



# American Rescue Plan Act (ARPA) Funding Allocation Discussion

January 23, 2023





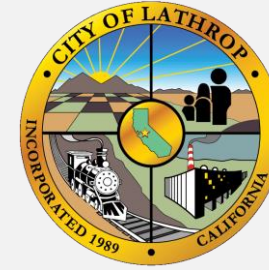
In March 2021, Congress passed the American Rescue Plan Act of 2021 (ARPA), which established the Coronavirus State and Local Fiscal Recovery Fund. This fund delivered \$350 billion to State, Local, and Tribal Governments across the country to support their response to and recovery from the COVID-19 public health emergency.

Lathrop has received \$5.8 million in federal funding as part of the ARPA. The City of Lathrop received \$2.9 million for the first tranche of our disbursement in July 2021 and the second tranche was received a year later in July of 2022.

In Treasury's final rule, local governments can choose the standard allowance of up to \$10 million in revenue loss regardless of their actual loss of revenue. However, the standard allowance cannot exceed a local government's grant allotment under the State and Local Fiscal Recovery Fund (SLFRF).



# American Rescue Plan Act Overview



# American Rescue Plan Act (ARPA)

Current regulations allow local governments to utilize funds in the following ways:

## Approach to the Final Rule

Treasury's final rule provides greater flexibility and simplicity for recipients to turn the tide on the pandemic, maintain vital public services amid revenue shortfalls, and build a strong, resilient, and equitable recovery.

### KEY NEW FEATURES IN THE FINAL RULE

- 1 Public Sector Revenues
- 2 Public Health & Economic Response
- 3 Premium Pay for Essential Workers
- 4 Water, Sewer & Broadband Infrastructure

- Major simplification for thousands of recipients through the \$10 million revenue loss standard allowance

You only have one chance to take the Standard Allowance



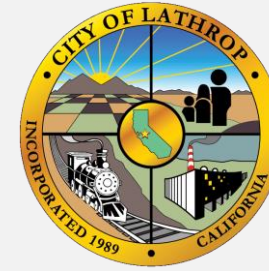
If your town/city/village will take the standard allowance approach, you **MUST** make this election during the April 30, 2022 reporting period.



# American Rescue Plan Act (ARPA)

Surrounding City's utilized funds in the following ways:

- Investment in Infrastructure
  - Street/ Road Reconstruction Projects
  - Master Plans
  - Landscaping Improvements
  - Utility Debt Relief
  - Tennis Court Reconstruction
- Address Economic Effects
  - Business Survey/ Development/ Assistance Grants
  - Chamber of Commerce Farmer's Market Grant
  - Downtown Parklets
  - Way Finding Signage
- Essential Worker Hazard Pay
  - 2% of Salary
  - Off Schedule Employee Compensation
- Government Fiscal Response
  - General Fund Revenue Losses
  - Corp Yard Capital Project
  - Homeless Outreach/ Shelter/ Cleanup



# ARPA Proposed Program

- Repayment of \$234,000 in Small Business Assistance Grant Program to Measure D Economic Development Fund
- Grant provided crucial funding to Lathrop small businesses during Covid-19 shutdowns





# ARPA Proposed Program

- Allocate \$1.5 million for land acquisition costs for future Community Center



# ARPA Proposed Program

- Allocate \$20,000 to Backpack Food Programs that will offer families free groceries over weekends and school breaks. Food backpacks include healthy, easy-to-prepare food for kid-friendly meals.

FOOD 4 KIDS  
BACKPACK PROGRAM

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## BackPack Program



# ARPA Proposed Program

- Allocate \$80,000 to setup and administer an income based grant/stipend program for Lathrop residents to help them transition their yard landscaping to be drought resistant/ tolerant.



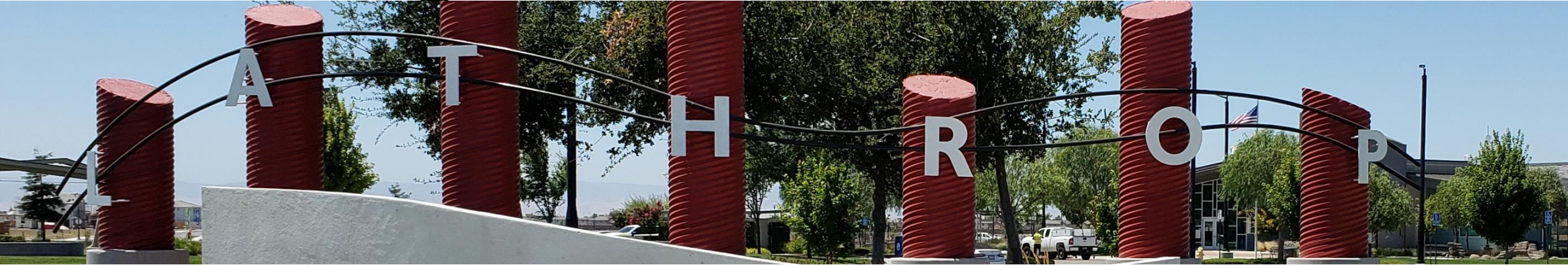


# ARPA Proposed Program

- Allocate \$4.0 million to fund future utility capital needs
- Benefits **all** Lathrop residents by stabilizing utility rates and postponing rate increases needed to fund capital improvements (avg. \$444/ per household in assistance)
- With 9,000 utility customers it would take an increase of \$12/ month over more than 3 years to generate this amount of capital. Takes the burden off of residents and in turn gives a “rate break” by influx of outside funds to the City’s water and wastewater systems that **all** residents rely on



# ARPA Funding Allocation



Eligible Programs	Proposed Funding Allocation (in Millions)
Economic Assistance - Measure D Reimbursement	\$0.2
Community Center Land Acquisition	\$1.5
Weekend Food Backpack/ Drought Landscaping	\$0.1
Utility Capital Project/ Citizen Rate Buydown	\$4.0
<b>Total</b>	<b>\$5.8</b>





**DISCUSSION AND QUESTIONS?**