

American Rescue Plan Act (ARPA) Funding Uses

City of Eastpointe

- A. Eastpointe will receive a total of \$3,357,872
- B. Eastpointe is a "Non-Entitlement Units of Local Government" (NEU)
- C. Funding uses for an NEU is limited to the following categories

Eligible Uses of Funds

Eligible Use of Funds: Four Categories

- A. COVID-19 or a negative economic impact
- B. Premium pay for eligible workers
- C. For government services to the extent of the loss of revenue
- D. Investments in water, sewer and broadband infrastructure

A. COVID-19 or a Negative Economic Impact

COVID-19 Eligible Expenditures

Eligible Uses	Details
Containing/Mitigating Covid-19	<ul style="list-style-type: none">• Vaccine programs, PPE, medical expenses• Enhancing public health data systems• Capital investments in public facilities to meet pandemic operational needs etc.
Behavioral Healthcare Needs	<ul style="list-style-type: none">• Mental health/substance abuse treatment• Crisis intervention/hotlines• Services to promote access to social services
Payroll/Benefits for: Public health/safety Human services Similar employees	<ul style="list-style-type: none">• Eligible to the extent that the work completed was for COVID-19 response/mitigation.• For administrative convenience, public health/safety workers, recipients can use funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.• Payroll and covered benefits can also be used for an employee's pension benefits as part of their payroll contribution to their pensions.

Negative Economic Impact

Eligible Uses	Details
Impacted Industries (Tourism / Travel / Hospitality etc.)	<ul style="list-style-type: none">• Implement COVID-19 mitigation/prevention measures to enable safe resumption of tourism, travel, and hospitality services<ul style="list-style-type: none">• E.g. improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans
Rebuilding Public Sector Capacity to Pre-Pandemic Levels	<ul style="list-style-type: none">• Payroll Benefits• Rehiring public-sector staff• Replenishing Unemployment Insurance trust funds
Small Business support	<ul style="list-style-type: none">• Loans, grants, in-kind assistance for operation continuity, mitigation/prevention, and counseling programs to rebound from the downturn
Hardest-hit Communities	<ul style="list-style-type: none">• Investing in socioeconomic disparities, housing/communities• Addressing disparities in education

B. Premium Pay for Eligible Workers



Premium Pay (IFR p. 40)

- Can be used **retroactively**
- Employees of the jurisdiction designated by executive as essential
- Can be provided directly, or through grants to private employers to public health/safety staff and essential workers outside the public sector:
 - Workers at food production facilities, grocery stores, and restaurants, janitors/sanitation workers, truck drivers, and warehouse workers etc.
 - Contact workers performing essential work also eligible.
 - E.g. *If a municipality contracts with a third party to perform sanitation work, the third-party contractor could be eligible to receive a grant to provide premium pay for these eligible workers.*

**C. For Government Services to the Extent of
the Loss of Revenue**

Process for Revenue Replacement

- A calculation for lost revenue was provided
- Eastpointe's first year revenue loss was calculated at over \$4 million
- The calculation requirement was removed for communities receiving less than \$10 million
- Eastpointe can claim 100% of APRA funds are revenue replacement without a calculation

Government Services

- What can Eastpointe spend it on?
 - “Government services”
 - directly provide services to citizens
 - Maintenance pay go of building
 - Can use it on a capital project together with bond financed portion
 - You can start a project and you finish it with future revenues / bonds
 - Cybersecurity, Healthcare service, Police, fire or public safety
 - NOT ALLOWED:
 - NOT ON principal or interest of debt service (or settlement agreement)
 - NOT ON reserves or rainy day funds

D. Investments in Water, Sewer and Broadband Infrastructure

Water/Sewer Infrastructure (IFR p. 56)



- **Necessary investments** are designed to provide an adequate minimum level of service and are unlikely to be made using private sources of funds.
- Uses aligned with Environmental Protection Agency's **Clean Water Revolving Fund** and **Drinking Water State Revolving Fund** to expedite project identification.
 - Building/upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.
 - Invest in wastewater infrastructure projects
 - E.g. constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works
- **Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities**

Broadband Infrastructure

- Build broadband infrastructure with modern technologies in mind, specifically projects that deliver services offering:
 - reliable 100 Mbps download and 100 Mbps upload speeds, unless impracticable due to topography, geography, or financial cost.
- Assisting households to support internet access or digital literacy is an eligible use.

