

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 2.14
(ID # 18665)

MEETING DATE:
Tuesday, April 26, 2022

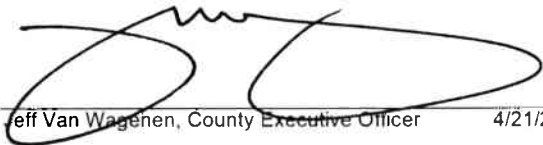
FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: American Rescue Plan Act (ARPA) Quarterly Progress Report - All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the attached American Rescue Plan Act quarterly report.

ACTION:Consent



Jeff Van Wagenen, County Executive Officer 4/21/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez seconded by Supervisor Hewitt and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Spiegel, Perez, and Hewitt
Nays: None
Absent: Washington
Date: April 26, 2022
xc: E.O.

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost |
|-------------------------|-----------------------------|--------------------------|---------------------------|---------------------|
| COST | \$0 | \$0 | \$0 | \$0 |
| NET COUNTY COST | \$0 | \$0 | \$0 | \$0 |
| SOURCE OF FUNDS: | | | Budget Adjustment: | No |
| | | | For Fiscal Year: | N/A |

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (H.R. 1319) in to law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts.

As part of the \$362 billion in federal fiscal recovery aid for state and local governments, \$65.1 billion is provided in direct aid to counties. Riverside County's share of the American Rescue Plan funding is estimated to be \$479 million, of which the first installment of \$239,937,299 was received on May 10, 2021. Funds must be obligated by December 31, 2024 and expended by December 31, 2026.

On April 27, 2021, the Executive Office presented the Board of Supervisors with a preliminary ARPA funding allocation and on October 19, 2021, presented a revised funding allocation after the U.S. Treasury released the ARPA interim funding guidelines. The revised allocation included a new category for Child Care. The funding allocation obligates funds to 7 categories: Infrastructure, Housing & Homelessness, Economic Recovery, County Departments Response, Non-Profit Assistance, Child Care and Revenue Backfill.

On February 8, 2022, the Executive Office presented the Board of Supervisors with a revised ARPA allocation which was primarily driven by a \$12M reduction in the Revenue Backfill, and on April 5, 2022, the Board approved transferring \$6,250,000 from the infrastructure category (District 2 allocation) to the Housing, Homelessness and Neighborhood Revitalization category in support of the Rancho Esperanza DPSS Houses and the Home Gardens Park projects. **(Attachment A – ARPA Allocation)**

Below is a summary of all efforts completed within each of the funding categories.

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Infrastructure

Infrastructure is a new category that was not eligible under CARES. The Federal regulations specify water, sewer, and broadband as eligible infrastructure expenses. Individual priority projects are being identified in each District and presented to the Board for approval. Infrastructure continues to be a very high need and a priority for our County, as highlighted through our Unincorporated Communities Initiative (UCI), to enhance quality of life, support disadvantaged communities, and aid with our economic recovery. The infrastructure allocation includes \$7M for a Broadband Affordability Program that is currently being developed to support underserved households and help close the Digital Divide. This Infrastructure allocation was reduced from \$82,000,000 to \$75,750,000 as a result of transferring \$6,250,000 to the Housing, Homelessness and Neighborhood Revitalization category in support of the Rancho Esperanza DPSS Houses and the Home Gardens Park projects.

The Board of Supervisors approved allocating ARPA funds in the amounts of \$8.4 million and \$5.85 million to Elsinore Valley Municipal Water District (EVMWD) and Eastern Municipal Water District (EMWD) respectively, for the construction of Highway 74 / Ethanac Sewer, Grand Avenue Lakeland Village Community Center Sewer, Mead Valley Cajalco Corridor Sewer, Mead Valley Cajalco Corridor Water System Improvements, Good Hope Olive Area Water Improvements and Lakeland Village Water Line Extension projects. Additionally, the Board of Supervisors approved allocating ARPA funds in the amount of \$7,750,000 million in support of the Rancho Esperanza DPSS Houses and the Rancho Jurupa Park Ditch Replacement projects.

Housing, Homelessness and Neighborhood Revitalization

The County has allocated \$56.25 million in ARPA funds to expand emergency shelter, permanent supportive housing, and affordable housing countywide. This category has also been expanded to include eligible neighborhood revitalization projects such as the construction of parks facilities in disadvantaged communities.

On January 11, 2022, the Board of Supervisors approved the allocation of \$1.9 million in ARPA funding to acquire and convert the Ayres Hotel located in the City of Corona to permanent supportive housing for individuals that are homeless or at risk of homelessness and impacted by COVID-19. Additionally, the Board approved the allocation of \$5.74 million for acquisition financing of a 3.64-acre property with existing buildings located in the City of Palm Springs. The City of Palm Springs and County of Riverside Department of Housing Workforce Solutions (HWS) partnered to develop an

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80-bed transitional housing facility in the City of Palm Springs. When completed the project will also have case management offices, meeting rooms, community space and other amenities to help address the City of Palm Springs homelessness crisis. The Board also approved the allocation of \$3,914,633 for the Moreno Valley Youth Village Permanent Housing Community Development Project. On April 5, 2022 the Board approved transferring \$6,250,000 to the Housing, Homelessness and Neighborhood Revitalization category in support of the Rancho Esperanza DPSS Houses and the Home Gardens Park projects.

Economic Recovery

The County has allocated \$36 million to the Economic Recovery category in support of developing programs to assist businesses and industries struggling to rebound from the pandemic as well as focus on strategic investment projects for future economic growth and resiliency. The Board approved appropriating ARPA funding in the amount of \$2,161,375 for the launch of a Tourism Recovery Campaign to help the designated impacted industry as a result of the ongoing negative impacts from the COVID-19 pandemic. This program will provide funding for the Visit Greater Palm Springs and Temecula Valley Convention & Visitors Bureau (dba Visit Temecula Valley) whose primary functions are to grow tourism and convention/conference activities in the county and support the hospitality industry. Both organizations have action plans which include detailed information on how the money will be utilized and consistent with the overall program objective.

County Departments Response

This category comprises of our County Departments, specifically Public Health, Behavioral Health, Hospital, Health Clinics, and our Emergency Management Department as they are deemed front line response departments. On January 11, 2022, the Board approved the appropriation of an initial \$5 million to the County Departments Response category. The \$5 million will allow the Executive Office to fund on-going response efforts expenses for Public Health, the Medical Center and the Emergency Management Department in addition to the Executive Office administrative costs associated with the ARPA funding administration.

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Non-profit Assistance

Our non-profits provide essential community support services that will assist in our recovery and increase our resiliency as a County moving forward. The Board approved the allocation of \$1 million for the establishment of the Coronavirus Recovery Community Improvement Designation Funds to support non-profit organizations responding to the public health emergency or the negative economic impacts of COVID-19 within Riverside County. A non-profits workshop was held on October 13, 2021, and a Non-Profit Roundtable has been formed and initiated, which will be providing recommendations to the Board on the most impactful use of the remaining \$15 million.

As of April 12, 2022, the Board approved 62 non-profits applications in the amount of \$554,000.

Child Care

ARPA also provides eligibility for programs and efforts supporting the return of working parents to the workforce including early care and education retention, recruitment, and expansion of workforce, providers, and facilities. On September 14, 2021, the Board approved the allocation of \$15 million for the establishment of Early Care & Education (ECE) Recovery Fund to stabilize and expand availability of ECE to support the return of working parents to the workforce. **(Please refer to Attachment B – Child Care Infographic).**

As of April 8, 2022, \$3,277,600 has been paid to 2,731 early childhood educators. The second phase providing an additional retention payment of \$1200 has been initiated.

In addition, \$24,000 has been paid to 32 recruited ECE businesses to provide subsidized care for children.

Revenue Backfill

ARPA provides eligibility for revenue backfill of lost revenue due to the negative economic impacts of COVID-19. The Final Treasury guidelines provide two options for calculation of revenue loss, a complex formulaic approach or standard allowable backfill of \$10 million. The Executive Office has carefully assessed the options provided and recommended that the County elects to receive the standard \$10 million revenue backfill allowance.

Additional Fiscal Information

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As of April 12, 2022, the County of Riverside has obligated \$64,866,008 in ARPA expenses related to Infrastructure, Housing & Homelessness, County Departments Response, Non-Profit Assistance and Child Care. **(Please refer to Attachment C-ARPA Financial Reconciliation).**

Administrative / Compliance Update

- Project and Expenditure Interim Report – The report was submitted to the U.S. Treasury on August 31, 2021
- Recovery Performance Plan Annual Reports – The report was submitted to the U.S. Treasury on August 31, 2021
- Project and Expenditure Quarterly Report # 1 – The report was submitted to the U.S. Treasury on January 28, 2022

For additional information pertaining to the administration of the American Rescue Plan Act (ARPA), please visit the RIVCO ARPA website: <https://rivco.org/about-county/budget-and-financial-information/american-rescue-plan-act>

Attachments:

- **Attachment A: ARPA Infographic**
- **Attachment B: Child Care Infographic**
- **Attachment C: ARPA Financial Reconciliation**



COUNTY OF RIVERSIDE AMERICAN RESCUE PLAN ACT (ARPA) \$15M CHILD CARE ALLOCATION

Administered By:



**RIVERSIDE COUNTY
OFFICE OF EDUCATION**
EDWIN GOMEZ, Ed.D. | County Superintendent of Schools

FUNDING TIMELINE



FUNDING ALLOCATION

\$15M



← \$10M →



\$5M

Recruiting ECE Businesses to Provide Subsidized Care for Children

Wage Enhancement for Early Child Education (ECE) Workforce

Expansion of Child Care Facilities in All 5 County Supervisorial Districts

PAYMENT STATUS



\$36,000

Paid to **48 (250 max)** Recruited ECE Businesses to Provide Subsidized Care for Children

*\$750 Per Business



\$2,902,800

Paid to **2,419 (3,750 max)** Early Childhood Educators

*\$1,200 Per Educator

**American Rescue Plan Act (ARPA) Financial Report
April 26, 2022**

| Category | BOS Meeting Date | Agenda Item | Allocation by Category | Amount Approved / Obligated | Remaining Balance |
|---------------------------------------------------------------------------------|------------------|-------------------------------------|--------------------------|-----------------------------|--------------------------|
| American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds | 10/19/2021 | 3.5 | | | \$ 239,937,299.50 |
| Interest Received and Accrued | | | | | \$ 243,904.66 |
| Infrastructure | | | \$ 75,750,000.00 | | |
| District 1 - EVMWD Infrastructure Projects | 2/1/2022 | 3.1 | | \$ 8,400,000.00 | \$ 231,781,204.16 |
| District 1 - EVMWD/EMWD Infrastructure Projects | 3/8/2022 | 3.4 | | \$ 5,850,000.00 | \$ 225,931,204.16 |
| District 2 - Rancho Jurupa Ditch Replacement | 4/5/2022 | 3.2 | | \$ 6,000,000.00 | \$ 219,931,204.16 |
| District 2 - Rancho Esperanza DPSS Houses - Water & Sewer Connection | 4/5/2022 | 3.2 | | \$ 1,750,000.00 | \$ 218,181,204.16 |
| | | Allocation Remaining Balance | \$ 53,750,000.00 | | |
| Housing, Homelessness & Neighborhood Revitalization | | | \$ 56,250,000.00 | | |
| District 2 - Homekey Program: Adobe Communities | 1/11/2022 | 3.19 | | \$ 1,900,000.00 | \$ 216,281,204.16 |
| District 4 - Homekey Program: City of Palm Springs | 1/25/2022 | 3.63 | | \$ 5,740,000.00 | \$ 210,541,204.16 |
| District 5 - March Veterans Village | 3/8/2022 | 3.11 | | \$ 1,900,000.00 | \$ 208,641,204.16 |
| District 2 - Home Gardens Park | 4/5/2022 | 3.2 | | \$ 6,000,000.00 | \$ 202,641,204.16 |
| District 2 - Rancho Esperanza DPSS Houses | 4/5/2022 | 3.2 | | \$ 250,000.00 | \$ 202,391,204.16 |
| District 5 - Moreno Valley Youth Village | 4/12/2022 | 3.11 | | \$ 3,914,633.00 | \$ 198,476,571.16 |
| | | Allocation Remaining Balance | \$ 40,460,000.00 | | |
| Economic Recovery | | | \$ 36,000,000.00 | | |
| Recovery Campaign - Visit Greater Palm Springs and Temecula Valley Convention | 3/22/2022 | 3.25 | | \$ 2,161,375.00 | \$ 196,315,196.16 |
| | | Allocation Remaining Balance | \$ 33,838,625.00 | | |
| County Department Response | | | \$ 30,937,299.50 | | |
| Executive Office - to cover expenses related to on-going COVID response efforts | 1/11/2022 | 3.5 | | \$ 5,000,000.00 | \$ 191,315,196.16 |
| | | Allocation Remaining Balance | \$ 25,937,299.50 | | |
| Non-Profit Assistance | | | \$ 16,000,000.00 | | |
| Coronavirus Recovery Community Improvement Designation Funds | 8/24/2021 | 3.16 | | \$ 1,000,000.00 | \$ 190,315,196.16 |
| | | Allocation Remaining Balance | \$ 15,000,000.00 | | |
| Child Care | | | \$ 15,000,000.00 | | |
| Early Care and Education Recovery Fund | 9/14/2021 | 3.42 | | \$ 15,000,000.00 | \$ 175,315,196.16 |
| | | Allocation Remaining Balance | \$ - | | |
| Revenue Backfill | | | \$ 10,000,000.00 | | |
| | | Allocation Remaining Balance | \$ 10,000,000.00 | | |
| Totals | | | \$ 239,937,299.50 | \$ 64,866,008.00 | \$ 175,315,196.16 |

\$243,904.66 - Difference of interest received and accrued

American Rescue Plan Act

1st Year Funding Allocations



Infrastructure

\$75.7 million



Housing , Homelessness &
Neighborhood Revitalization

\$56.2 million



Economic Recovery

\$36 million



County Departments Response

\$30.9 million



Non-Profit Assistance

\$16 million



Child Care

\$15 million



Revenue Backfill

\$10 million

ARPA 1st Payment \$239.9 million