

**Item Title:** Appropriation of Federal Relief Funds from the American Rescue Plan Act

**Specific Action Requested:**

**That the Board of Commissioners amends the fiscal year 2021 budget to appropriate \$26,875,000 of American Rescue Plan Act funds for the costs associated with Wake County's COVID-19 response and economic relief.**

**Item Summary:**

**Purpose:** The Board of Commissioners appropriates all revenues and approves all budget amendments.

**Background:** The County is responsible for several functions during emergency events, including but not limited to public health and safety, emergency response, communications, and community recovery. Normal operating budgets may not be able to support the expenses for these functions. This budget amendment is needed to appropriate American Rescue Plan Act funds to respond to the ongoing COVID pandemic. The County will use funds for salaries and overtime, necessary equipment and supplies, and other expenses associated with the County's response to the emergency created by COVID-19 and funds to provide economic relief.

**Board Goal:** This action supports County operations for emergency response efforts and multiple Board goals, including Community Health and Vitality Goals 1, 2, and 4; and Economic Strength Goals 1, 2, 3, and 4.

**Fiscal Impact:** This item appropriates \$26,875,000 of the County's \$216 million in American Rescue Plan (ARP) funds, of which approximately \$107.9 million was received in mid-May. This appropriation assumes expenses to continue response efforts to the COVID-19 emergency associated with Phase Now. The Board initially approved \$25.8 million at the May 17 meeting.

**Additional Information:**

In March, Congress and the President approved a \$1.9 trillion stimulus package, known as the American Rescue Plan Act. This federal aid package included aid local governments in funding response efforts. In mid-May, the County received approximately \$107.9 million, one-half of the total amount of approximately \$216 million, from the US Treasury, called the Coronavirus Relief Funds (CRF). Generally, these funds can be used

toward direct response efforts, “second order effects” of COVID-10 on individuals, families, and businesses, and investments in County projects and operations.

In April, staff presented a phased funding plan for the total \$216 million relief package.

In May, staff brought forward a recommendation to implement “Phase Now” of the funding plan. That appropriation request totaled \$52,675,000 and covered the following areas:

<b>Category</b>	<b>Amount</b>
Public Health (vaccinations, testing, Public Health staffing)	\$41,225,000
Food Security	1,100,000
Small Business Loans	4,900,000
Broadband Availability & Affordability Study	500,000
Hospitality Industry Resurgence	4,054,000
County Staffing Support	896,000

At the May 17 meeting, the Board appropriated \$25.8 million of the requested funding, and requested staff bring additional detail to the June 14 work session. The table below reflects the requested funding, the amounts approved on May 17, and the remaining request:

<b>Category</b>	<b>Original Request</b>	<b>May 17 Appropriation</b>	<b>June 21 Request</b>
Public Health	\$41,225,000	\$20,500,000	\$20,725,000
Food Security	1,100,000	1,100,000	-
Small Business Loans	4,900,000	2,450,000	2,450,000
Broadband Availability	500,000	-	500,000
Hospitality Industry Resurgence	4,054,000	1,300,000	2,754,000
County Staffing Support	896,000	450,000	446,000

Following these initial appropriations, staff will spend the summer and early fall evaluating County and community needs; engaging County staff, the Board and community stakeholders; and seeking opportunities to leverage the County’s ARPA funds with state/federal funding. Further funding and project recommendations will be brought forward for the Board’s consideration in the fall.

Staff will keep the Board informed of any changes in legislation and how that impacts the use of the County’s CRF.

**Attachment:**

1. Budget Memo