



Staff Report

October 3, 2022 Council Workshop

American Rescue Plan Act Status Presentation

Presenter: Cathy Huber Nickerson, Finance Director and Debra Brooks, Financial Analyst

Time Estimate: 10 minutes

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BACKGROUND: This presentation is to review the proposed uses for the funds and the process to appropriate in the 2023-2024 Budget adoption.

SUMMARY: The United States Congress approved the American Rescue Plan Act (ARPA) on March 11, 2021 to provide a \$1.9 trillion package to provide direct relief to states, counties, cities, and towns as well as public utilities, libraries, and transit agencies. As a community of 50,000 or less, the City of Camas will receive a distribution of these funds over four years from the Washington State Department of Commerce.

Council approved Resolution 21-005 to accept the City of Camas \$6,816,235 allocation of Coronavirus State and Local Relief Funds (CLFRF). The City received the first tranche of \$3,408,118 on June 30, 2021.

These funds can be used for:

- To respond to public health emergency caused by COVID-19
- To aid households, small businesses, and nonprofits related to the negative economic impacts of COVID-19,
- For premium pay (hazard pay) up to \$13/hour, not to exceed \$25,000 to any individual employee, to eligible government essential workers,
- To provide government services to the extent of the reduction in revenue of such cities/counties due to COVID-19 relative to revenues collected in the most recent full fiscal year prior to the emergency (for cities in Washington, the baseline would be the calendar year 2019 budget),
- To make necessary investments in water, sewer, or broadband infrastructure.

On January 6, 2022, the U.S. Treasury issued Final Guidance for the use of ARPA funds. The most significant changes are the expansion and simplification of the Revenue Lost category. For jurisdictions less than 50,000 in population, the U.S. Treasury allows for the option for jurisdictions so opt for the "standard allowance" not to exceed \$10 million. This option allows Camas to opt for the whole \$6.8 million as a standard allowance or a portion. The funds would be used for any

traditional government service with simplified reporting requirements and federal audit considerations. Staff will review how this option may change the use of allocation of CLFRF.

EQUITY CONSIDERATIONS: What are the desired results and outcomes for this agenda item? The intent of the presentation is to provide City Council on ARPA status and uses.

What's the data? What does the data tell us? The US Treasury has provided final guidance.

How have communities been engaged? Are there opportunities to expand engagement? The City has had one round of public engagement in the Fall. The public was asked using Engage Camas to rank the priorities of Council's guidance for the use of the funds.

Who will benefit from, or be burdened by this agenda item? This agenda item is intended to benefit citizens and the community to offset the negative impact the pandemic has had the economy.

What are the strategies to mitigate any unintended consequences? Staff is monitoring for updates on ARPA daily and will plan accordingly.

Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact. Yes, this agenda item helps all communities the City serves.

Will this agenda item improve ADA accessibilities for people with disabilities? N/A

What potential hurdles exists in implementing this proposal (include both operational and political)? As will any funding, it is difficult to ensure all needs are met and as a result some prioritization will need to occur.

How will you ensure accountabilities, communicate, and evaluate results? The Finance Department will provide updates of the ARPA to City Council.

How does this item support a comprehensive plan goal, policy, or other adopted resolution? This item is intended to bridge financial gaps due to loss revenue during the pandemic which impact ability to maintain service levels.

BUDGET IMPACT: The presentation will provide the recommendation for the Mayor's Recommended Budget.

RECOMMENDATION: This item is for Council information only.