



Office of the
City Manager

American Rescue Plan Act

Allowable Expenditures

Presented By
Maria Kachadoorian

April 13, 2021



Eligible Uses for Fiscal Recovery Funding

Local governments can use funding on its own needs, but can also provide money to community non-profits, businesses and organizations for eligible expenses. Funds must be expended by 12/31/2024.



To **respond to the public health emergency** with respect to COVID-19 or its **negative economic impacts**, including assistance to households, small businesses and nonprofits, or aid to impacted industries such as tourism, travel and hospitality

To respond to **workers performing essential work** during the COVID-19 pandemic by providing **premium pay to eligible workers** of the local government performing such work or providing grants to eligible employers that have employees performing essential work

For the provision of government services to the extent of the **reduction in revenue** of such local government due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the local government

To make necessary investments in **water, sewer, or broadband infrastructure** whether or directly related to COVID-19

Ineligible Uses for Fiscal Recovery Funding

- ❌ Cannot be used to directly or indirectly offset a reduction in the net tax revenue
- ❌ Cannot be deposited into any pension fund
Guidance on this is forthcoming; was a last minute add



American Rescue Plan Act

additional resources

In addition to the direct allocation entitlement jurisdictions will receive, there are also several specific aid programs and resources local governments and stakeholders will have access to across these four focus areas:



TRANSPORTATION SYSTEMS & INFRASTRUCTURE

Over \$98 Billion in grant opportunities for community development, transportation, airport aid and infrastructure



SMALL BUSINESS & NONPROFIT SUPPORT

Over \$56 Billion in grant opportunities for small businesses, restaurants, nonprofits, operator venues, arts/humanities and museums, and PPP and EIDL funding



HOUSING ASSISTANCE

\$31 Billion in emergency rental assistance, emergency housing vouchers and the Low-Income Emergency Assistance Program



FOOD SECURITY & PUBLIC HEALTH

Over \$68 Billion in COVID-19 testing, contact tracing and mitigation; mental health and behavioral health needs; community health center funding; add'l SNAP funding



Office of the City Manager

Next Steps

1 DEPARTMENTAL REQUESTS

Department requests for spending will be submitted for City Manager consideration

2 COMMUNITY OUTREACH

Staff will deploy a community outreach strategy to share about ARP funding opportunities and solicit feedback

3 SURVEYS & DATA GATHERING

Staff will collect community input on spending needs via surveys (e.g. Small Business Owner Survey)

4 CREATION OF ARP SPENDING PLAN FOR COUNCIL CONSIDERATION

Compiling departmental requests and community feedback, staff will present an ARP spending plan for Council consideration.

Spending will incorporate a lens of equity & inclusion to aid in an inclusive community recovery

