The American Rescue Plan Act

- Signed by the President on March 11, 2021

- Retroactive to March 1, 2020, the date of the Coronavirus Emergency Declaration

- U.S. Treasury guidance will be forthcoming, but no specific date has been announced. This guidance will provide specific regulations governing the use of all resources provided under the Act.
What’s in the $1.9 Trillion Act?

(amounts in billions of dollars)

* These categories are likely to provide funding for City of Fort Worth programs, as will be discussed.
Local Government Assistance

• $130.2 billion allocated as follows:
  • $45.57 billion for cities over 50,000 population based on Community Development Block Grant (CDBG) funding formula
  • $19.43 billion for cities less than 50,000 population
  • $65.1 billion for counties. Counties that are CDBG recipients would receive the larger share between the population based on CDBG formula.

• The estimated allocation for the City of Fort Worth is $184,767,389. The use of resources will be prioritized by the City as follows:
  • Revenue recovery
  • Small business assistance
  • Vaccination costs
Local Government Assistance (continued)

• The City will provide a formal budget plan for the use of resources within 30 days after receipt of the allocation and U.S. Treasury guidance, which we anticipate will be approximately mid-June 2021.

• The Treasury Department will release allocated funds in two payments:
  • First half (approximately $92.4 million) on or before May 10, 2021
  • Second half on or before May 10, 2022

• Deadline to spend funds is December 31, 2024
Local Allocation - Allowable Use

- To respond to negative economic impacts of the COVID-19 public health emergency
- To cover essential workers during the COVID-19 public health emergency
- Recovery of governmental revenues reduced due to the COVID-19 public health emergency
- To make necessary investment in water, sewer, or broadband infrastructure
- May not be used to fund tax cuts or be deposited into pension plans
Emergency Rental Assistance

• $21.55 billion administered by the US Department of the Treasury

• Direct formula allocation to states, cities, and counties over 200,000 population – initial estimate for the City of Fort Worth is $21 million

• 40 percent will be allocated within 60 days of enactment, and subsequent payments made once 75% of received funds are obligated

• Funds are available until December 31, 2025 and can be used for up to 18 months (total between CARES and ARPA) of rent, utilities and other household expenses

• 10 percent may be used for case management and other services
Homelessness Assistance and Supportive Services

• $5 billion allocated

• Direct formula allocation to HOME recipients – initial estimate for the City of Fort Worth is $10 million

• Funds are available until December 31, 2025 and can be used for:
  • Development and support of affordable rental housing pursuant to the HOME Program
  • Homeless prevention, housing counseling and transitional housing
  • Acquisition of non-congregate shelters that can be converted to permanent affordable housing, used as emergency shelter or remain a non-congregate shelter
Other ARPA Programs

• Capital Projects Fund for projects directly enabling remote work, education, or health monitoring in response to COVID - $10 billion
• Airport Improvement Program - $8 billion
• Transit Formula Grants - $30.5 billion (Trinity Metro)
• FEMA
  • Disaster Assistance - $50.4 billion
  • Assistance to Firefighters and Staffing for Adequate Fire and Emergency Response Grants - $300 million
  • Emergency Management Performance Grants - $100 million
• Energy and Water Utility Payment Assistance - $4.5 billion
• Housing Counseling - $100 million
• Museum and Library Services - $200 million

Note: Possible City of Fort Worth allocations are unknown at this time.
ARPA Employment Items

- Extension of Paid Sick & Family Leave
- Extension of Unemployment Claims Relief
- COBRA Subsidy
- Increase for Dependent Care Expenses

The City is reviewing the legislation and awaiting official U.S. Treasury guidance.
QUESTIONS?
Miscellaneous ARPA Programs

For informational purposes only. Not discussed in presentation.
Miscellaneous ARPA Programs

• Vaccines - $7.5 billion
• Emergency Housing Vouchers - $5 billion
• Homeowner Assistance Fund - $10 billion
• Child and Earned Income Tax Credits - $135 billion
• Nutrition programs (SNAP, WIC etc.) - $2.3 billion
• National Endowments for the Arts and Humanities - $270 million
Misc. ARPA Programs (continued)

• Employee retention and child care tax credits - $24 billion (private industry/individuals)
• Expanded unemployment insurance and tax credits - $289 billion
• Veterans assistance - $15.6 billion
• Economic impact payments to individuals ($1400 checks) and small businesses - $460 billion
• Healthcare premium subsidies and tax credits - $86 billion (private industry)
Misc. ARPA Programs (continued)

• State Department COVID response - $9.4 billion
• Multi-employer and collective bargaining pension subsidies - $86 million
• K-12 Schools and Higher Education relief funds - $129 billion
• Railroad and Airline subsidies - $110 billion