

PLANNING FOR THE \$1.9T AMERICAN RESCUE PLAN AND EMERGENCY RENTAL ASSISTANCE PROGRAM IMPLEMENTATION STRATEGIES

Florida Association of Counties

March 2021



TODAY'S SPEAKERS



Brad Gair, Principal

Brad is recognized for his leadership roles in the signature disasters of the 2000s, having served as a FEMA Federal Coordinating Officer and in other key positions for scores of disasters, emergencies and special events.



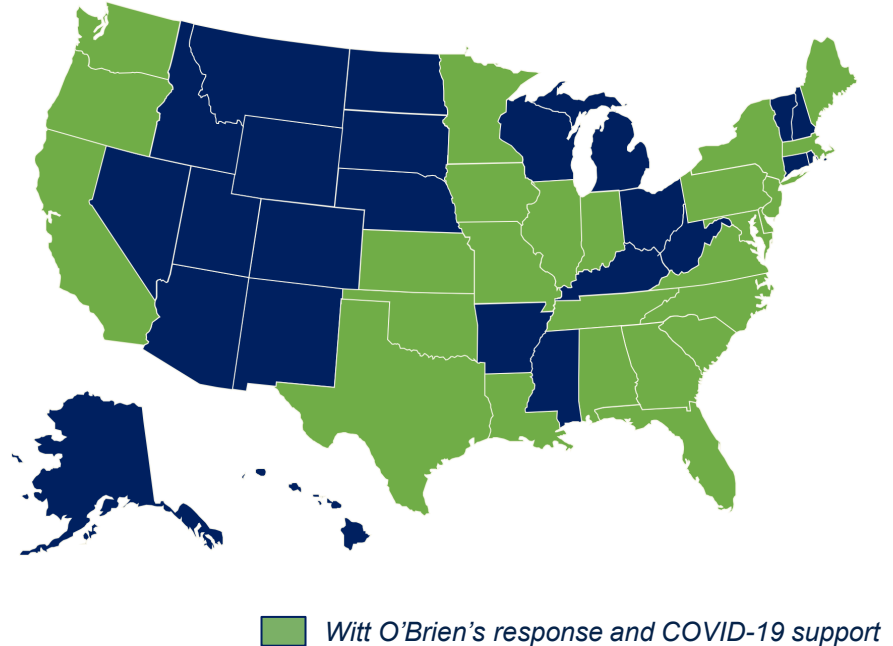
Matthew Erchull, Managing Director

Matthew is a subject matter expert in the development of public policy, program and project management, research, and quantitative analysis focused on assisting State and local governments, NGO's and Private Non-Profits with federally funded grant programs. Matt leads implementation support for over \$6B of COVID-19 Federal Assistance.

TRUSTED NAME FOR COVID-19 RESPONSE & GRANT MANAGEMENT

Assisting over 80 States, Local Governments and NGOs across the nation with a broad range of services centered on compliant, efficient and expedient COVID-19 response programs

- Unified Testing Strategy Development & Implementation
- Small Business & Economic Stability Support Programs
- Food Security & Supply Chain Stabilization
- Housing Eviction Prevention & Rental Assistance Programs
- Coronavirus Relief Fund (Treasury OIG) reporting and compliance monitoring
- Call Center Support Operations



THE AMERICAN RESCUE PLAN ACT OF 2021

On March 6, the U.S. Senate passed **The American Rescue Plan Act of 2021**. Now that the Senate passed this legislation, it moves back to the House this week for reconciliation before being sent to the president for signature



AMERICAN RESCUE PLAN

FUNDS PRIMARILY ALLOCATED TO INDIVIDUALS AND STATE & LOCAL GOVERNMENTS



993B

Individual households

- 422B for \$1,400 relief checks to households across America
- 246B to increase Unemployment Insurance (UI) supplement to \$400/wk and extend emergency UI provisions thru Aug.
- 143B to increase tax credits to help cover the cost of childcare
- 63B to subsidize temporary ACA expansion, extend paid sick leave, and continuation health coverage (COBRA)
- 58B to provide grants to multi-employer pension plans and change single-employer pension funding rules
- 54B to increase minimum federal wage to \$15/hour (ruled out of order by Senate Parliamentarian on 2/25)
- 7B to hunger alleviation, including 15% increase in SNAP through September 30, 2021



498B

State, local, and tribal governments

- 350B in emergency government funding, with 195B to state gov'ts and 155B to local gov'ts, territories, and tribes
- 59B to expand testing, tracing, and monitoring (50B) and national vaccine program (9B)
- 19B for Community Health Centers (8B), public health workforce (8B) and other public health investments (3B)
- 25B for Medicaid expansion payments to states
- 30B to provide housing and utility assistance with 20B for rental assistance, 5B for homeless assistance, and 5B for LIHEAP
- 10B for homeowner assistance, including property tax, mortgage payments, and utilities
- 5B for mental health and domestic violence programs



210B

Education & childcare

- 130B to help K-12 schools reopen safely with set-aside requirements to address loss of learning
- 40B for the Higher Education Emergency Relief (HEER) Fund (35B) and new "Hardest Hit Education Fund" for Governors (5B)
- 40B for Child Care Development Block Grant (15B), new childcare stabilization fund for providers (24B), and Head Start (1B)



154B

Other recipients

- 47B into the FEMA Disaster Relief Fund to ensure sufficient supplies and protective gear
- 56B for public transit agencies, airports, airlines, and other transportation-related relief
- 17B to the Veteran's Health Agency for health care and job training for veterans
- 16B for loan assistance, nutrition assistance, and other support to farmers, food supply, and agriculture pandemic response
- 8B for other vaccine and therapeutic supply chain activities, vaccine confidence, info, and education, and FDA review
- 10B for other human services, labor, and other policies



70B

Businesses

- 25B in grants to restaurants and bars
- 15B in EIDL Advance grants to help over one million small businesses get back on their feet
- 10B to reauthorize and fund State Small Business Credit Initiative (SSBCI) to finance small businesses
- 7B to allow more Paycheck Protection Program (PPP) loans and expand eligibility to some non-profit and digital media companies
- 13B towards other policies, including use of Defense Production Act to buy medical supplies

Note: All figures are preliminary estimates rounded to nearest \$1B. Sources: [The White House](#); [Congressional Research Service](#); [Committee for a Responsible Federal Budget](#); [Non-Profit Quarterly](#)

LEGISLATIVE ANALYSIS FOR COUNTIES:

U.S. SENATE'S SUBSTITUTE AMENDMENT

STATE & LOCAL CORONAVIRUS FISCAL RECOVERY FUND

SUMMARY

- As part of the overall package, the **Coronavirus State and Local Fiscal Recovery Fund** would provide (1) approximately \$350 billion in new federal fiscal assistance for our nation's states, territories, tribes, counties, and municipalities and (2) \$10 billion for coronavirus capital projects.
- The measure outlines that **states**, along with the District of Columbia, **would receive \$195.3 billion**, distributed mostly upon each state's share of unemployed workers over the 3-month period of October-December 2020. Each state and the District of Columbia would be guaranteed a minimum of \$500 million, plus D.C. would receive a special allocation to compensate for its treatment under the CARES Act last year.
- **Local governments would receive \$130.2 billion**, split evenly between municipalities and counties, resulting in a **direct county allocation based on population of \$65.1 billion**. Tribal governments would receive \$20 billion and U.S. territories would receive \$4.5 billion.
- The U.S. Department of Treasury would still oversee and administer these payments to state and local governments, and every county would be eligible to receive a direct allocation from Treasury. Municipalities, and counties would now receive funds in two tranches – both tranches would provide 50 percent of the entity's total allocation.

DISTRIBUTION FORMULA FOR STATE AND LOCAL RECOVERY FUNDS

Of the approximately \$350 billion in the Senate bill for fiscal relief, 57% would be allocated to states and 35% to local governments. The distribution formula is as follows.

- **States and District of Columbia:** \$195.3 billion
 - \$25.5 billion is **equally divided** with state minimum of \$500 million.
 - \$169 billion based on the state **share of unemployed workers** over a three-month period from October-December 2020.
 - \$1.25 billion in **additional aid** for the District of Columbia.
- **Local governments:** \$130.2 billion divided evenly between non-county municipalities and counties.
 - **COUNTIES:** \$65.1 billion in direct federal aid to **all counties** (including parishes in Louisiana, boroughs in Alaska and consolidated city-county entities) based on the county share of the U.S. population. Counties that are CDBG recipients would receive the larger share, based on its population or calculated share under the CDBG allocation method.

DISTRIBUTION FORMULA FOR STATE AND LOCAL RECOVERY FUNDS

- **NON-COUNTY MUNICIPALITIES:** \$65.1 billion to cities and other non-county municipalities.
 - \$45.57 billion in **direct federal aid for municipalities with populations of at least 50,000**, using a modified Community Development Block Grant formula.
 - \$19.53 billion for **municipalities with populations of less than 50,000** based on each jurisdiction's percentage of the state's population. Amount per jurisdiction may not exceed 75 percent of its most recent budget as of January 27, 2020. Aid is distributed through the states, with the ability for states to request an extension if they are unable to distribute within 30 days. Any amounts that are not distributed to non-entitlement municipalities shall be returned to the U.S. Treasury. **If the state fails to distribute to these local entities**, the penalty comes from the state portion of the State and Local Coronavirus Recovery Fund.
- **U.S. Territories:** \$4.5 billion.
- **Tribal governments:** \$20 billion to federally recognized Tribal governments.

ALLOWABLE USES OF RECOVERY FUNDS

The Senate bill outlines that funds **may be used to:**

1. **Respond to the public health emergency with respect to the COVID- 19 or its negative economic impacts**, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality
2. To respond to workers performing essential work during the COVID–19 public health emergency by **providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers** that have eligible workers who perform essential work;
3. For the provision of **government services to the extent of the reduction in revenue (i.e. sales, property or income tax)** due to the public health emergency, or
4. Make necessary investments in **water, sewer, or broadband infrastructure**.

It is important to note under #1 that the examples outlined are intended to clarify congressional intent that these activities would be eligible. However, state and local activities would NOT be limited only to these activities.

LIMITATIONS ON USES OF RECOVERY FUNDS

The Senate bill also outlines that:

1. **States are not allowed to use the funds to either directly or indirectly offset a reduction in the net tax revenue** that results in the state reducing its tax revenue through the passage of a new state law.
2. **States are not allowed to use the funds to either directly or indirectly offset a reduction in the net tax revenue** that results from a change in law, regulation or administrative interpretation during the covered period that reduces any tax. If a state violates this provision, it would be required to repay the amount of the applicable reduction to net tax revenue.
3. **No funds shall be deposited into any pension fund.**
4. **State and local governments are allowed to transfer** to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo or a special-purpose unit of State or local government.

REPORTING REQUIREMENTS, CERTIFICATION & RECOUPMENT

The Senate bill would require **state and local governments to fulfill reporting requirements**, such as:

- States are required to report how funds are used and how their tax revenue was modified during the time that funds were spent during the covered period (covered period begins on March 3, 2021 and ends on the last day of the fiscal year a state or local government has expended or returned all funds to the U.S. Treasury).
- **Local governments would be required to provide “periodic reports”** providing a detailed accounting of the use of funds.
- If a state, county or municipality does not comply with any provision of this bill, they will be **required to repay the U.S. Treasury** an equal amount to the funds used in violation.

ADMINISTRATION OF RECOVERY FUNDS

The Senate bill further outlines that funds would be administered as follows:

- Funds would be distributed by the U.S. Department of Treasury.
- **The deadline to spend funds would be December 31, 2024.**
- In order to receive a payment either under the first or second tranche, local governments **must provide the U.S. Treasury with a certification** signed by an authorized officer. **The U.S. Treasury is required to pay first tranche to counties not later than 60-days after enactment**, and second payment no earlier than 12 months after the first payment.
- The bill would provide \$117 million for **oversight and to promote transparency and accountability** of all federal coronavirus relief funds, with \$77 million for the Government Accountability Office and \$40 million for the Pandemic Response and Accountability Committee.

CORONAVIRUS CAPITAL PROJECTS FUND (SEC. 604)

- **\$10 billion for states, territories, and tribal governments to carry out critical capital projects**, specifically related to enabling work, education, and health monitoring, including remote options, in response to the COVID-19 public health emergency.
- Each state, District of Columbia and Puerto Rico would receive a **minimum allocation of \$100 million**, plus another \$100 million is divided among other U.S. territories and another \$100 million is designated for Tribal governments and Native Hawaiian use.
- **Of the remaining funds, states would receive an additional allocation** based on population (50 percent), number of individuals living in rural areas of the state as a percentage of the U.S. rural population (25 percent), and proportion of the state's population of households living below the poverty line.
- The funding for coronavirus capital projects **is available until expended**.

FLORIDA'S FUNDING ALLOCATION BY COUNTY

Estimates only – may be subject to change based on final bill text

Alachua County	\$52,644,691
Baker County	\$5,715,634
Bay County	\$34,185,207
Bradford County	\$5,518,199
Brevard County	\$117,784,334
Broward County	\$382,107,672
Calhoun County	\$2,759,980
Charlotte County	\$36,964,755
Citrus County	\$29,283,968
Clay County	\$42,901,892
Collier County	\$75,315,272
Columbia County	\$14,027,079
DeSoto County	\$7,435,804
Dixie County	\$3,292,409
Duval County	\$187,407,649
Escambia County	\$62,286,131
Flagler County	\$22,518,347
Franklin County	\$2,372,546
Gadsden County	\$8,934,470

Gilchrist County	\$3,636,012
Glades County	\$2,702,452
Gulf County	\$2,668,796
Hamilton County	\$2,823,183
Hardee County	\$5,270,868
Hendry County	\$8,222,608
Hernando County	\$37,945,081
Highlands County	\$20,784,676
Hillsborough County	\$288,025,708
Holmes County	\$3,838,535
Indian River County	\$31,292,756
Jackson County	\$9,082,008
Jefferson County	\$2,787,570
Lafayette County	\$1,647,966
Lake County	\$71,835,408
Lee County	\$150,781,801
Leon County	\$57,446,333
Levy County	\$8,121,054
Liberty County	\$1,634,660

Madison County	\$3,618,597
Manatee County	\$78,906,084
Marion County	\$71,534,266
Martin County	\$31,503,497
Miami-Dade County	\$531,634,224
Monroe County	\$14,524,482
Nassau County	\$17,341,599
Okaloosa County	\$41,235,925
Okeechobee County	\$8,251,177
Orange County	\$272,662,176
Osceola County	\$73,524,661
Palm Beach County	\$292,878,812
Pasco County	\$108,392,966
Pinellas County	\$190,781,262
Polk County	\$141,819,937
Putnam County	\$14,581,814
St. Johns County	\$51,789,400
St. Lucie County	\$64,239,152
Santa Rosa County	\$36,065,242

Sarasota County	\$84,871,985
Seminole County	\$92,324,030
Sumter County	\$25,911,137
Suwannee County	\$8,691,247
Taylor County	\$4,220,490
Union County	\$2,981,483
Volusia County	\$108,263,234
Wakulla County	\$6,601,841
Walton County	\$14,493,761
Washington County	\$4,984,401

63 Entitlement Cities - \$1.9B
352 Non-Entitlements - \$785M

EMERGENCY RENTAL ASSISTANCE PROGRAM IMPLEMENTATION STRATEGIES

U.S. TREASURY RENTAL ASSISTANCE PROGRAM

The Program provides flexible funding to local jurisdictions to be utilized for:

+ RENTAL ASSISTANCE + UTILITY ASSISTANCE + OTHER HOUSING NEEDS

Eligibility

- Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19;
- Demonstrates a risk of experiencing homelessness or housing instability; and
- Has a household income at or below 80 percent of the area median.

90% of funding must be utilized for rental, utility assistance or other housing needs

10% may be used for housing stability services and overall grant administration

Priority should be given to applicants whose income less than 50% of AMI - and – has been unemployed for past 90 days

10 STEPS FOR ADMINISTERING A SUCCESSFUL PROGRAM



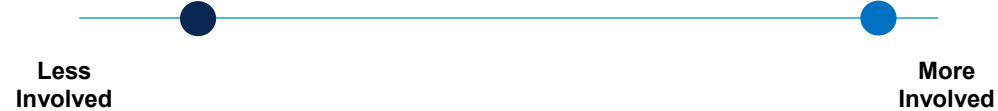
IMPLEMENTATION MODELS

● County

● Community Partners / External Entity

Fully Centralized Operation

- County Develops Program
- County Leads Community Engagement
- County Performs Application Intake
- County Performs Application Review
- County Determines Awards
- County Issues Payments



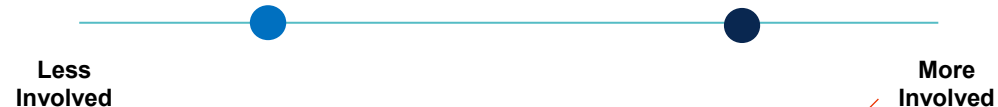
Hybrid Community Partner / Centralized Operation

- County Develops Program
- County Utilizes Community Partners / External Entity for Engagement
- Community Partners / External Entity Performs Application Intake
- County Supports Application Review
- County Determines Awards
- County -or- Community Partners Issues Payments



Decentralized Community Partner Delivered

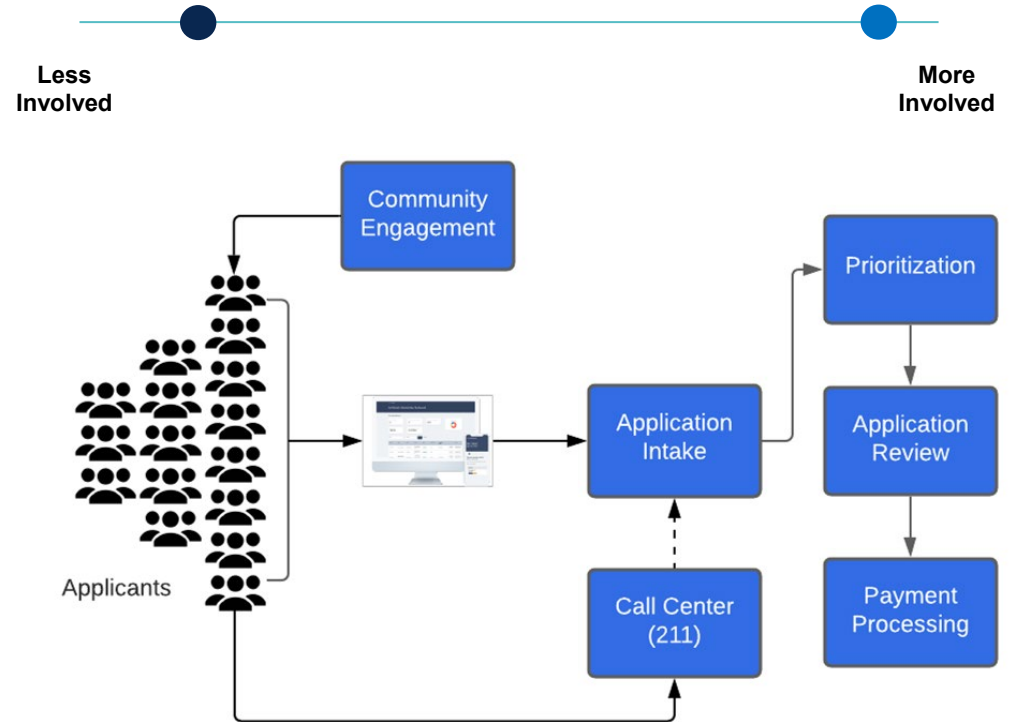
- County works with Community Partners / External Entity to Develop Program
- Community Partners / External Entity Lead Community Engagement
- Community Partners / External Entity Performs Application Review
- Community Partners / External Entity Determine Awards
- Community Partners / External Entity Issue Payments
- County Reconciles Awards and Performs Monitoring



IMPLEMENTATION MODELS

Fully Centralized Operation

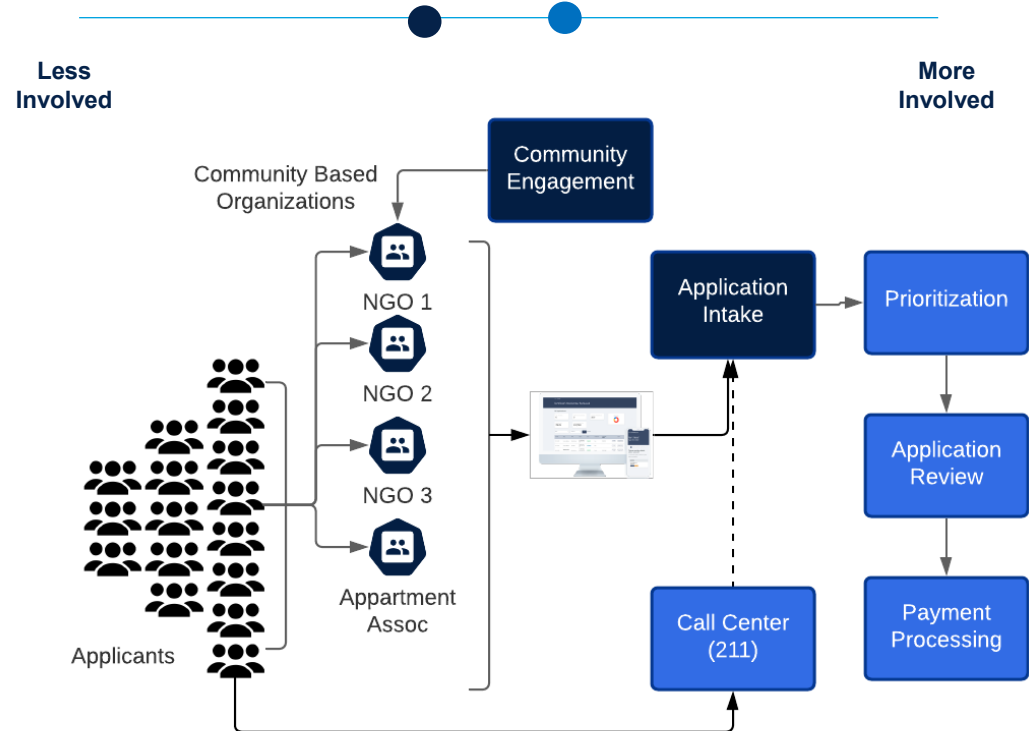
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IMPLEMENTATION MODELS

Hybrid Community Partner / Centralized Operation

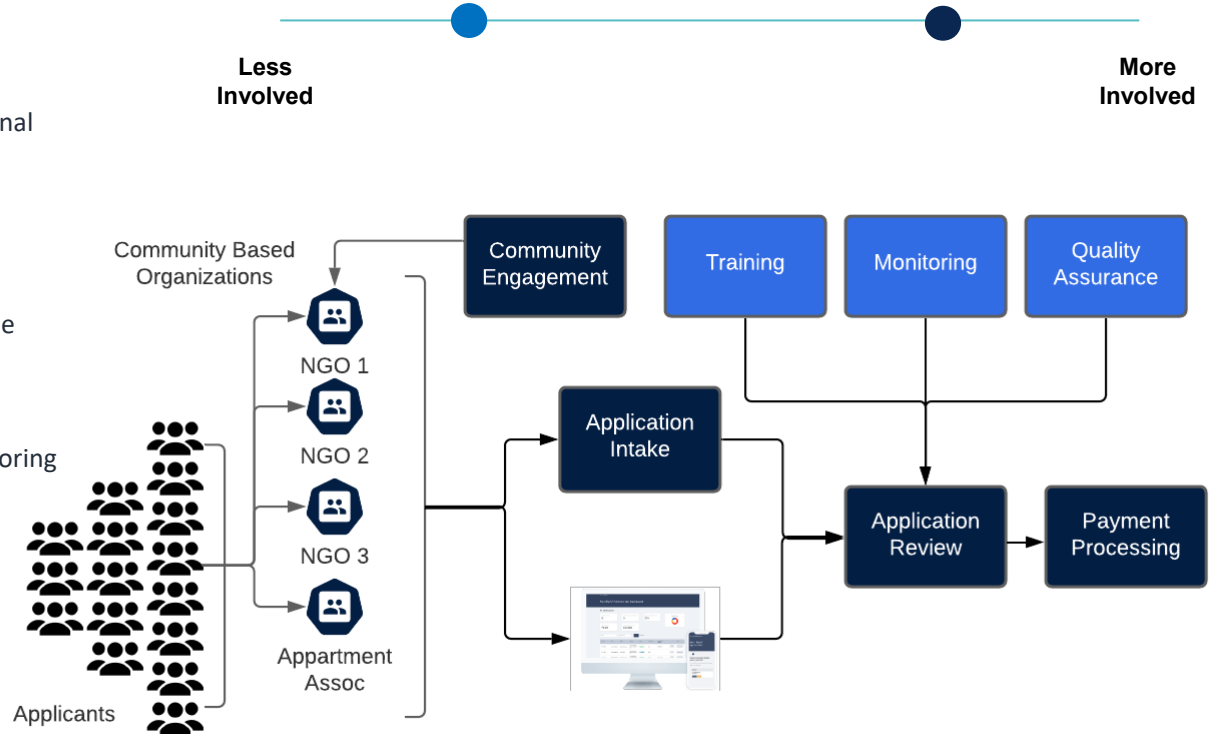
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IMPLEMENTATION MODELS

Decentralized Community Partner Delivered

- County works with Community Partners / External Entity to Develop Program
- Community Partners / External Entity Lead Community Engagement
- Community Partners / External Entity Performs Application Review
- Community Partners / External Entity Determine Awards
- Community Partners / External Entity Issue Payments
- County Reconciles Awards and Performs Monitoring



WHAT MODEL IS RIGHT FOR ME?

Understanding Your Organization's Capacity / Capabilities

Carefully evaluate your organization's ability to manage a complex federal grant program. Don't be deterred by material weaknesses identified in this stage, these are areas to address in your program design/development.

Key components to consider when evaluating your organization's capacity and capabilities:

- Existing in-house capacity to build a scalable organization around or ability to outsource while providing management oversight
- Finance systems adequate to expeditiously process payments, track and monitor transactions and support reporting/audit requirements

WHAT MODEL IS RIGHT FOR ME?

Leveraging External Entities and/or Community Partners

Utilizing existing County/City agencies or community-based partners may be a good fit for your organization.

Key components to consider when evaluating potential community or external partners capacity and capabilities:

- Existing agency or community-based organization currently managing affordable housing, homelessness or similar programs/initiatives
- Experience in managing grant-funded programs, especially those involving federal funding
- Scalable organization to meet the size of your projected program
- Ability to bridge the gap to groups at highest risk and/or need
- Ability to address language or cultural barriers

QUESTIONS?

WITT O'BRIEN'S

PART OF THE **SEACOR** FAMILY

WITH YOU WHEN IT COUNTS

JOHN MANTIS



Federal Funding
Expertise



Crisis and Disaster
Management



Public &
Stakeholder
Communication



Business &
Operations
Continuity



Emergency Operations
Center Surge Staffing

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