



# TOWN OF CHAPEL HILL

Town Hall  
405 Martin Luther King Jr.  
Boulevard  
Chapel Hill, NC 27514

## Legislation Text

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### American Rescue Plan Act Update.

**Staff:**

Amy Oland, Director  
Sarah Poulton, Downtown Special Projects Manager

**Department:**

Business Management  
Town Manager's Office

**Overview:** Staff presented to Council on the American Rescue Plan Act (ARPA) at the [September 29, 2021 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5148996&GUID=1E0B524F-1BBA-4E2D-9962-D4967DB5405F&Options=&Search=>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=5148996&GUID=1E0B524F-1BBA-4E2D-9962-D4967DB5405F&Options=&Search=>) work session. Staff noted that we would return tonight to present an update on the ARPA funding including new information from the UNC School of Government course and an update on the engagement plan and project assessment strategy.

**Recommendation(s):**

That the Council receive the new information and updates.

**Key Issues:** The Town was awarded \$10,668,497 in State and Local Fiscal Recovery Funds under the American Rescue Plan Act. The Town received the first allocation in May 2021 and expects to receive the second allocation in May 2022.

Preliminary guidance from the U.S. Treasury outlines five areas where funds can be spent to help offset the negative impacts of COVID-2019 pandemic:

1. Support public health
2. Address negative economic impacts
3. Replace lost Town revenue
4. Provide premium pay for essential workers
5. Investment in water, sewer, and broadband infrastructure

Town staff attended the University of North Carolina at Chapel Hill School of Government ARPA training series pertaining to compliance, reporting, eligible projects, community engagement, and performance measurements.

One of the key topic areas covered by the School of Government was project eligibility. The following areas were defined as being safe harbors (areas that are clearly defined by NC State Statute to be allowable expenditures):

- Programs and services in Qualified Census Tracts (QCT) or other low-income communities
- Stormwater infrastructure
- Government services up to the extent of the reduction in revenue experienced due to the pandemic
- Premium pay for essential workers (limits to amount that can be paid)
- Infrastructure improvements (must be able to tie back to pandemic impact)

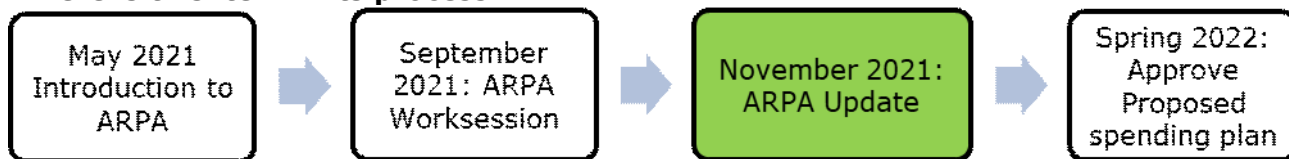
Town staff have further developed the engagement strategies to reach out to the community for ARPA category prioritization and project proposals. An extensive engagement effort will begin in early January to encourage community members and organizations to submit project ideas and tell the Town which

ARPA categories are most important to them. A survey is currently available on the project website to share initial ideas on how the Town could use the ARPA funds.

Once project proposals have been received, Town staff will perform an initial compliance review to ensure that projects are eligible under ARPA guidelines and State statutes. An equity tool will be used to ensure that funding is prioritized by those who were and continue to be most negatively impacted by the pandemic. Projects will then be routed through the appropriate assessment process. External project proposals will go to a community member review team, internal project proposals will go to a Town leadership review team, and community decision projects (participatory budgeting pilot) will follow a separate process that we are currently designing.

Staff will bring a recommended project list to Council in May for review and discussion with an ultimate goal of approving the project list by the end of June.

**Where is this item in its process?**



**Attachments:**

- Draft Staff Presentation

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**The Agenda will reflect the text below and/or the motion text will be used during the meeting.**

PRESENTER: Amy Oland, Business Management Director  
Sarah Poulton, Downtown Special Projects Manager

The purpose of this item is for the Council to receive the American Rescue Plan Act update.