

# American Rescue Plan Act of 2021 (ARPA)

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Council Work Session

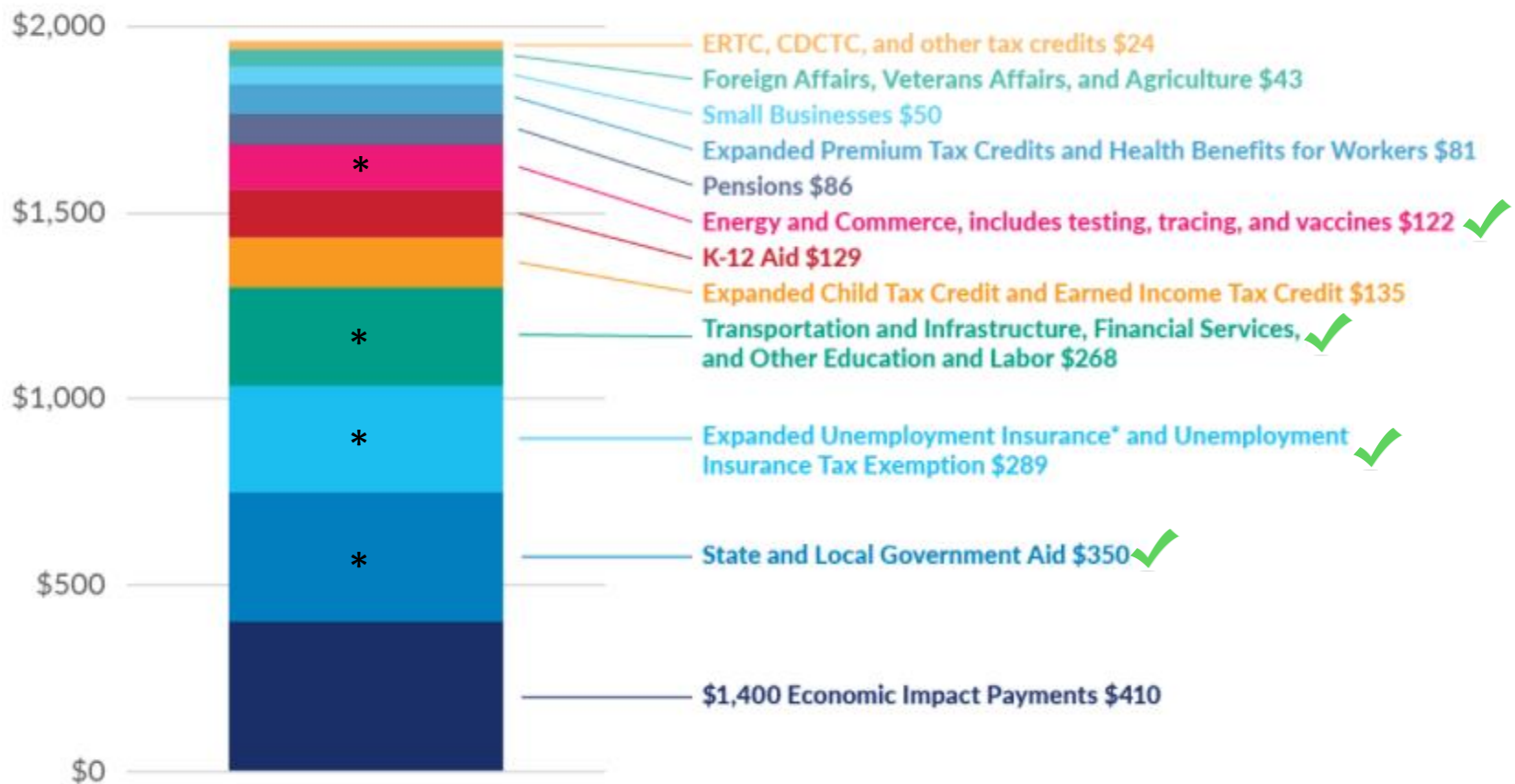
March 23, 2021

# 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)



# 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