THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: September 14, 2021

Subject: American Rescue Plan Act Fiscal Recovery Funds Categories for Funding

Staff Resource(s): Patricia Rosenberg, Internal Auditor

Action Requested: Adoption of a resolution authorizing the City Manager to create a program of work for the American Rescue Plan Act (ARPA) State and Local Government Fiscal Recovery Funds to fund the following categories: affordable housing, care for aging residents, city infrastructure, community communication, domestic violence prevention and assistance, food systems, homelessness services, revenue losses, small business recovery, and workforce development.

Background:

- The American Rescue Plan Act (ARPA) of 2021, which is designed to facilitate the United States' recovery from the devastating economic and health effects of the COVID-19 pandemic, was signed into law by President Biden on March 11, 2021.
- As part of the ARPA State and Local Government Fiscal Recovery Funds (FRF), the City of Asheville is receiving $26,293,853.
- On July 27, 2021, City Council authorized the receipt of the $26.2 million in ARPA funding and delegated the responsibility to execute any necessary agreements related to ARPA funding to the City Manager.
- There have been two City Council work sessions to facilitate the development of a plan for spending the $26.2 million in ARPA FRF funding.
- City Council heard public comment about funding categories at the August 24, 2021 Council meeting.
- The U.S. Treasury Department has issued guidance to describe allowable uses for the ARPA FRF funding, which centers around these major areas:
    - Public Health Uses
    - Negative Economic Impacts
    - Premium Pay for Essential Workers
    - Revenue Losses
    - Investments in Water, Sewer, and Broadband Infrastructure
    - Crime Response and Prevention.
- The City plans to issue a community-wide Request for Proposals for specific projects that fit in the categories that Council approves. These are the staff recommended categories to receive funding:
    - Affordable housing
    - Care for aging residents
    - City infrastructure: building safety and resilience
    - Community communication
    - Domestic violence prevention and assistance
    - Food systems
    - Homelessness services
    - Revenue losses
    - Small business recovery
    - Workforce development

Council Goal(s):

- A Financially Resilient City
- An Equitable and Diverse Community
- A Clean and Healthy Environment
- Quality Affordable Housing
- A Thriving Local Economy

- A Connected and Engaged Community

Committee(s):
- Work Sessions with City Council - July 27, 2021 and August 24, 2021

Pro(s):
- Addresses community needs to aid in the recovery from the devastating economic and health effects of the COVID-19 pandemic
- Provides equitable solutions to repair harm that was exacerbated by the pandemic and build resilience for the future

Con(s):
- None

Fiscal Impact:
- The $26.2 million in ARPA FRF funding was authorized for receipt by Council on July 27, 2021.
- Staff is bringing forward budget amendments to appropriate the funding as Council approves specific usage of the $26.2 million.

Suggested Motion:
- Motion to adopt a resolution authorizing the City Manager to create a program of work for the American Rescue Plan Act State and Local Government Fiscal Recovery Funds that allocates the fund to the following categories: affordable housing, care for aging residents, city infrastructure, community communication, domestic violence prevention and assistance, food systems, homelessness services, revenue losses, small business recovery, and workforce development.

Attachment(s)
- Resolution

RESOLUTION NO. 21-_____

RESOLUTION APPROVING THE CATEGORIES TO BE FUNDED WITH THE $26.2 MILLION OF AMERICAN RESCUE PLAN ACT STATE AND LOCAL GOVERNMENT FISCAL RECOVERY FUNDS

WHEREAS, the City of Asheville has authority pursuant to N.C.S.G. 160A-17 to apply for and receive grants from the Federal Government and to enter into contracts with said grants; and

WHEREAS, the City is eligible for $26.2 million in funding from the American Rescue Plan Act (ARPA) state and local government fiscal recovery funds**;** and

WHEREAS, the City formally accepted the funds on July 27, 2021; and

WHEREAS, the City must comply with all applicable budgeting, accounting, contracting, reporting, and other compliance requirements for ARPA fiscal recovery funds; and

WHEREAS, City Council recommends the $26.2 million be spent on the following activities:

Affordable housing	Food systems
Care for aging residents	Homelessness services
City infrastructure	Revenue losses
Community communication	Small business recovery
Domestic violence prevention and assistance	Workforce development

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is hereby authorized to create a program of work for the American Rescue Plan Act State and Local Government Fiscal Recovery Funds outlined above.

Read, approved, and adopted this the 14th day of September 2021.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney