



**COVID-19 COST RECOVERY
&
AMERICAN RESCUE PLAN ACT
UPDATE**

November 8, 2022



Agenda

- ▶ **Recap Major COVID-19 Funding Sources**
 - *CARES Act*
 - *Emergency Rental Assistance Program*
 - *FEMA Public Assistance Program*
- ▶ **American Rescue Plan Act**
 - *Overview & Revenue Streams*
 - *Coronavirus State and Local Fiscal Recovery Fund (CSLFRF)*
 - Guiding Principles
 - Eligible Uses
 - FY 2022/23 1st Quarter Report (July-September)
- ▶ **Board Questions & Public Comment**
- ▶ **Board Discussion & Direction to Staff on Next Steps**



Recap of Major Funding Sources

Program	Allocation
Coronavirus Relief Fund	\$227,827,652
ARPA Fiscal Recovery Fund	\$224,058,903
Emergency Rental Assistance Program	\$220,174,579
FEMA Public Assistance Program (Estimate)	\$78,419,557
Total	\$750,480,691

➤ Key Takeaways:

- Four revenue drivers impact vast majority the County's cost recovery
- Contra Costa receiving significant Federal assistance, including the cities!
- County responsible for pandemic response, including associated costs
- All COVID-19 revenue sources are one-time only funds!

CSLFRF Allocations Contra Costa County, By City		
	Population*	Allocation
Antioch	112,236	\$ 21,550,900
Brentwood	66,097	\$ 6,923,339
Clayton	11,268	\$ 2,934,049
Concord	129,273	\$ 27,040,883
Danville	43,906	\$ 10,647,738
El Cerrito	24,846	\$ 6,102,056
Hercules	25,864	\$ 6,285,778
Lafayette	25,358	\$ 6,372,376
Martinez	36,827	\$ 9,161,456
Moraga	16,820	\$ 4,254,072
Oakley	42,895	\$ 10,177,190
Orinda	19,078	\$ 4,766,723
Pinole	19,369	\$ 4,605,009
Pittsburg	74,498	\$ 16,290,477
Pleasant Hill	34,133	\$ 8,334,229
Richmond	110,130	\$ 27,740,723
San Pablo	31,041	\$ 7,416,467
San Ramon	83,863	\$ 8,115,425
Walnut Creek	71,317	\$ 8,327,653
Total		\$ 197,046,543

* Population figures based on 2021 Estimates from the CA Department of Finance.



Emergency Rental Assistance

CA COVID-19 RENT RELIEF

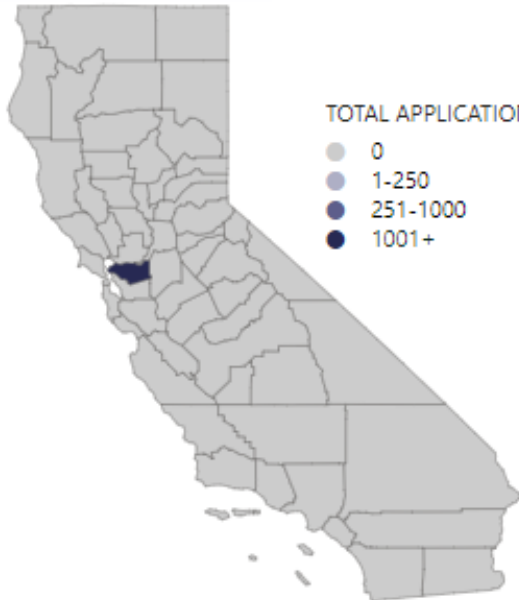
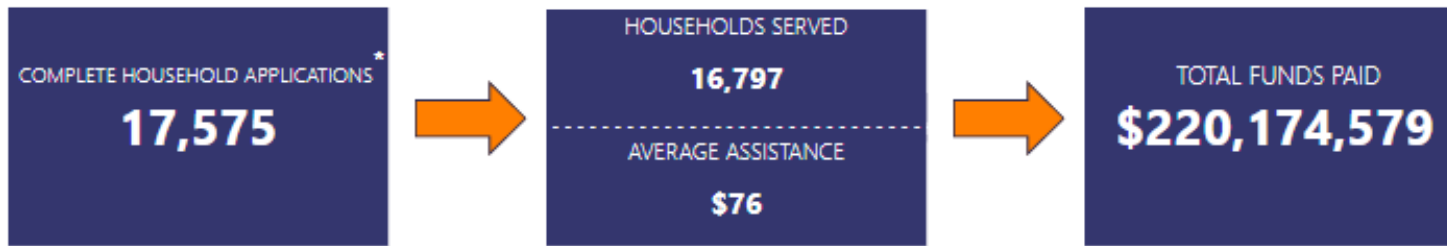
CALIFORNIA COVID-19 RENT RELIEF PROGRAM

LAST DATA REFRESH
November 1, 2022

This dashboard does NOT include data for jurisdictions that are not participating in the State program.

COUNTY
Contra Costa

CITY
All



RACE	
American Indian or Alaska Native	1.27%
Asian	5.73%
Black or African American	33.53%
Native Hawaiian or Other Pacific Islander	1.61%
Other Multi-Racial	14.54%
Refuse to Answer	12.12%
White	31.20%

ETHNICITY	
Hispanic or Latino	21.92%
Non-Hispanic or Latino	66.38%
Refuse to Answer	11.70%

AGE GROUP	
21-30	17.42%
31-40	30.49%
41-50	21.72%
51-60	16.49%
61-70	8.42%
71-80	2.45%
Not Reported	3.00%

GENDER	
Female	57.89%
Male	42.11%

INCOME**	
<= 30% AMI	60.39%
>30%-50% AMI	26.09%
>50%-60% AMI	7.25%
>60%-80% AMI	6.28%



FEMA Cost Recovery Update

Claim Category	Estimate	Claimed	Obligated	Received
Non-Congregate Shelter (thru 3/31/2022)	32,425,961	32,425,961	0	0
COVID-19 Testing (thru 6/30/2022)	23,204,301	15,814,082	0	0
Cleaning, Materials, PPE (thru 6/30/2022)	12,784,204	10,197,540	0	0
Great Plates (thru 7/9/2021)	6,415,043	6,415,043	6,415,043	6,415,043
Consultant Costs (Ernst & Young)	1,500,000	0	0	0
Materials (PPE, Cleaning Supplies)	1,452,293	0	0	0
Vaccination (Fire Mutual Aid)	637,756	0	0	0
Total	\$78,419,558	\$64,852,626	6,415,043	6,415,043

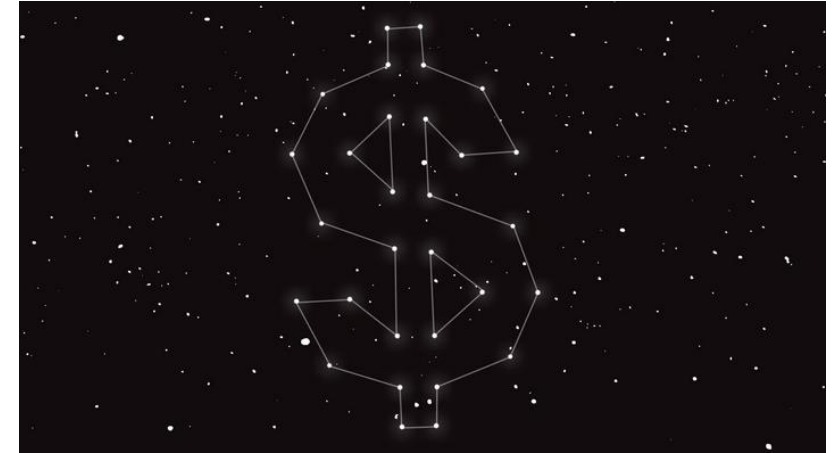
➤ What's it mean?:

- FEMA reimbursement process cumbersome and could take years before reimbursement is received (typically 24-36 months);
- The County General Fund is advancing the vast majority of the \$78 million in FEMA eligible costs until reimbursement is received - this figure is beginning to stabilize;
- ARPA CSLFRF funds would be eligible to backfill any reduced claim amounts determined by FEMA



American Rescue Plan Act

- *“A constellation of funding sources”*
- On June 28, 2021 the County Administrator directed Department Heads to analyze the ARPA for department revenue impacts as well as report unfunded COVID 19 costs and one-time needs
- Board of Supervisors hosted an ARPA Workshop on August 3, 2021
- **Through September 30, 2022, Departments have identified...**
 - \$343,051,683 in known ARPA allocations (Attachment B)
 - 22 unique grant programs coming into the County (Attachment B)
 - \$70,591,251 in one-time needs (Attachment C)



**AMERICAN RESCUE PLAN
ACT OF 2021**



One-Time Needs

ARPA - CSLFRF Allocation	
One-Time Needs Major Categories	as of 11/2/2022
Flood Control	15,290,000
Infrastructure/System Modernization	13,550,000
Bay Point Library/Community Resiliency Center	12,000,000
Elections Equipment/Ballot Processing Infrastructure	10,000,000
Sustainability (EV Chargers, Solar, Energy Efficiency)	6,525,000
Unfunded Airport Projects (Concord Terminal, Byron Utility Study)	4,181,000
Other	<u>9,045,251</u>
Total	\$ 70,591,251

➤ 78 projects across 10 departments



State and Local Fiscal Recovery Fund

➤ Eligible Use Guiding Principles

- Unless otherwise noted, covered period is March 3, 2021-December 31, 2024
- Costs can be incurred by December 31, 2024 but must be expended by December 31, 2026
- Cannot spend funds on pension deposits
- States cannot spend the funds to reduce taxes or delay a tax increase
- May not be used as non-Federal Match for other Federal Programs

➤ Four Eligible Use categories

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

**Coronavirus
State and Local
Fiscal Recovery Funds**



U.S. DEPARTMENT OF THE TREASURY



COVID-19/Negative Economic Impact

➤ Eligible Uses

- Containing or mitigating COVID-19
- Behavioral Healthcare Needs
- Public Health and Safety Payroll for “...divisions primarily dedicated to the COVID-19 response”

➤ Examples of Negative Economic Impact Support

- Implement COVID-19 mitigation/prevention measures to enable safe resumption of tourism, travel and hospitality
- Rebuilding public sector capacity to pre-pandemic levels
- Small business support
- Hard-hit communities (investment in housing, disparities in education, etc.)



Premium Pay for Eligible Workers

➤ Eligible Uses

- Premium pay to employees (public or private) within jurisdiction designated by Chief Executive as performing essential work consistent with definition in the Interim Final Rule.
- “Essential work” defined as “...work involving regular in-person interactions or regular physical handling of items that were also handled by others. A worker would not be engaged in essential work and, accordingly may not receive premium pay, for telework performed from a residence.”
- Premium pay can be retroactive and not subject to the March 3, 2021 covered period.

➤ Limitations

- \$13 per hour of additional premium pay max
- No more than \$25,000 for any single eligible worker
- If premium pay results in employee receiving 150% of statewide average annual wage for all occupations, then additional written justification must be made publicly available



Water, Sewer or Broadband Infrastructure

➤ Eligible Uses

- Building/upgrading of facilities and transmission, distribution and storage systems, including the replace of lead service lines.
- Investment in wastewater infrastructure
- Construction of reliable 100 Mbps broadband download/upload speeds unless impractical
- Prioritize investments in fiber optic broadband technology

➤ Limitations

- Not all infrastructure categories eligible
- Non water, sewer or broadband projects could be funded in “Revenue Loss” category





Gov't Services from Revenue Loss

➤ Eligible Uses

- “Government Services” in spending plan to the extent of revenue loss
- ✓ Provision of Services to residents
- ✓ Deferred maintenance costs on infrastructure
- ✓ Cybersecurity, healthcare services, police, fire and other public safety

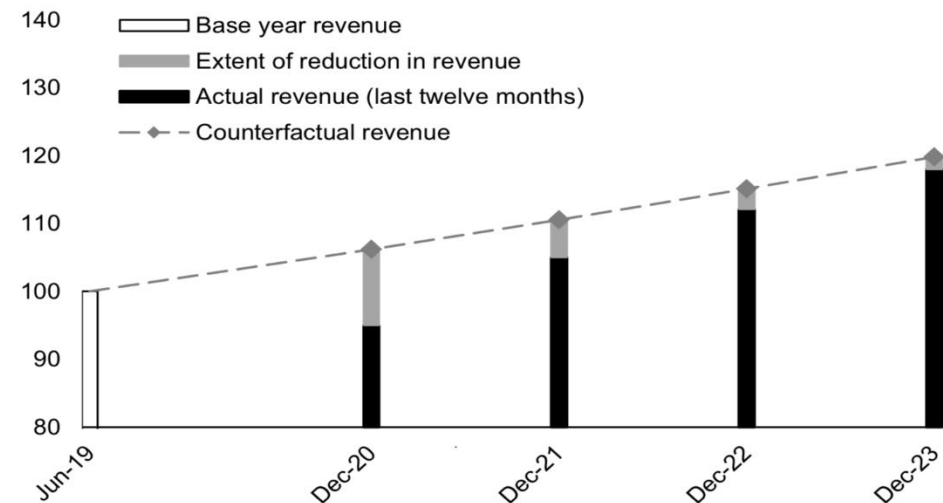
➤ Limitations

- Cannot spend on debt service costs
- Cannot replenish reserves or “rainy day” funds

➤ Calculation

- At the “Entity” level & over preceding 3 years as baseline
- Assumes at least 4.1% growth would have occurred annually

The overall methodology for calculating the reduction in revenue is illustrated in the figure below:



➤ In Contra Costa County...

- Revenue Loss calculated at \$362.5 million through December 31, 2020
- Revenue Loss exceeds CSLFRF allocation
- Entire CSLFRF allocation eligible for use on “government services”



FY 2022/23 1st Quarter CSLFRF Report

ARPA - CSLFRF Allocation			
Actual Expenditures, thru 9/30/22	FY 2021/22	FY 2022/23	Total
Funding Sources:	\$ 112,029,452	\$ 112,029,452	\$ 224,058,903
Funding Uses:			
Health Services Department (COVID-19)	79,214,397	18,117,505	97,331,902
Pandemic Service Relief Payment	0	24,300,111	24,300,111
Total Claimed	\$ 79,214,397	\$ 42,417,616	\$ 121,632,013
Fund Balance	<u>\$ 32,815,055</u>	<u>\$ 69,611,836</u>	<u>\$ 102,426,890</u>



FY 2022/23 1st Quarter CSLFRF Report

ARPA - CSLFRF Allocation				
Projected Expenditures, thru 6/30/24	FY 2021/22	FY 2022/23	FY 2023/24	Total
Funding Sources:	\$ 112,029,452	\$ 112,029,452	0	224,058,903
Funding Uses:				
Health Services Department (COVID-19)	79,214,397	60,000,000	23,000,000	162,214,397
Pandemic Service Relief Payment	0	24,300,111	0	24,300,111
Total Claimed	\$ 79,214,397	\$ 84,300,111	\$ 23,000,000	186,514,508
Fund Balance				<u><u>\$ 37,544,395</u></u>



Recommendations

1. ACCEPT report on status of COVID-19 Cost Recovery response efforts, including the status of Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Federal Emergency Management Agency (FEMA) Public Assistance program, Emergency Rental Assistance Program (ERAP) and American Rescue Plan Act (ARPA) funding streams;
2. PROVIDE direction to staff on next steps.



Questions