



American Rescue Plan Funding Discussion

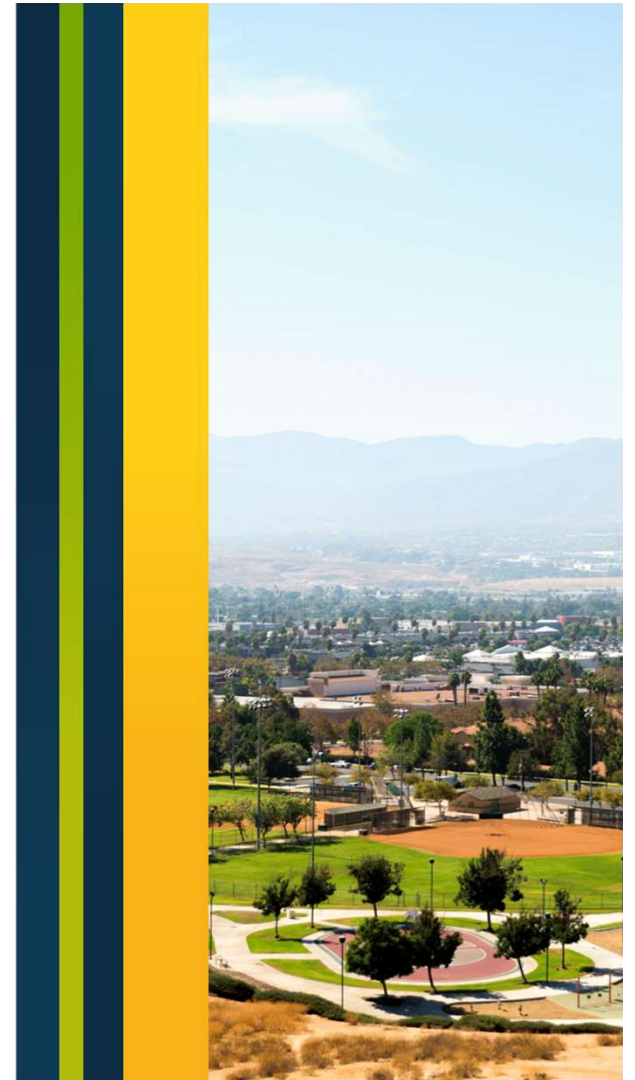


**Kim Sitton,
Finance Director**

Committee of the Whole
June 9, 2021

Agenda:

- **American Rescue Plan Act (ARP) Status**
- **Eligible Uses**
- **Committee Discussion and Next Steps**



ARP Status

- Interim Final Rule issued by US Dept. of Treasury May 2021

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

- Accepting input from agencies, due by July 16, 2021
- Final guidelines anticipated by end of July 2021

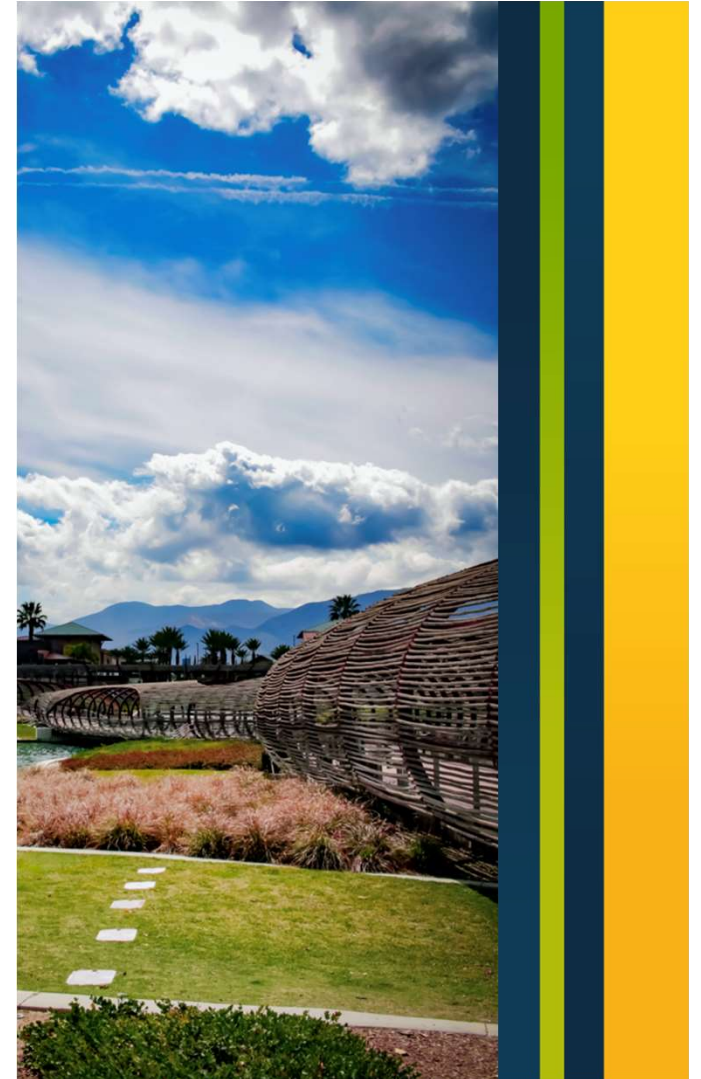
ARP Status

- \$1.9 Trillion Total
- \$350 Billion to states and local governments
- City of Corona Allocation: \$29,158,725
 - 2 installments: approx. July 2021 and July 2022

Eligible Uses of ARP

Guidelines:

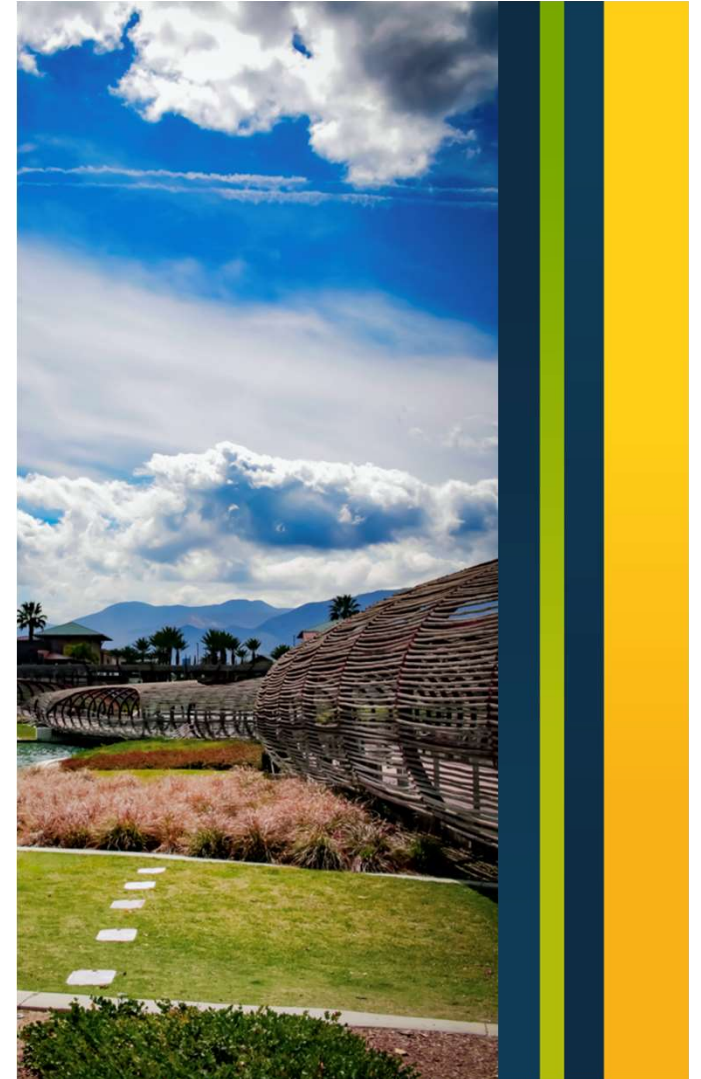
- Funding period between March 3, 2021 – December 31, 2024
 - Costs encumbered by December 31, 2024 must be spent by December 31, 2026
- Cannot make pension deposits
- States and territories cannot spend funds to reduce taxes or delay tax increase
- May not be used as non-Federal match for other Federal programs



Eligible Uses of ARP

Four Main Categories:

1. Negative economic impacts
2. Pay for eligible workers
3. Revenue Replacement
4. Water, Sewer, or Broadband Infrastructure

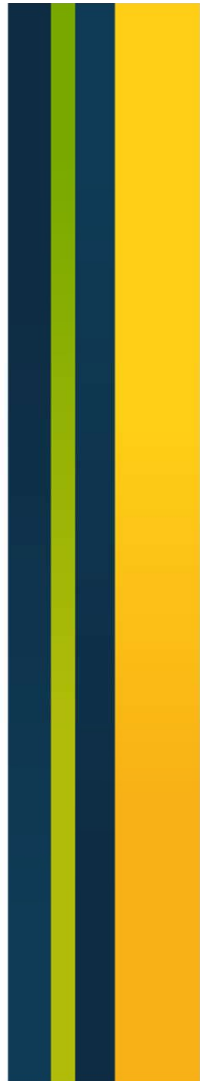


Eligible Uses of ARP

Category #1 – Negative Economic Impact

To respond to the negative economic impacts related to COVID-19, including assistance to households, small businesses, and nonprofits, or aid to impacted industries

Eligible Uses	Examples	Estimate
Containing/mitigating COVID-19	✓ PPE, Vaccine programs, etc.	\$1.5 M
	✓ Utility Assistance Program	\$2.1 M
	✓ Nonprofit Grant Program	\$0.2 M
	✓ Rental Assistance to Historic Civic Center Tenants (Non-profits)	\$0.2 M
Behavioral healthcare needs	✓ Mental health/substance abuse treatment	N/A
	✓ Crisis intervention/hotlines	N/A
Payroll/benefits for public health/safety, human services, similar employees	✓ To the extent work was completed for COVID-19 response and mitigation	TBD
Impacted Industries (tourism, travel, hospitality, etc.)	✓ Measures to enable safe resumption of tourism, travel, and hospitality services	N/A
Rebuilding public sector capacity to pre-pandemic levels	✓ Rehiring public sector staff	N/A
	✓ Replenishing Unemployment Trust funds	\$0.1 M
Small business support	✓ Innovation Center	\$1.5 M
	✓ Business Grants	\$0.5 M
	✓ Other Business Support	\$0.2 M
Hardest-hit communities	✓ Investing in socioeconomic disparities	N/A
	✓ Addressing disparities in education	N/A



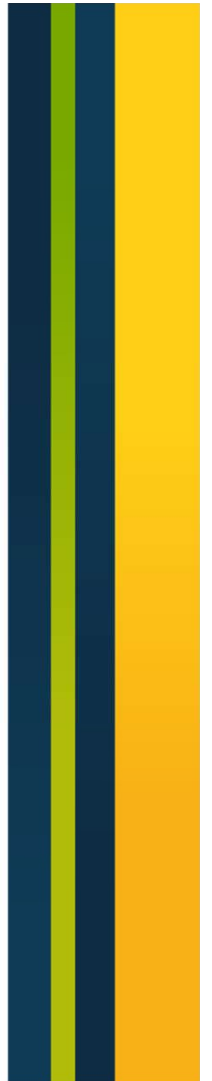
Eligible Uses of ARP

Category #2 – Pay for Eligible Workers

To respond to workers performing essential work during the pandemic by providing pay to eligible workers (as defined by US Dept. of Treasury guidelines)

- ✓ Can be used retroactively
- ✓ Employees of the jurisdiction designated by executive as essential
- ✓ Eligible employees/employers in the public and private sectors

- ✓ Estimate: TBD

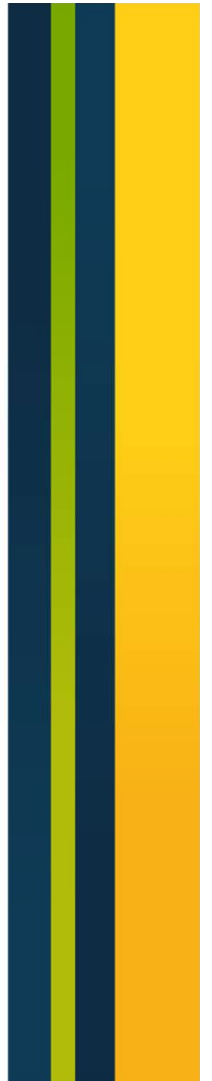


Eligible Uses of ARP

Category #3 – Revenue Replacement

Funding to support government services to the extent of the revenue losses related to COVID-19

- ✓ Using FY 2019 as the base year revenue for comparison
- ✓ Excludes:
 - ✓ Federal and intergovernmental transfers
 - ✓ Revenues from utilities
 - ✓ Refunds/correcting transactions
 - ✓ Proceeds from issuance of debt
 - ✓ Liquor store revenues
- ✓ Estimate: TBD, waiting for template to be distributed



Eligible Uses of ARP

Category #4 – Water, Sewer, or Broadband Infrastructure

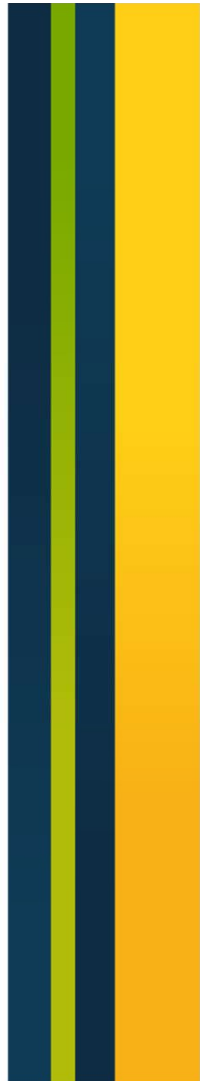
Investments in water, sewer, or broadband infrastructure

Water/Sewer Infrastructure:

- ✓ Investments designed to provide an adequate minimum level of service and are unlikely to be made using private sources of funds
- ✓ Use must be aligned with EPA's Clean Water Revolving Fund and Drinking Water State Revolving Fund

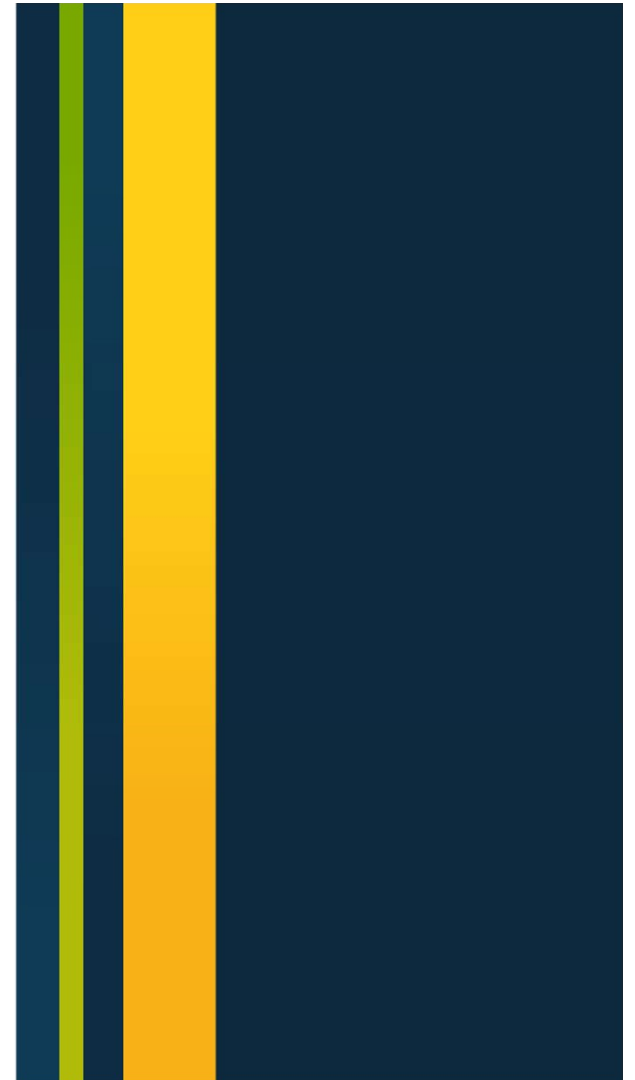
Broadband Infrastructure:

- ✓ Build broadband infrastructure with modern technologies in mind, specifically projects that deliver services offering reliable download and upload speeds (100 Mbps)
- ✓ Assisting households to support internet access or digital literacy
- ✓ Estimate: \$0.2 M – public computers, digital access points and support



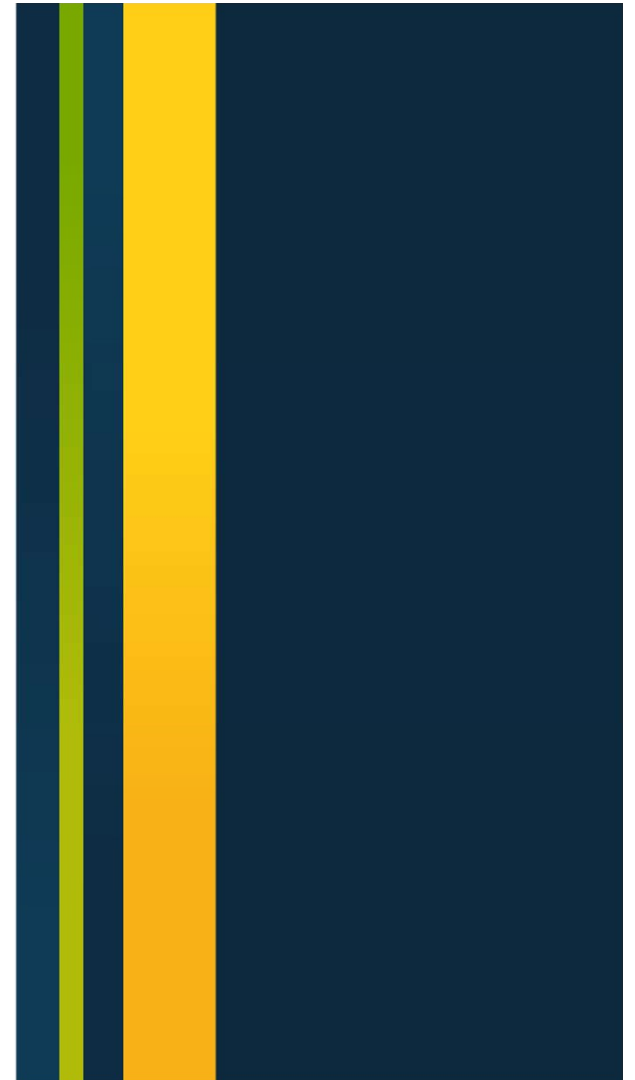
Committee Discussion and Direction:

- Feedback and direction on the American Rescue Plan funding



Next Steps:

- Refine plan based on discussion, once final guidelines issued by US Dept. of Treasury
- Provide update to the City Council at the Fall Workshop



QUESTIONS?



951-279-3500



Kim.Sitton@CoronaCA.gov



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