

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.44
(ID # 20180)**

MEETING DATE:
Tuesday, October 04, 2022

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: American Rescue Plan Act (ARPA) 2nd Installment Funding Allocation; All Districts

RECOMMENDED MOTION: That the Board of Supervisors:

1. Review and approve the American Rescue Plan Act (ARPA) funding second installment allocation.

ACTION:Policy

Juan C. Perez, Chief Operating Officer

9/30/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: October 4, 2022
xc: EO

Kecia R. Harper
Clerk of the Board
By:
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 (H.R. 1319) in to law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts.

As part of the \$362 billion in federal fiscal recovery aid for state and local governments, \$65.1 billion is provided in direct aid to counties. Riverside County's share of the American Rescue Plan funding is \$479,874,599, of which the first installment of \$239,937,299 was received on May 10, 2021, and the second installment in the same amount was received on June 6, 2022. The funds must be obligated by December 31, 2024 and expended by December 31, 2026.

On April 27, 2021, the Board of Supervisors approved a preliminary ARPA 1st installment funding allocation and on October 19, 2021, approved a revised funding allocation after the U.S. Treasury released the ARPA interim funding guidelines on January 6, 2021. (**Attachment A- ARPA 1st Installment Infographic**)

The Executive Office is proposing the below ARPA 2nd installment funding allocation (**Attachment A – ARPA Proposed 2nd Installment Allocation**). As with the 1st year's allocation, this action recommended today will establish general funding categories, and individual projects will return to the Board for further consideration and action.

ARPA Allocation- County-Wide (\$49 million): This allocation sets-aside county-wide ARPA funding for:

- County Departments Response - \$18 million: The funding will support departmental pandemic response and county-wide efforts to bolster resiliency.

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- **Emergency Resilience / Shelters - \$10 million:** The funding will support the expansion of the emergency shelter system at a county-wide level. The County has greatly expanded its emergency shelter capacity through Project Room Key and the deployment of \$30 million in one-time HUD funding for emergency-shelter related services. With funding for both projects set to expire this year, the proposed allocation is critical to continue providing sheltering services.
- **Economic Recovery- \$8 million:** This funding will support county-wide impacted industries, such as regional tourism recovery, business ecosystem support, and small business incubator programs.
- **Child Care- \$8 million:** The funding will support Early Care and Education (ECE) for workforce retention and recruitment and provide a second year of funding subsidy as a bridge until the State increases reimbursement rates.
- **Workforce Development \$5 million:** This funding category supports the expansion of transitional job programs, expanded nursing programs, and other various apprenticeship programs and training initiatives to support both private and public sector career pathways.

ARPA Allocation - By District (\$165 million): This allocation is proposed to be distributed equally among the 5 Supervisorial Districts (\$33 million per district). The Board offices will prioritize and identify projects, to be delivered by County Departments, partner agencies, or other organizations. The Executive Office will assist with eligibility review, coordination with the delivery department/agency, and compliance documentation requirements. Eligible categories may include:

- **Infrastructure:** The ARPA legislation specifically names water, sewer, and broadband as eligible infrastructure expenses. As part of the proposed legislation S. 3011/H.R.5735, the eligibility under this category could potentially expand to allow other broader uses.
- **Housing and Homelessness Solutions:** Eligible uses include increasing local sheltering capacity, permanent supportive housing units and affordable housing which are critical to addressing homelessness.
- **Business Revitalization:** Eligible uses include assisting businesses struggling to rebound from the pandemic, as well as strategic investment for economic resiliency. This may include support for small businesses in unincorporated communities in building rehabilitation, storefront improvements, and similar uses.

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- **Neighborhood Revitalization:** Eligible uses, in disproportionately impacted communities, include but not limited to; parks, green spaces, recreational facilities, sidewalks, crosswalks, streetlights and neighborhood clean-up.
- **Child Care Facilities:** This category supports major renovations and building of child care facilities.
- **Non-Profits:** Expand and support the local non-profit sector which has played a critical role in the pandemic response.
- **Other ARPA-eligible uses**

ARPA Future Allocation (\$25 million): The Executive Office is recommending setting-aside an additional allocation to program funds in FY 23/24. This set-aside would allow the County to respond as the public health or economic conditions may continue to evolve over the next year; to cover changes to project costs heading into construction; or address other unforeseen future needs.

ARPA 1st Installment Financial Update

As of October 4, 2022, the County of Riverside has obligated \$169,755,778 (71%) of its 1st ARPA installment in the amount of \$239,937,299.50, to eligible Infrastructure, Housing, Homelessness, & Neighborhood Revitalization, County Department Response, Non-Profit Assistance, Child Care, and Revenue Backfill projects / efforts. Additional details will be provided to the Board of Supervisors as part of the ARPA Quarterly Report. Additional projects are in the pipeline for consideration to fully allocate the 1st year of funding in the near future.

2nd Installment

ARPA Proposed Allocation

October 4, 2022

County-Wide
Allocation
\$49 million

- County Department Response— \$18 million
- Emergency Resilience/Shelters— \$10 million
- Economic Recovery— \$8 million
- Child Care— \$8 million
- Workforce Development— \$5 million

ARPA Allocation by District
(\$33 million per district)
\$165 million

- Infrastructure (water, sewer, broadband)
- Housing and Homelessness
- Workforce Development
- Business Revitalization
- Neighborhood Revitalization (sidewalks, clean-ups, street-lights, parks, libraries, etc.)
- Child Care Facilities
- Non-Profits

Future Allocation
\$25 million

- Future Allocation by FY23/24—\$25 million

\$239 million