\)](#)

ARPA - Nationally

[National League of Cities COVID-19 Local Action Tracker:](#)

- Replace roofs for low-income seniors and homeowners with disabilities
- \$2,500 grants for households earning <40% AMI for household expenses: rent, utilities, childcare, medical, groceries, fuel, etc.
- Social distanced outdoor dining spaces, green spaces
- Safe rest villages – sleeping pods for people experiencing homelessness
- Universal basic income pilot program - \$200/month for 200 families for 2 years
- Park improvements; community center enhancements
- Cover 100% infrastructure costs to incentivize development of mixed-income housing
- New downtown park with skate park to boost tourism
- Water/sewer/stormwater/broadband, lost revenue, premium pay

VLCT ARPA Assistance and Coordination Program



- Guidance and project eligibility analysis
- Webinars, targeted trainings, technical assistance, best practices
- In-person and virtual meetings with local officials and staff
- Answer questions (arpa@vlct.org)
- Guidance with compliance, reporting, and transparency
- Collaboration/partnerships with RPCs, SOV, RDCs, statewide non-profits, private consultants, etc. to ensure needs of municipalities are met related to project ideation, implementation and management
- ARPA resources webpage:

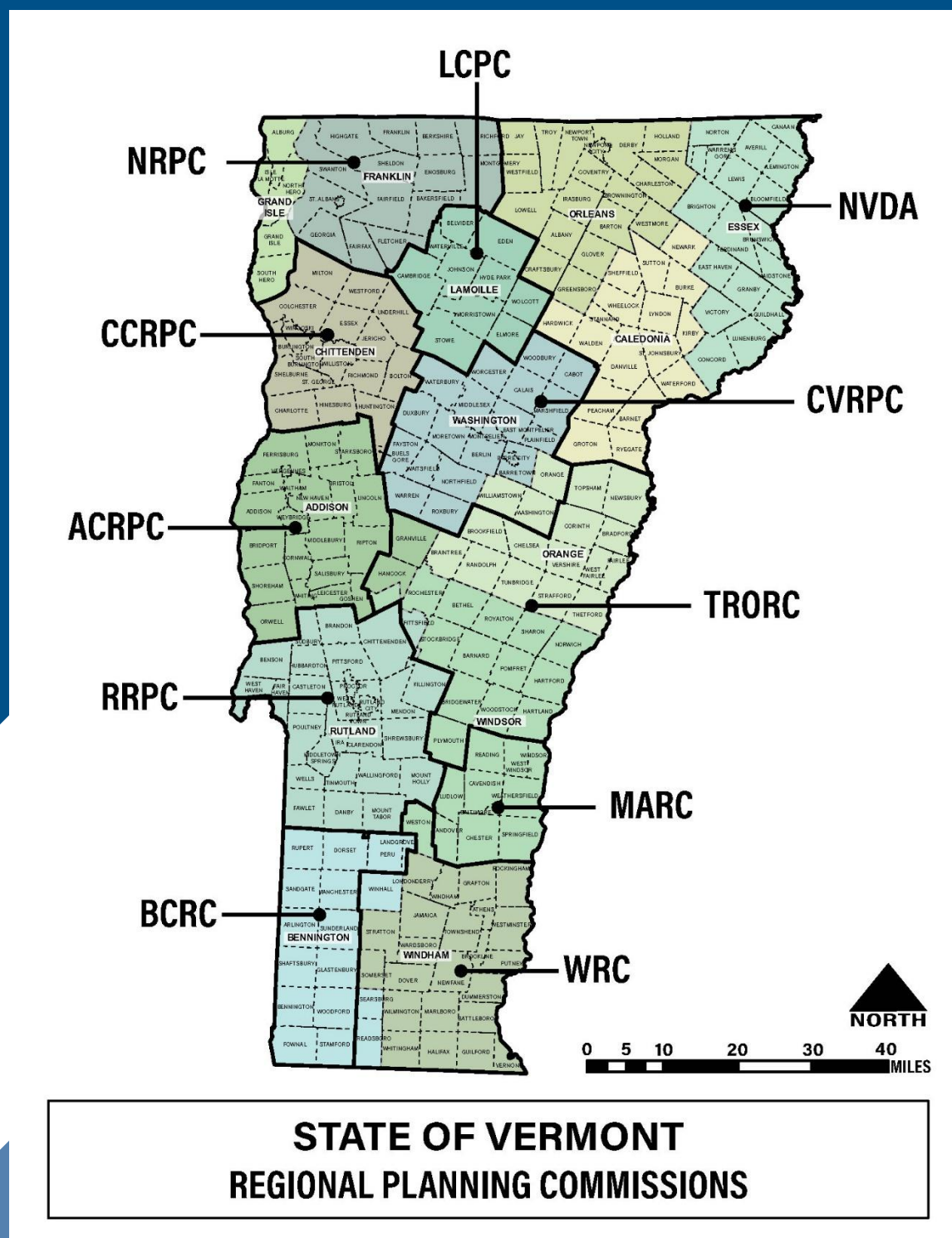
<https://www.vlct.org/resources/american-rescue-plan-information>

Regional Planning Commission Assistance

- Identify needs and top priorities for designing and building projects that are consistent with existing State, regional and local plans.
- Respond to inquiries on eligibility to facilitate local discussions among stakeholders on specific projects.
- Provide other assistance as needed from local communities in coordination with VLCT.
- Work with VLCT, regional development corporations, and private consultants working with municipalities to ensure needs of local communities are met, especially related to project development and management.

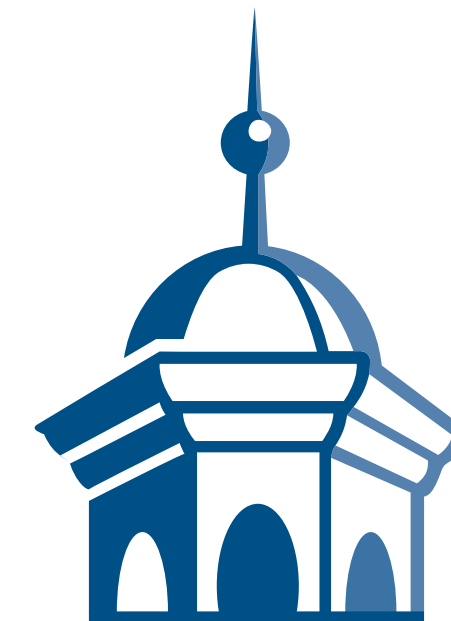
For more information on the State of Vermont's 11 Regional Planning Commissions visit:

<https://www.vapda.org/>





Thank You!



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