



# Coronavirus Local Fiscal Recovery Fund

*Presented by*

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# Today's Updates

- Buncombe process
- Survey results
- US Treasury guidance
- Request for proposals
- Spending plan



# Buncombe Process

MARCH

Begin with Board priorities

APRIL-MAY

Gather input on possible use of funds

MAY-JUNE

Establish fund priorities based on guidance

JUNE-JULY

Solicit & evaluate projects

JUNE-JULY

Establish spending plan

FY2022

Launch early projects

*We are Here*

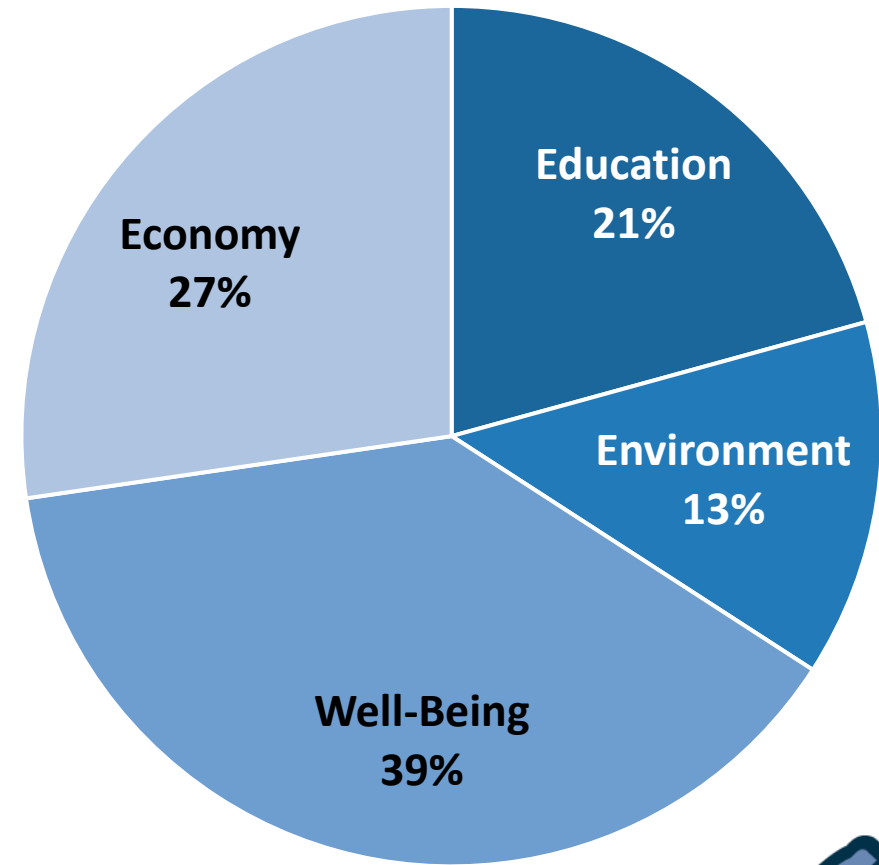


# 7,615 Community Survey Responses

## Top 10 Priorities

1. Affordable Housing
2. Mental Health
3. Homelessness
4. Workforce Development
5. K-12 Education Support
6. Early Childhood Education
7. Business Relief
8. Infrastructure & Broadband
9. Food System
10. Environmental Preservation

## Priorities by Focus Area





# Employee Surveys

We asked...

1. What are the biggest challenges that you see that COVID has created in our community or that COVID has made worse in our community?
2. What are you hearing from the people you serve about how the County could better respond to COVID?
3. What do you think would have the most impact in helping Buncombe recover from the pandemic?





# US Treasury Guidance (Interim Final Rule)

- Confirmed funding amount: \$50,733,290
- Annual spending plan due to Treasury by Aug 31, 2021
- Reporting requirements include expenditures and performance measures
- Administrative costs allowable
- Must provide evidence of specific harm caused by COVID19 and how projects will demonstrate meaningful impact
- Clarification on eligible uses of funds and example uses of funds (see next slides)





# Eligible Uses of Funds



## Support Public Health Response

Fund COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff



## Address Negative Economic Impacts

Respond to economic harms to workers, families, small businesses, impacted industries, and the public sector



## Replace Public Sector Revenue Loss

Use funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic



## Premium Pay for Essential Workers

Offer additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors



## Water and Sewer Infrastructure

Make necessary investments to improve access to clean drinking water and invest in wastewater and stormwater infrastructure



## Broadband Infrastructure

Make necessary investments to provide unserved or underserved locations with new or expanded broadband access



# Example Uses of Funds

## Support Public Health Response

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- **Services to contain and mitigate the spread of COVID-19**, including vaccination, medical expenses, testing, contact tracing, quarantine costs, capacity enhancements, and many related activities
- **Behavioral healthcare services**, including mental health or substance misuse treatment, crisis intervention, and related services
- **Payroll and covered benefits** for public health, healthcare, human services, and public safety staff to the extent that they work on the COVID-19 response

## Replace Public Sector Revenue Loss

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- **Ensure continuity of vital government services** by filling budget shortfalls
- **Revenue loss is calculated** relative to the expected trend, beginning with the last full fiscal year pre-pandemic and adjusted annually for growth
- **Recipients may re-calculate revenue loss** at multiple points during the program, supporting those entities that experience revenue loss with a lag



# Example Uses of Funds



## Address Negative Economic Impacts

- **Deliver assistance to workers and families**, including support for unemployed workers, aid to households, and survivor's benefits for families of COVID-19 victims
- **Support small businesses** with loans, grants, in-kind assistance, and counseling programs
- **Speed the recovery of impacted industries**, including the tourism, travel, and hospitality sectors
- **Rebuild public sector capacity** by rehiring staff, replenishing state unemployment insurance funds, and implementing economic relief programs



## Premium Pay for Essential Workers

- **Provide premium pay to essential workers**, both directly and through grants to third-party employers
- **Prioritize low- and moderate-income workers**, who face the greatest mismatch between employment-related health risks and compensation
- **Key sectors include** healthcare, grocery and food services, education, childcare, sanitation, and transit
- **Must be fully additive** to a worker's wages



# Example Uses of Funds



## Water & Sewer Infrastructure

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- **Includes improvements to infrastructure**, such as building or upgrading facilities and transmission, distribution, and storage systems
- **Eligible uses aligned to Environmental Protection Agency project categories** for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund



## Broadband Infrastructure

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- **Focus on households and businesses** without access to broadband and those with connections that do not provide minimally acceptable speeds
- **Fund projects that deliver reliable service** with minimum 100 Mbps download / 100 Mbps upload speeds unless impracticable
- **Complement broadband investments** made through the Capital Projects Fund





# Focus & Restrictions



## Equity-Focused Services

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- **Additional flexibility for the hardest-hit communities and families** to address health disparities, invest in housing, address educational disparities, and promote healthy childhood environments
- **Broadly applicable** to Qualified Census Tracts, other disproportionately impacted areas, and when provided by Tribal governments



## Ineligible Uses

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- **Changes that reduce net tax revenue** must not be offset with American Rescue Plan funds
- **Extraordinary payments into a pension fund** are a prohibited use of this funding
- **Other restrictions apply** to eligible uses



# Developing Priorities

## We now have:

- ✓ Commissioner input from the work session
- ✓ Community input
- ✓ Employee input
- ✓ Initial guidance from US Treasury

## Next steps:

- Assess info about other American Rescue Plan Act funding streams
- Calculate general revenue loss
- Amend County budget to appropriate 1<sup>st</sup> tranche of Recovery Funds
- Release a request for proposals to collect specifics from County departments & Community organizations (June)
- Establish spending plan for 1<sup>st</sup> tranche (July)
- Launch early projects (August)

