



Napa County

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Legislation Text

File #: 21-641, **Version:** 1

TO: Board of Supervisors
FROM: Minh C. Tran, County Executive Officer
REPORT BY: Becky Craig, Assistant County Executive Officer
SUBJECT: American Rescue Plan Act

RECOMMENDATION

County Executive Officer requests the Board receive further American Rescue Plan Act (“ARPA”) program information, receive and consider use requests from the public and the departments, and consider an initial strategy to allocate the County’s \$26.76 million allocation.

EXECUTIVE SUMMARY

The County received \$13.38 million in American Rescue Plan Act monies in May 2021 and will receive an additional \$13.38 million in spring 2022. The federal grant program supports the local public health response and economic impacts of the COVID-19 pandemic. ARPA provides funding for pandemic response activities, economic recovery, equity solutions, and infrastructure investment through December 31, 2024. The grant’s extended program dates cross three fiscal years.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? Yes
Is it currently budgeted? No
County Strategic Plan pillar addressed: Livable Economy for All

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: N/A

BACKGROUND AND DISCUSSION

Napa County activated its emergency public health response to the COVID-19 pandemic in March 2020. Through emergency declaration, the County appropriated General Reserves totaling \$10.1 million to staff testing centers, isolation and quarantine centers, vaccination clinics, and many other duties. The County received \$14 million in federal CARES Act funds in summer 2020 and allocated \$2 million to local community organizations to assist with the response. Due to the continued cost of the pandemic, President Biden authorized the American Rescue Plan Act in March 2021 and included a direct State and Local Fiscal Recovery Funds allocation.

Staff provided a program overview of the ARPA grant allocation to Napa County that included discussion of the six overarching eligible use categories in May 2021. Staff has since studied and attended training regarding the US Treasury's regulations and reporting requirements. Further, staff has calculated and will present the program expenses eligible for reimbursement and the amount of lost revenue to consider for recovery.

The County invites community organizations to present ARPA-eligible recommendations for one-time investment consideration. Subject to Board direction, staff may review the proposals and develop agreements prior to returning to the Board for subsequent approval. Recipients will be accountable for the same federal grant compliance requirements.

For the Board's consideration, Health and Human Services Agency, in coordination with other departments, has identified two ambitious projects to improve services to the most vulnerable populations. First, the Big Data Project is software acquisition and implementation that would integrate disparate services' databases onto one platform. Client data could be assessed holistically when employees have access to comprehensive information which would allow for identification of inequities and provide for more effective service programming and delivery. Reporting more complete demographics, gaps, and accomplishments would also be possible. This platform will also have expansion capability for other uses. Second, the Crisis Stabilization Unit Expansion Project increases facility capacity from eight chairs to ten chairs to provide additional mental health client resources for the most vulnerable. Further, the County's Affordable Housing staff has identified an opportunity to improve affordable housing operations year-round at the Farmworker Centers with the installation of generators or solar with battery storage to provide a secure back-up energy source.

There are multiple infrastructure investment projects that are grant eligible and could be considered once the initial priorities are addressed. Lake Berryessa and Napa Berryessa Resort Improvement Districts' utilities have identified capital investments, such as replacement of two water tanks, that would significantly improve operational efficiencies and reduce repair expenses. Federal and state ARPA programs have identified additional competitive funds for providing Broadband Access. The County's ARPA allocation may also be used in conjunction with such additional potential revenue sources.

The framework for developing an allocation strategy for the County's use of ARPA funds includes multiple

factors:

- 1) scope of eligible uses;
- 2) fifty percent of the funds have been received (\$13.38 million) and the balance is expected in May 2022;
- 3) funds must be obligated by December 31, 2024;
- 4) coordination with federal and state ARPA competitive opportunities; and
- 5) one-time funding available for recovery and infrastructure investment, not recommended for continuing operations.

Due to the variables, a multi-faceted funding allocation strategy would provide the County flexibility to be responsive and to pivot as needed. Upon direction, Staff will administer execution of the County's use of ARPA grant funds.

SUPPORTING DOCUMENTS

None