

Brian G. LeBrun Deputy City Manager Finance CITY OF CONCORD New Hampshire's Main Street[™] Finance

REPORT TO CITY COUNCIL

FROM: Brian LeBrun, Deputy City Manager – Finance

DATE: June 24, 2021

SUBJECT: American Rescue Plan Act (ARPA) Funding Update

Recommendation

Accept this report regarding ARPA Funding Update

Background

The American Rescue Plan Act was passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021. This law provides \$1.9 trillion dollars in economic stimulus for a variety of issues and including support for states and local municipalities. Funding for local municipalities under ARPA is established by section 603 of ARPA and is administered by United States Department of the Treasury, Local Fiscal Recovery Funds (LFRF) Resources. These funds are allocated to Entitlement Communities directly from the United States Treasury and to Non Entitlement Units (NEU's) administered by the states. The City of Concord is a NEU and will receive \$4,567,295 over two years. The City is currently in the process of applying for the first installment of \$2,283,647.65. This application must be completed by August 18, 2021.

Discussion

The US Treasury has released the information below as guidance in the use of the above stated funds:

According to the U.S. Treasury, the Coronavirus State and Local Fiscal Recovery Funds provide eligible local governments with a substantial infusion of resources to meet pandemic response

City Hall • 41 Green Street • Concord, NH 03301 • (603) 225-8570 finance@concordnh.gov needs and rebuild a stronger, and more equitable economy as the country recovers. Recipients may use these funds to:

- Support public health expenditures, by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
- Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic
- Provide premium pay for essential workers, offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet

Within these overall categories, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities.

The City will be submitting clarifying questions regarding the use of the ARPA funds and will report back to the City Council along with a recommendation.

Acceptance of ARPA funds also requires specific reporting requirements on how the funds were use and will be required to comply with the section 603 of the Act.

Also included in this report is a listing of the New Hampshire NEU's and the amounts received.