



# TOWN COUNCIL MEETING

January 25, 2022

# AMERICAN RESCUE PLAN FUNDS

# AGENDA

- What is the American Rescue Plan?
- Timing and deadlines
- Eligible uses
- Ineligible uses
- Reporting requirements
- Process and guidelines
- Public involvement

## WHAT IS THE AMERICAN RESCUE PLAN BILL?

- The American Rescue Plan delivers \$350 billion to eligible state, local, territorial, and tribal governments to respond to the Covid-19 pandemic.
  - \$195 billion for states
  - \$130 billion for local governments
  - \$20 billion for tribal governments
  - \$4.5 billion for territories
- President Biden signed the \$1.9 trillion American Rescue Plan bill on March 11, 2021.
- The Department of Treasury published Interim Final Rule in May 2021 that described eligible and ineligible uses.
- The Department of Treasury published the Final Rule on January 6, 2022, with an effective date of April 1, 2022.

## TIMING OF DISBURSEMENTS

- Treasury will distribute the funds in two payments, May 2021 and May 2022, to each eligible state, territory, metropolitan city (>50,000 population) country, or tribal government.
- Smaller local governments (<50,000 population) are classified as non-entitlement units and will receive their funds through the state government.

## ALLOCATION AND SPENDING DEADLINES

- The distribution of funds to non-entitlement cities was based on 2019 census population.
- Latest estimate from the California League of Cities is the Town of San Anselmo would receive \$2,984,524.
- The estimate is subject to change if other local governments don't request the funds or return them to the state, which could result in another smaller distribution.
- Funds must be obligated by December 31, 2024 and expended by December 31, 2026.

## U.S. TREASURY FINAL RULE

### FOUR PRIMARY CATEGORIES OF ELIGIBLE USES

- 1 Respond to pandemic's public health and economic impact
- 2 Premium Pay for eligible workers performing essential work
- 3 Replacement lost revenue and restore government service levels
- 4 Necessary Water, Sewer, & Broadband Infrastructure

## RESPOND TO PANDEMIC'S PUBLIC HEALTH AND ECONOMIC IMPACT

- Public Health Impacts: Eligible Uses
  - Covid-19 mitigation and prevention
  - Behavioral health care, mental health, substance misuse, domestic violence services
  - Broader latitude to address disparities in public health outcomes caused by or exacerbated by the pandemic.



## RESPOND TO PANDEMIC'S PUBLIC HEALTH AND ECONOMIC IMPACT

- Economic Impacts: Eligible Uses
  - Address economic harm and disparities caused by or exacerbated by the pandemic.
  - Assistance to households, workers, businesses, non-profits, and impacted industries
  - Expanded uses for hardest hit communities: housing, community development, homelessness, childcare, and education

## PREMIUM PAY FOR ESSENTIAL WORKERS

- Eligible workers performing essential work during the Covid-19 public health emergency.
  - Workers needed to maintain continuity of operations of essential critical infrastructure sectors.
  - Critical to protect health and well-being of residents
- Eligible worker examples:
  - Staff at nursing homes, hospitals, and home-care settings
  - Workers at farms, food production facilities, grocery stores
  - Public health and safety staff
  - Truck Drivers
  - Childcare workers, educators, and school staff
  - Social service and human services staff

## REPLACE PUBLIC SECTOR REVENUE LOSS

- Revenue Replacement
  - Recipients may determine their revenue loss by choosing between two options:
    - A standard allowance of up to \$10 million in aggregate, not to exceed their award amount, during the program.
    - Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
      - Calculation projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1% the nation state and local revenue growth rate from 2015-2018.

## REPLACE PUBLIC SECTOR REVENUE LOSS

- League of California Cities created a template for Cities/Town to input revenue figures from FY16-FY21 and determine the amount of loss revenue based on the guidance provided by Treasury.
- Town's calculation of loss revenue is approximately \$2.4 million but now we can use the entire allocation under this classification.
- Eligible:
  - Government Services

## GOVERNMENT SERVICES

- Road building and maintenance and other infrastructure
- General government administration, staff, and administrative facilities
- Environmental remediation
- Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)

## WATER, SEWER & BROADBAND INFRASTRUCTURE

- To make necessary investments in water, sewer, or broadband infrastructure.
- Improve access to clean drinking water, support vital wastewater and stormwater infrastructure including projects that address the impacts of climate change.
- The Department of Treasury Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund.

## FINAL RULE: INELIGIBLE USES

- Federal Matching
- Premium Pay for Telework
- Pensions
- Contributions to reserve funds
- Debt payments
- Directly or Indirectly offset a reduction in tax revenue

## REPORTING REQUIREMENTS

- The Town will report expenditures directly to the Department of Treasury.
- Town's first report due date was extended to April 30, 2022. The reporting period will be award date to March 30, 2022.
- Each report will due each April 30<sup>th</sup> thereafter until funds are exhausted.



## DISBURSEMENTS

- County of Marin - \$55,229 (under the category 1)
- Technology to adapt government operations to the pandemic– \$42,740 (under category 3)

## PROCESS

- Establish Guiding Principles
- Coordinate with other municipalities
- Provide public input opportunities
- Determine priority uses
- Initiate regular community reporting

## GUIDELINES TO CONSIDER

- Leverage outside funding and avoid duplication with other programs
- Restore financial stability to support future governmental operations
- Retain flexibility to address evolving community needs
- Seek opportunities to make lasting change in physical and social infrastructure
- Ensure funding decisions to help mitigate racial inequalities
- Pursue actions that contribute toward the Town's climate action goals
- Limit operational investments without identified sustainable funding sources
- Demonstrate compliance and transparency through regular public reporting

## ELIGIBLE OPTIONS

- Critical Infrastructure
  - Town Hall Roof and HVAC
  - Fire Station 20
- Community Development
  - Emergency rental assistance
  - Contribution to homeless shelter and veteran housing projects
- Climate Change/Green Infrastructure
  - EV Charging Stations
  - Solar panels above parking lots or on Town Buildings

## ELIGIBLE OPTIONS

- Economic Development
  - Downtown Façade Improvement Program
  - Grants for parklets
  - Consultant for Housing Element
- Recreation/Parks
  - Expanded outdoor recreational opportunities (tennis courts)
  - Fund public art
  - Park & greenspace expansion and added amenities

## SAN ANSELMO RESIDENTS

- Fiscal Transparency
- Public Input and Participation
- Online Platform
  - [Town of San Anselmo APRA Simulation](#)

QUESTIONS?