



TOWNSHIP OF FERGUSON

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BOARD OF SUPERVISORS
American Rescue Plan Funding
Worksession Meeting Agenda
Tuesday, July 13, 2021
3:00 P.M.
Main Meeting Room
*** or ***

Zoom Link: <https://us02web.zoom.us/j/85409633583>

- I. CALL TO ORDER
- II. CITIZEN'S INPUT
- III. AMERICAN RESCUE PLAN ACT FUNDING DISCUSSION

Narrative

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021, and provides, in part, \$350 billion in federal relief funding to eligible state, local, territorial, and Tribal governments to respond to the COVID-19 pandemic and kickstart the economy. The Commonwealth of Pennsylvania received just over \$983 million to distribute to *non-entitlement units of local government* (NEUs) as defined by the Social Security Act. Ferguson Township is an NEU, and has been approved to receive \$2,037,072.20.

Staff has been monitoring the guidance documents that have been issued by the U.S. Department of Treasury that pertain to eligible uses for the funds. An [Interim Final Rule](#) was issued by the Treasury Department on May 17th, and provides some parameters for the use of Coronavirus State and Local Fiscal Recovery Funds. Other guidance documents and resources have been provided with the agenda and will be briefly reviewed by staff preceding the discussion this evening. The intended use of the Coronavirus State and Local Fiscal Recovery Funds can be summarized by the following categories:

- Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

As noted above, several documents have been provided with the agenda to help guide the discussion this evening. Beyond the Coronavirus State and Local Fiscal Recovery Funds, other programs have been created by ARPA to address identified needs in response to the pandemic. Reference documents prepared by Senator Casey's office are attached and describe these programs in greater detail. Staff will initiate the discussion with a brief overview of priority uses as identified. The highest priority should be assigned to recuperate costs incurred directly in response to the pandemic for Personal Protective Equipment (PPE), cleaning and sanitizing the facility and vehicles, and accounting for lost revenue. It is also important to note that Centre County and the Commonwealth of Pennsylvania are eligible for substantial funding from the ARPA. The deadline to "spend down" the eligible funds is December 31, 2024, so there is no immediate imperative to account for all funds. Questions to guide the discussion this evening are provided below.

- What communities and demographics have been disproportionately impacted by the COVID-19 pandemic?
- Has the Board identified any capital projects or investments in infrastructure that would be good targets for these funds? Examples might include the Northland Area Mobility Study improvements, broadband infrastructure investments, the Pine Grove Mills Small Area Plan streetscape enhancements, deferred road and capital improvement projects, etc.
- Are there applications of this fund for water and sewer infrastructure investments? This is an identified eligible use by the Treasury Department. Examples may include investments in improving water service to the west end of the Township, and capital projects associated with our compliance with the Chesapeake Bay Pollutant Reduction Strategy. Note – Reallocating costs from the General Fund to the Coronavirus State and Local Fiscal Recovery Fund will free up General Fund reserves for other unrestricted uses.
- What investments yield the highest return without incurring ongoing maintenance and operating expenses? A focus of this relief funding should be on projects that become *self-sustaining* or require little, if any, continual investment.
- Does the Board want to consider a revolving loan or grant program to help small businesses recover from the lingering effects of the pandemic?

The above questions are meant to serve as a guidance and are not exhaustive. This evening, the Board is not being asked to commit to any specific strategy or plan for the use of the funds. Rather, it is the goal of this worksession for staff to hear ideas from the Board about focus areas it would like to target with these funds. Once these focus areas have been identified, staff can begin to develop a strategy that coincides with the goals established by the Board, and present back additional details for consideration and action. The Township has applied for and received the first tranche of the funds, totaling \$1,018,536.10. Additionally, staff has calculated the loss of revenue attributable to the pandemic to be \$1,008,347.00, which represents the amount eligible for be transferred to the General Fund and not encumbered by the restrictions applied by the Act. It is important to note that other funding assistance programs are available from the Act, as well, to help various sectors impacted by the pandemic.

Staff Recommendation

That the Board of Supervisors *discuss* potential applications of the Coronavirus State and Local Fiscal Recovery Funds in Ferguson Township.

IV. ADJOURNMENT