



American Rescue Plan Phase Two Funding Allocation and Project Recommendations

Office of the County Executive
July 13, 2022

Ann Edwards
County Executive

Phase Two Funding Allocation

Proposed funding allocation for the second \$150.7M installment of ARPA funds, based on Board priorities for COVID recovery.

- **Investments** will support recovery for residents, businesses and communities.
- **Funding** will focus on equity around economic impacts and services to disproportionately impacted communities.
- **Allocations** will make the best use of ARPA funds in the most effective ways to respond to our community's most pressing needs.

Our continued vision is to ensure an equitable and sustainable recovery in Sacramento County.

Strategic Investments

Continue to support the Board's approved Strategic Investments and address the most immediate needs by funding



Housing and Homelessness: Housing and support for people experiencing homelessness; affordable housing.



Health: COVID-19 response; public health; mental health and substance abuse treatment.



Economic Response: Addressing negative impacts to residents, communities, and businesses.

Housing and Homelessness

Who it will help:

- People experiencing homelessness; those who have fallen behind in rent or are in need of affordable housing due to economic impacts from the pandemic.

What it will cost: 24% of available allocation.

Types of investments/examples/vision:

- Affordable housing; permanent supportive housing; rental assistance; outreach and support services for people experiencing homelessness; sanctioned encampments with support and sanitation services, and community safety.





Health

Who it will help:

- Those affected by the public health impacts of the pandemic; communities with lack of access to services; youth in the Child Welfare System.

What it will cost: 8% of available allocation.

Types of investments/examples/vision:

- Mental health services and programs; substance abuse treatment programs and services; access to healthcare for hardest-hit communities; facilities for youth in the Child Welfare System; animal care services for homeless pets.

Economic Response

Who it will help:

- Businesses who have been impacted by the pandemic; community organizations that serve vulnerable populations.

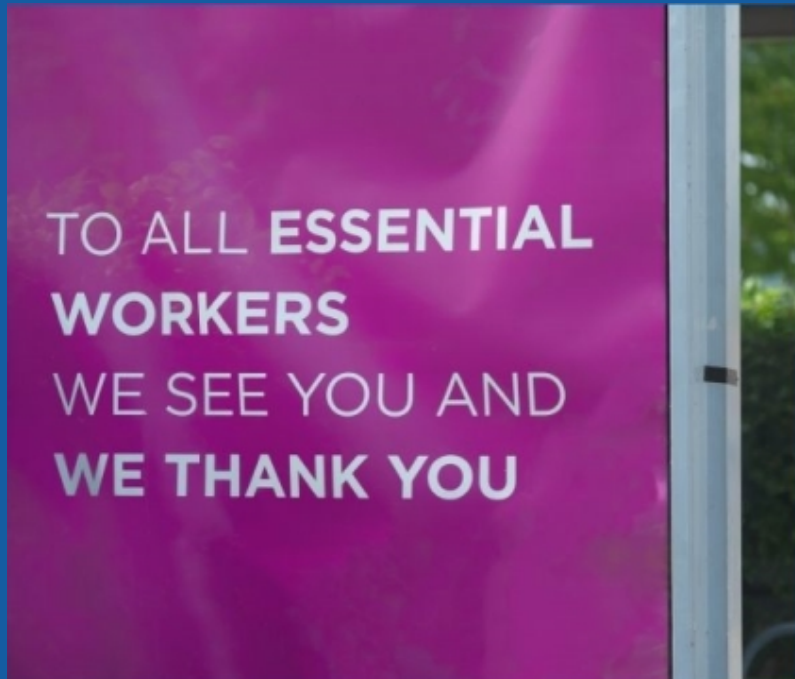
What it will cost: 8% of available allocation.

Types of investments/examples/vision:

- Provide direct assistance to small business and those who were negatively impacted by the pandemic.



Essential Workers



Who it will help:

- Eligible Sacramento County employees who performed essential work between March 5, 2020, to present.

What it will cost: 8% of available allocation.

Types of investments:

- Compensates workers who must be physically present at the job site.
- Prioritized compensation of those income-eligible workers who perform essential work.

Revenue Replacement

Who it will help:

- Disadvantaged communities within each Board of Supervisor's district; the regional park system; those in need of housing.

What it will cost: 26% of available allocation.

Types of investments/examples/vision:

- Fund projects in categories that are of high importance to the community and would not otherwise be ARPA-eligible.
- Improve the quality of roads in disadvantaged communities; improve the quality of roads in the County's regional park system; supporting transitional housing at Mather Community Campus.



Administrative Costs

In order to minimize risk to the County, ensure a centralized grants management process and track and ensure program and fiscal integrity, with no impact to the County's General Fund, 10% of funding is for program administration.

Administrative Costs Include:

- Continued implementation and oversight of overall ARPA effort.
- Tracking and monitoring of funds to ensure federal compliance; third party administrators for loans/grants to CBOs, to manage and distribute funds, technical consultants, audit support and direct administrative costs of specific programs; and coordinate adherence to County guidelines and federal reporting requirements.

District Allocations

In the Phase One Funding Allocation, the Board approved a \$5M allocation for each of the five supervisorial districts. Approving a second \$5M allocation from Phase Two would account for 17% of the total Phase Two Funding Allocation.



DISTRICT 1

Phil Serna



DISTRICT 2

Patrick Kennedy



DISTRICT 3

Rich Desmond



DISTRICT 4

Sue Frost
Chair



DISTRICT 5

Don Nottoli
Vice Chair

Phase Two Initial Project Recommendations

Initial Project Recommendations:

- Utilize the full recommended Phase Two Allocation for Health, Economic Response and Revenue Replacement
- Account for Phase One advances to Economic Response and Revenue Replacement
- Do not include Housing and Homelessness projects, which continue to be refined for Board consideration
- 23 projects totaling \$59.2M

Phase Two Initial Project List					
Allocation Area	Number of Projects	Recommended Allocation	Phase One Advance	Available Allocation	Project Recommendations
Health	7	\$ 12,515,623	\$ -	\$ 12,515,623	\$ 12,515,623
Economic Response	2	\$ 12,515,623	\$ (673,824)	\$ 11,841,799	\$ 11,841,799
Revenue Replacement	4*	\$ 38,699,633	\$ (3,859,993)	\$ 34,839,640	\$ 34,839,640
Total	13	\$ 63,730,879	\$ (4,533,817)	\$ 59,197,062	\$ 59,197,062

*Includes \$3,859,993 advance for Food Insecurity Pilot Program

Note: Other Phase Two funding includes Housing and Homelessness, District Allocations, Essential Workers, and Administration.

Health Project Recommendations

Recommended projects focus on providing services to our most vulnerable residents and equal the full \$12.5M Phase Two Allocation.

Health Services

- **Psychiatric Sub-Acute Facility, \$500,000**
 - *Match funding for Behavioral Health Continuum Infrastructure Program grant.*
- **Expansion of Substance Use Treatment Services, \$6,279,389**
 - *Assist community-based providers to expand existing and/or add substance use residential treatment options.*
- **Arrive Alive Fentanyl Awareness Campaign, \$321,234**
 - *Funding for Fentanyl Education and Awareness Campaign.*
- **Clinic Services – Telehealth, \$500,000**
 - *Expand the Clinic's telehealth capabilities.*
- **Clinic Services – Staffing, \$815,000**
 - *Expand ability to provide primary care services and outreach.*

Health Project Recommendations (cont.)

Child Family and Adult Services

- **Warren E. Thornton Youth Center, \$3,700,000**
 - *One-time building improvements to create a comfortable setting with increased accessibility and security for youth in the Child Welfare System awaiting foster care placement.*

Animal Care

- **Spay/Neuter and Vaccination Services for Homeless Pets, \$400,000**
 - *Provide no cost spay/neuter and vaccination services to pet owners experiencing homelessness.*

Economic Response Project Recommendations

Recommended projects focus on providing assistance to the retail food industry and assisting those negatively impacted by the pandemic and equals the available Phase Two Allocation.

Environmental Management

- **2023 Retail Food Permit Fee Waiver, \$6,841,799**
 - *Waive annual operating permit fees for most retail food businesses up to 15,000 square feet.*
- **Direct Community Investments, \$5,000,000**
 - *Staff will develop a program to provide direct relief to the community and return to the Board with program specifics.*



Revenue Replacement Project Recommendations



Recommended projects focus on high-priority needs that would not otherwise be ARPA-eligible and equals the available Phase Two Allocation.

Department of Transportation

- **Road Maintenance, \$20,000,000**
 - *Fund road maintenance projects in disadvantaged communities within each supervisorial district.*

Regional Parks

- **Road Maintenance, \$5,000,000**
 - *Fund road maintenance projects within the regional park system.*

General Services

- **Mather Community Campus, \$9,859,993**
 - *Fund projects at Mather Community Campus following completion of the master plan.*

Next Steps



- Continue with roll out of approved Phase Two projects.
- Return to the Board with additional project recommendations for the Housing and Homelessness Strategic Investment.
- Provide regular reports to the Board regarding ARPA project status.
- Accountability: Website will provide information on the County's ARPA efforts, including quarterly and annual reports to the U.S. Treasury for spending and outcomes.