

AMERICAN RESCUE PLAN ACT(ARPA) FUNDS

August 9, 2021

Program Overview

- Simsbury is anticipated to receive \$7,515,665 in funding through the Coronavirus State and Local Fiscal Recovery Funds program to address the economic fallout related to the pandemic.

\$3,757,832 received by the Town (50%)	June 2021
Remaining 50% expected to be received	June 2022
Funds must be incurred by this date	December 31, 2024
Funds must be expended by this date	December 31, 2026

- The ARP Special Revenue Fund has been setup to track all grant-related revenue and expenditures
 - Investment interest will be allocated to the fund
 - Appropriations approved by Board of Selectmen
 - Annual reporting requirements in the fall
 - Expenditures must be tracked and meet guidance from U.S. Treasury

Usage Eligibility

- Guidance on eligible uses of the ARPA funds comes from the U.S. Department of Treasury.
- Following the interim guidance until final guidance is issued (anticipated fall 2021)

Eligible categories:

(YES)

Respond to the COVID-19 public health emergency or its negative economic impact

Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work

Provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency

Make necessary investments in water, sewer, or broadband infrastructure

Usage Eligibility (continued)

Ineligible uses include:

(NO)

- Contributions to Rainy Day Funds, Reserves or Similar Funds
- Deposits into Pension Funds
- Offset a Reduction in Net Tax Revenue
- Non-Federal Match for Other Federal Programs
- Eligible Uses for Which Simsbury Does NOT Qualify
 - Building Stronger Communities Through Investments in Housing and Neighborhoods (we are not identified as a “qualified census tract”)
 - Revenue Loss (we do not meet the minimum thresholds)

(MAYBE)

For potential uses not specifically outlined in the ARPA guidance, the following criteria must be met:

- First, identify a need or negative impact of the COVID public health emergency, and;
- Second, identify how the program, service or other intervention addresses the identified need or impact.

Use of Funds for Existing Capital Items

- Under “Infrastructure” priority area
- We looked at current CIP/CNR (and items removed during budget process), and Town and School facilities master plans to identify eligible projects
- Using ARPA funds to pay for ‘sure bets’ creates opportunity to:
 - a) free up capacity for other items that may not meet ARPA eligibility
 - b) increase cash capacity for CNR needs

Source	Item	Year	Cost
CNR	Highway Garage Air Ventilation	FY25/26	\$94,000
CNR	HVAC replacement at WPCA	FY22/23-FY26/27	\$50,000/year
School Facilities Master Plan	Heating plant, terminal units, air handling system, control systems, and AC at 7 schools	Depends on school - 1-3yrs, 3-5yrs, 10+yrs	Various in size from small \$7K to large \$1.9M
Town Facilities Master Plan	Various HVAC units, AC, air handling systems, and control systems at Eno Hall, Library, Town Hall, Public Works, Simsbury Farms, WPCA, and residential rental units	Various years FY22/23, FY 23/24, FY 24/25	Large projects from \$2.4-\$5.6M Moderate-Large \$86K-\$651K Some relatively small \$5-16K

Categories of Interest/Potential Focus

- Broadband Improvement Study
(Broadband Infrastructure)
- Eligible Non-Profit (501(c)(3)) Agencies
Application process for grant funding
Based on specific threshold and criteria
- Business/Economic Recovery
Application process for grant funding
Revolving loan program
- Simsbury focused items
Tariffville priority
Items from the ARPA proposed project list
- Support areas not receiving COVID/recovery funds from other sources
Farmington Valley Health District

The work group identified the following **priority areas** from the ARPA expenditure categories:

1. Public Health
2. Negative Economic Impacts
- ~~3. Services to Disproportionately Impacted Communities~~
- ~~4. Premium Pay~~
5. Infrastructure
- ~~6. Revenue Replacement~~
7. Administrative

Stakeholder Feedback

Potential advisors:

- Board of Selectmen
- Board of Finance
- Board of Education
- Planning/Zoning
- Open Space/Environmental
- Aging & Disability
- Main Street Partnership
- Chamber of Commerce
- Tariffville Village Association
- Small business owner
- Addiction/mental health services
- Faith-based organizations
- Private educational institutions
- Town Leadership Team

Public engagement:

- Simsbury Center, Weatogue, West Simsbury, Tariffville

Timeline/Next Steps

**Workgroup does not feel the need to 'hurry up' and use the money
– we have until 2024 to allocate it or lose it**

- Present to Board of Finance (September meeting)
- Define next steps, process, framework using direction from BOS and BOF
- Name and engage stakeholders and the public
- For existing capital items using ARPA funding, line up to FY 22/23 Budget session
- Consult with peer towns, professional associations, state and federal resources as needed
- Create a potential ranking system to use for ideas that meet criteria
- Create eligibility criteria for grant and revolving loan programs for 501(c)(3) agencies and local businesses; reporting mechanism for grantees
- Monitor status of federal infrastructure bill and potential impacts

Appendix A

Resources

- Additional information and resources on the ARPA funds can be accessed through:
 - [U.S. Department of Treasury](#)
 - [National League of Cities](#)
 - [Connecticut Conference of Municipalities](#)
 - [CCM Advisory Committee Municipal Toolkit](#)

Appendix B

ARPA proposed project list

Possible Uses of Federal Stimulus Funds through 2026	Permitted Use?	Comments/Questions
Public Health		
1) FVHD needs combatting the pandemic (district-wide approach recommended)	Yes	Specifically relates to the pandemic
2) VNA (Visiting Nurses Assoc) needs combatting the pandemic	Yes	Specifically relates to the pandemic
3) Invest in capital equipment for the Ambulance Association such as ambulances	Yes	As long as the investment in capital is to meet pandemic operational needs
4) FVHD needs for implementation of their strategic plan (district-wide approach recommended)	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
5) FVHD needs for other public health issues (district-wide approach recommended)	No	Has to be COVID related
6) Offset revenue losses for Ambulance Association during the pandemic (lower number of transports, fewer donations)	No	Revenue loss only pertains to State, local or Tribal government and funding can only be used for government services
7) Offset revenue losses for Ambulance Association for transports that are uninsured, and the difference between Medicare/Medicaid reimbursement amounts and private insurance reimbursement amounts	No	Revenue loss only pertains to State, local or Tribal government and funding can only be used for government services

Assist vulnerable populations of residents

1) Fund monthly grocery store gift cards for households participating in our food program	Yes	Funding will cover food insecurities, rent etc but I would like to stay away from gift cards. Since we don't know what is being purchased with the gift cards, we could get some push back on reimbursement. Ran into this with FEMA. Since they are both federal programs, likely to have the same issue
2) Fund new outside agency grant requests that were not funded during budget: 1) A Promise to Jordan (substance abuse/mental health) and 2) Gifts of Love (food insecurity, other related needs)	Yes	If they can show the need we can provide them a grant
3) Temporary program (5-year) or on-going trust to fund recreational/sports and campership opportunities for low and moderate income children (residents)	Maybe	Contributions to reserves or similar funds are not allowed; Cannot find specific guidance on sports/campership opportunities for low or moderate income children, however, if we can show what need or negative impact of COVID will this address and how would this address that need then could possible justify use of funds
4) Establish a trust for our food program	No	Contributions to reserves or similar funds are not allowed
5) Seed money to design and/or build our community center	No	This was already in our plan not addressing a negative COVID impact
6) Assist residents with rent/mortgage/utility payments	Yes	Specifically within guidance
7) Open Tariffville Elementary library for limited summer hours to help kids catch up with literacy efforts	Yes	Addresses educational disparities
8) Additional (temporary) Youth Services Social Worker (MSW level and/or clinical) to assist in increase of children needing mental health support services as a result of the pandemic	Yes	Specifically within guidance

Housing

1) Create and administer (or contract out) a first time homebuyer program	Yes	As it relates to the following: Able to provide housing vouchers, residential counseling, or housing navigation assistance to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity
2) Create and administer (or contract out) a down payment assistance program for home purchases	Yes	As it relates to the following: Able to provide housing vouchers, residential counseling, or housing navigation assistance to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity
3) Fund capital improvements to the Housing Authority properties which serves disabled and elderly adults	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
4) Hire a consultant to assist in the development of a more robust Affordable Housing Plan	No	Activity only presumed eligible for families living in QCTs (Qualified Census Tract). Simsbury is not identified as a QCT and therefore, does not qualify
5) Hire a consultant to develop a housing needs assessment study	No	Activity only presumed eligible for families living in QCTs (Qualified Census Tract). Simsbury is not identified as a QCT and therefore, does not qualify
6) Create and maintain (or contract out) a housing rehabilitation revolving loan program	No	Activity only presumed eligible for families living in QCTs (Qualified Census Tract). Simsbury is not identified as a QCT and therefore, does not qualify

Possible Uses of Federal Stimulus Funds through 2026		Permitted Use?	Comments/Questions
Economic Development/Business Recovery			
1)	Establish a façade improvement revolving loan program for local businesses	Yes	They will just need to show that this money is needed because of COVID
	Establish a website for property owners to upload vacant office space, with an emphasis on <u>co-working space</u>		
	o 3-year pilot, with option to extend for an additional 2-year period		
2)	o Initial cost \$3,500, partnership with the Chamber, annual maintenance fee of \$2,500 moving forward – EDC initiative from work plan	Yes	Assuming this is because people moved out of spaces because of COVID
3)	Streetscape and/or public parking/ and/or sidewalks and/or other infrastructure improvements in or near Main Street/downtown Tariffville to boost economic development in that neighborhood	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
	Temporary downtown business district (Simsbury, Tariffville) beautification projects		
	o 3-year program		
4)	o Seasonal flowers and holiday lighting; utilize local nurseries and landscaping firms to maintain	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
5)	Expedite capital improvement projects for Simsbury Meadows site	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need? We can support tourism but funding is meant more to assist with reopenings, keeping safe etc
6)	Design, purchase and install wayfinding signage for downtown business districts (Simsbury, Tariffville) and/or the bike trails (unfunded past EDC work plan item, also identified in parking study and parks and open space master plan)	Maybe	Wayfinding signage could improve visibility and accessibility to restaurants, the PAC, and other businesses for trail users and downtown visitors
7)	Renovate Iron Horse Boulevard medians with landscaping and native plants	No	Does not address a need or negative impact of COVID
8)	Purchase and renovate DOT commuter lots for downtown business district parking	No	Does not address a need or negative impact of COVID
9)	Establish a fund to offset costs for sewer extensions to businesses and residents	No	Establishment of reserves of not permissible
11)	Reimbursement/grant program for businesses who made improvements to survive during COVID (i.e. outdoor dining)	Maybe	Can provide a grant to those to mitigate financial hardship - could not reimburse for specific expenditures but if they can show financial hardship we can issue a grant which they can use to reimburse themselves
12)	Co-working space lease (Fiddler's Green)	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
13)	Doing Business in Simsbury Guide	No	Aid to Impacted Industries - Will only allow for assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel and hospitality services
14)	Development/Permitting Guide	No	Aid to Impacted Industries - Will only allow for assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel and hospitality services
15)	Tourism map - to be updated annually	No	Aid to Impacted Industries - Will only allow for assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel and hospitality services
16)	Software upgrades - reimbursement and/or grants for restaurants that had to procure online ordering software during COVID	Maybe	Can provide a grant to those to mitigate financial hardship - could not reimburse for specific expenditures but if they can show financial hardship we can issue a grant which they can use to reimburse themselves
17)	Delivery service for restaurants	Maybe	Can provide a grant to those to mitigate financial hardship - could not reimburse for specific expenditures but if they can show financial hardship we can issue a grant which they can use to reimburse themselves
18)	Marketing/branding (phases 2 and 3)	No	Aid to Impacted Industries - Will only allow for assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel and hospitality services
Offset Revenue Losses			
	Offset revenue losses for the parks and rec fund for pools, camp and the ice rink due to the pandemic.		
1)	o Then build up fund balance in the fund so we can split golf and recreation into two separate revenue funds	No	Simsbury does not qualify for revenue loss based on guidance calculations provided
	Offset our revenue loss from investment income due to the pandemic		
2)	o Then assign the money to capital reserve for CNR purchases	No	Simsbury does not qualify for revenue loss based on guidance calculations provided

Possible Uses of Federal Stimulus Funds through 2026		Permitted Use?	Comments/Questions
Pay for Essential Workers			
1)	Provide bonuses to our workforce (essential workers).	Yes	Cannot be used to reduce or substitute workers normal wages, so cannot use to offset wage increases
Other/Unsure			
1)	Hire a town DEI (diversity, equity, inclusion) position, to be shared with another town in the region	Yes	As long as this position focuses on disparities identified by or resulting from the pandemic
2)	Use funds to pay for school's Director of Equity	Yes	As long as this position focuses on education disparities, learning loss mitigation etc that may have been identified during the pandemic
3)	Upgrade town and school buildings HVAC and ventilation systems	Yes	Eligible
4)	Invest in our parks infrastructure	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
5)	Fit out a space and retrofit for a Teen Center	Maybe	Will there be an educational purpose? Need more information, what need or negative impact of COVID will this address and how would this address that need?
6)	Use funds to pay for DEI training for staff	Maybe	If the training is going to assist with a need identified by the pandemic
7)	Use funds to pay for SPIRIT Council's data collection project	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?
8)	Purchase and maintenance of Owl Labs technology to conduct hybrid meetings	No	Does not address a need or negative impact of COVID
9)	Wifi hotspots (10) to be available on loan at Library - annual costs is \$3,600/yr.	Maybe	Need more information, what need or negative impact of COVID will this address and how would this address that need?