

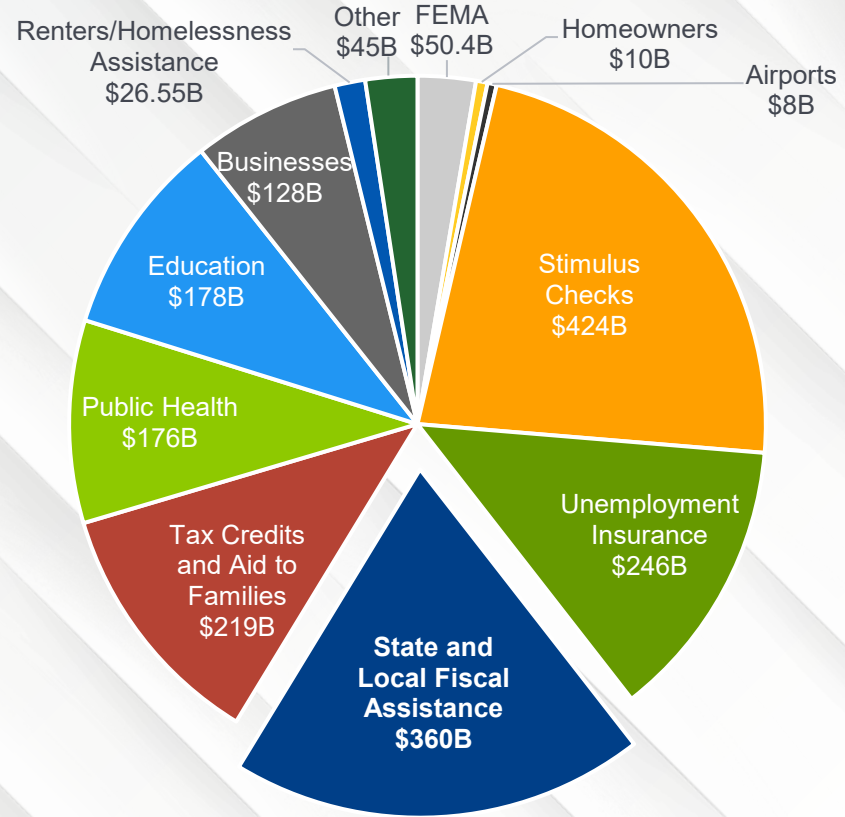
# American Rescue Plan Act – Local Fiscal Recovery

August 26, 2021



# American Rescue Plan Act (ARPA)

- ▶ The President signed the \$1.9T American Rescue Plan Act of 2021 into law in March of 2021
- ▶ ARPA included \$360B to establish the Coronavirus State and Local Fiscal Recovery Funds “to mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease.”



# Timing of Receipt and Use of Funds

- ▶ The City has certified and received \$52,757,862 from the Federal government. The remaining 50% is expected to be received in May of 2022.
- ▶ Eligible expenditures need to be obligated by December 31, 2024
- ▶ Performance (use/payment) through December 31, 2026

# Eligible Uses

1. Responding to public health needs and economic damage from the pandemic
2. Providing premium (i.e. hazard) pay for essential workers
3. Replacing lost revenue
4. Investing in necessary water, wastewater and/or broadband infrastructure

# Update

- ▶ Based on Council feedback staff identified projects and purchases that are consistent with the eligible uses found in the IFR.
- ▶ These projects have been grouped by reporting classifications required by the Fiscal Recovery Funds:
  1. Public Health
  2. Negative Economic Impact
  3. Services to Disproportionately Impacted Community
  4. Premium Pay
- ▶ A detailed summary of the proposed ARPA projects can be found as an attachment at end of the Council report.



# Public Health - \$7.8M

- ▶ The ARPA authorizes the use of payments from the Fiscal Recovery Funds to respond to the public health emergency and provides many ways in which the funds can be used to support communities working to reduce and respond to increased violence.
  1. PD Real Time Crime Center - \$3,300,000
  2. Behavioral Health - \$2,500,000
  3. Ambulance - \$1,800,000
  4. PD Body Scanner and Thermal Reader - \$159,000

# Negative Economic Impact - \$49.9M

- ▶ The COVID-19 pandemic has had a severe impact on households and businesses. The Interim Final Rule (IFR) noted, “as businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost in March and April 2020.”
  1. Energy Commodity Cost- \$20,000,000
  2. Food Distribution Center - \$10,000,000

# Negative Economic Impact (cont.)

3. Downtown District Revitalization - \$10,000,000
4. Wi-Fi and Mobile Broadband - \$6,000,000
5. Mesa Small Business Learning Lab - \$3,800,000
6. Convention Center Floor Replacement - \$145,000



# Services to Disproportionately Impacted Communities - \$20.7M



- ▶ These programs should “alleviate the immediate economic impacts of the COVID-19 pandemic on housing insecurity, while addressing conditions that contributed to poor public health and economic outcomes.”
1. Homeless Solution - \$20,000,000
  2. Recreational Programming for K-6th- \$447,000
  3. Education and Enrichment Scholarships- \$245,000

# Essential City Operations - \$12.8M

- ▶ “Fiscal Recovery Funds payments may be used by recipients to provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency... Since the start of the COVID-19 public health emergency in January 2020, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.”

1. Premium Pay - \$12,800,000

# Future Allocation

## 1. Unallocated Funding - \$14,319,724

### Potential Uses:

Food Security Initiative

Restaurant Incubator

Rental Assistance

COVID-19 Vaccinations

Broadband Subsidy

Cybersecurity

# Next Steps

- ▶ If Council supports this initial direction, staff will further investigate and develop the listed programs.
- ▶ Staff will continue to bring these programs as they become more developed to Council for adjustments/adoption.



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