



American Rescue Plan Act Information Session

Town of Prospect
March 24, 2022

WHAT ARE ARP FUNDS?



The plan was passed in March 2021 to facilitate the USA's recovery from the effects of the COVID-19 pandemic.

Total of \$1.9 trillion – Making it one of the largest economic rescue plans in US history.

Provides governments across the country with the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts
- Maintain vital public services, even amid declines in revenue resulting from the crisis
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity

What is Prospect Receiving?



- Prospect will receive a total of \$2.8 million in ARP Funds
- Received \$1,435,656.20 in June 2021
- The second installment of \$1,436,656.20 is expected to be received in June 2022
- Funds need to be obligated for expenses by 2024
- Total funds need to be expended by 2026
- Funds deposited into interest bearing CD account



What CAN'T ARP Funds Be Used For?

The Plan prohibits funds from being used for the following:

- Deposits into any pension funds
- Direct or indirect offset in reduction in net tax revenue
- Legal Settlements
- Financial Resources
- Debt Service Coverage

Approved Categories for ARP Funds

Supporting Public Health Response

- Mitigation and prevention efforts for COVID-19
- Ventilation improvements
- Capital investments in public facilities to meet pandemic operational needs
- Public communication efforts
- Support for vulnerable populations
- Purchase of PPE
- Public Health, Safety, Recreation Programs

Approved Categories for ARP Funds

Replace Lost Public Sector Revenue

- Use funds for the provision of government services to the extent of the reduction in revenue due to COVID-19
- Must compute the extent of the reduction in revenue by comparing actual revenue to a counterfactual trend representing what could have been expected in the absence of the pandemic
- *What does that mean?*
 - Prospect can compare what was projected to be collected in revenue based on past revenue to what was actually collected during the pandemic
 - The difference can be made up with ARPA funds

Approved Categories for ARP Funds

Water and Sewer Infrastructure

Protecting public health by providing funds to invest in:

- Improve access to clean drinking water
- Services for collection and treatment of wastewater and stormwater
- Identify investments that are of the highest priority for our own community which can include privately-owned infrastructure
- Funds may also be available through Environmental Protection Agency (EPA), Clean Water State Revolving Fund (CWSRF), FEMA or Drinking Water State Revolving Fund (DWSRF)
 - Additional research on funding opportunities will be completed before funds are allocated.

Approved Categories for ARP Funds

**Support
Negatively
Affected
Economically**

Respond to the far-reaching public health and negative economic impacts of the pandemic by:

- Assistance to unemployed workers due to the pandemic
- Assistance to households due to the pandemic which can include but not limited to; food assistance, rent, utilities, legal aid and home repairs
- Improve efficacy of programs addressing these negative impacts
- Assistance to small businesses due to negative impact resulting from the pandemic
- Rehiring public sector staff up to the pre-pandemic level of the government
- Investments in affordable housing/supportive housing
- Addressing education disparities and childhood environments

Approved Categories for ARP Funds

Provide Premium Pay for Essential Workers

- Offer additional support to those who have and will bear the greatest health risks because of their service in critical sectors
- Provide premium pay to eligible workers performing essential work during COVID-19 emergency
- Provide grants to third party employers with eligible workers performing essential work
 - Can provide up to 150% of a qualified worker's pay
 - May not be used to reduce or substitute for a worker's normal earnings

Approved Categories for ARP Funds

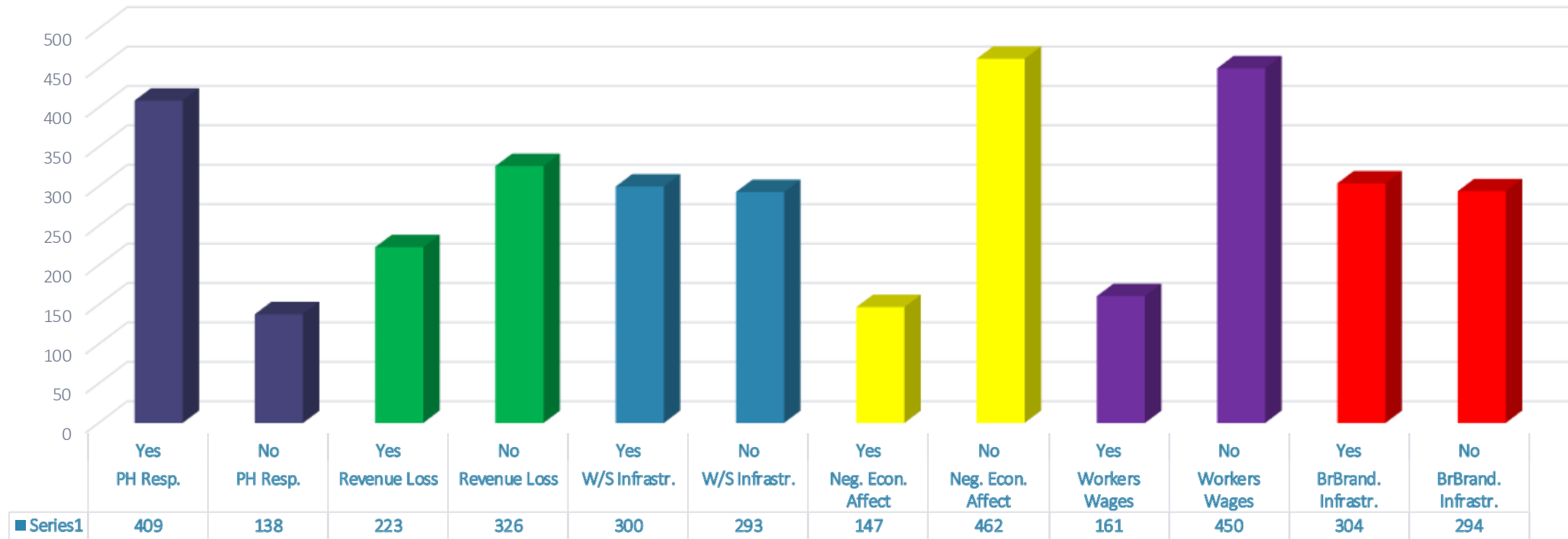
Broadband Infrastructure

Provide funds for eligible investments to provide services to:

- Meet adequate speeds and provide to unserved and underserved residents and businesses
- Flexibility to identify specific locations within our community to be served
- Projects are expected to deliver service that meets or exceeds upload and download speeds of 100 Mbps

Results from the ARPA Survey

Overall Responses for Survey as of March 22, 2022

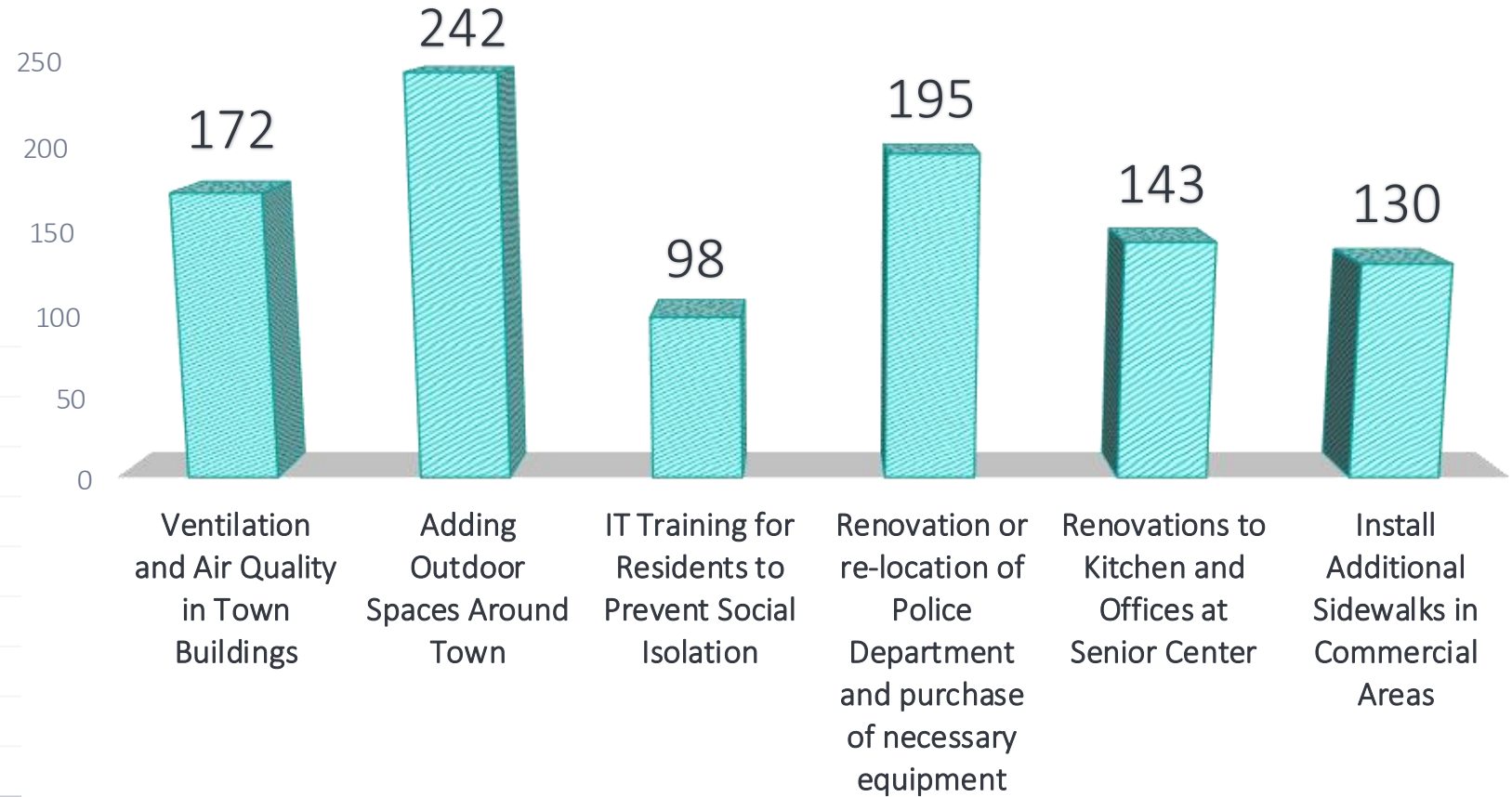
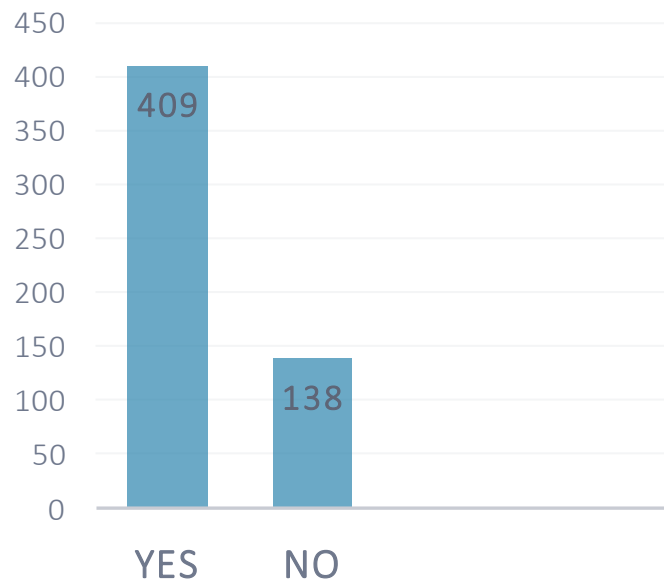


- █ Support Public Health Response
- █ Replace Public Sector Revenue Loss
- █ Water and Sewer Infrastructure Projects

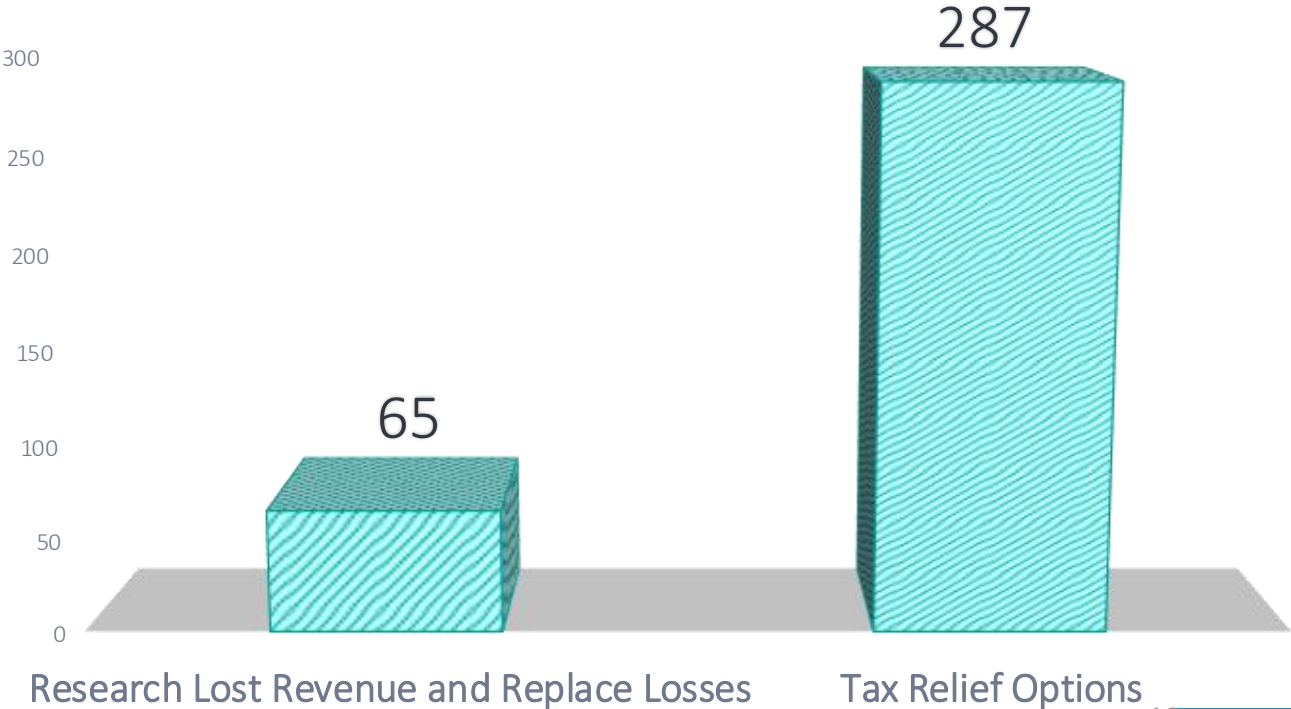
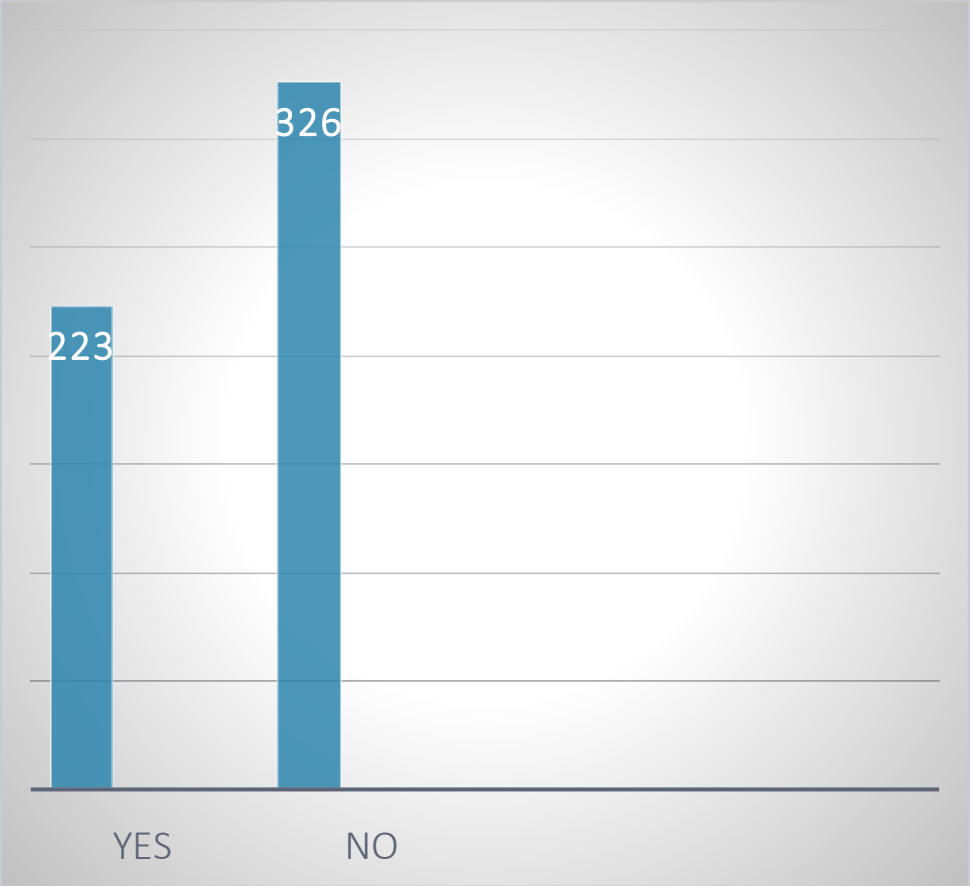
- █ Support for Negatively Affected Economically
- █ Pay for Essential Worker's Wages
- █ Broadband Infrastructure Projects

Support Public Health Response

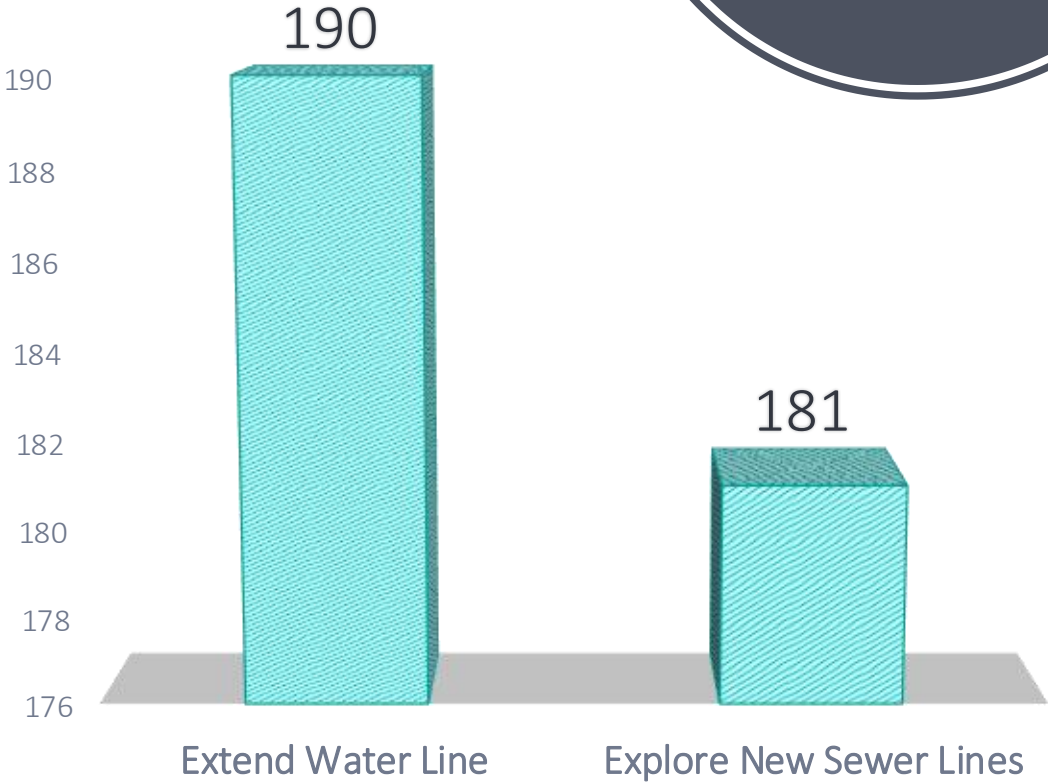
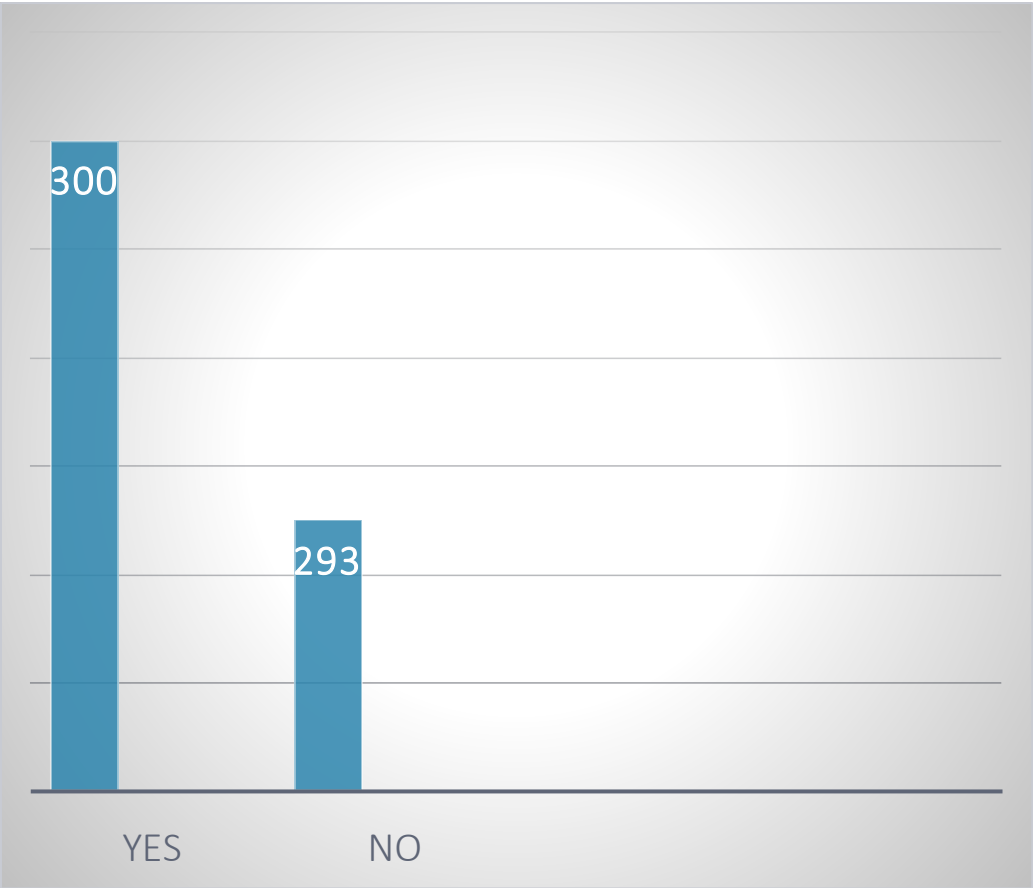
Response Summaries



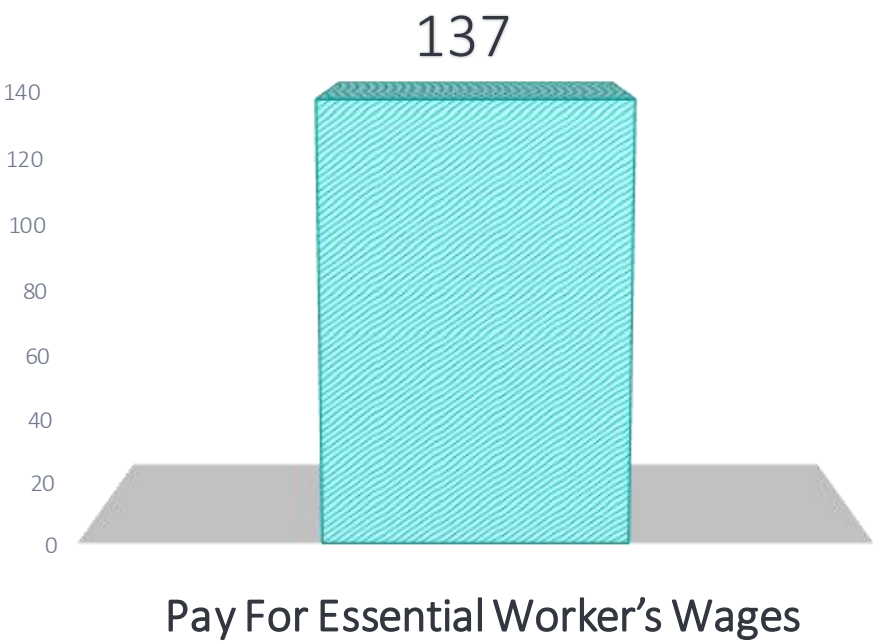
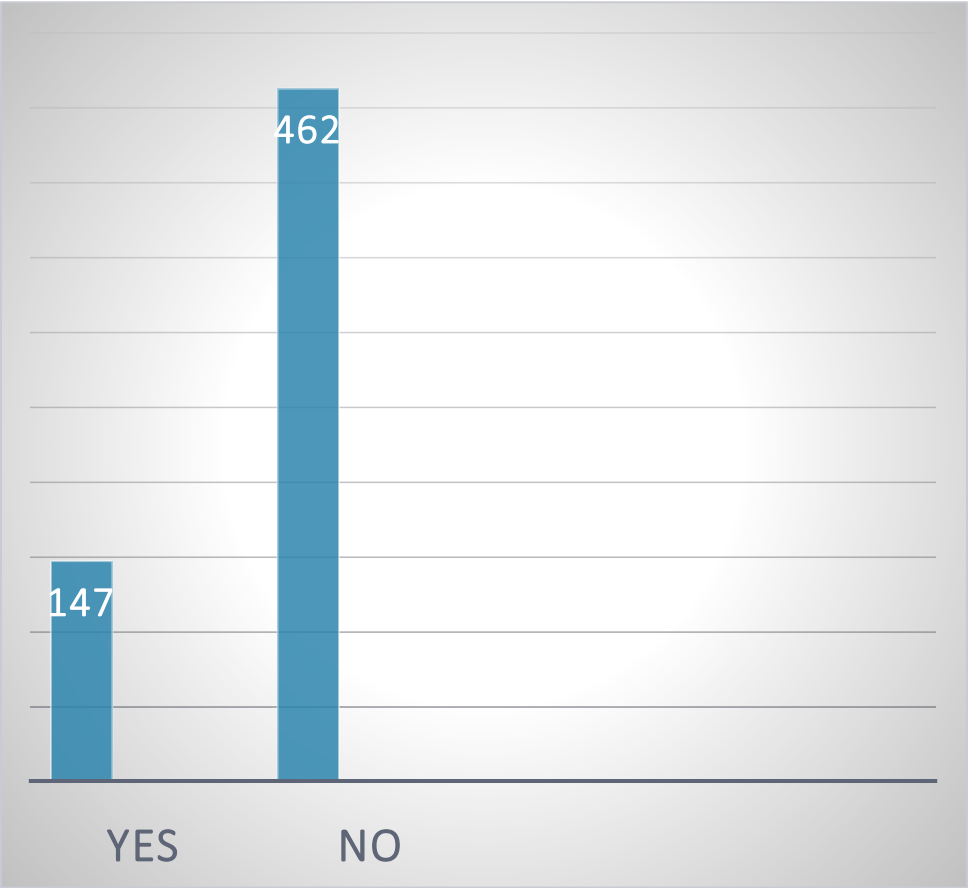
Replace Public Sector Revenue Loss



Water & Sewer Infrastructure Projects

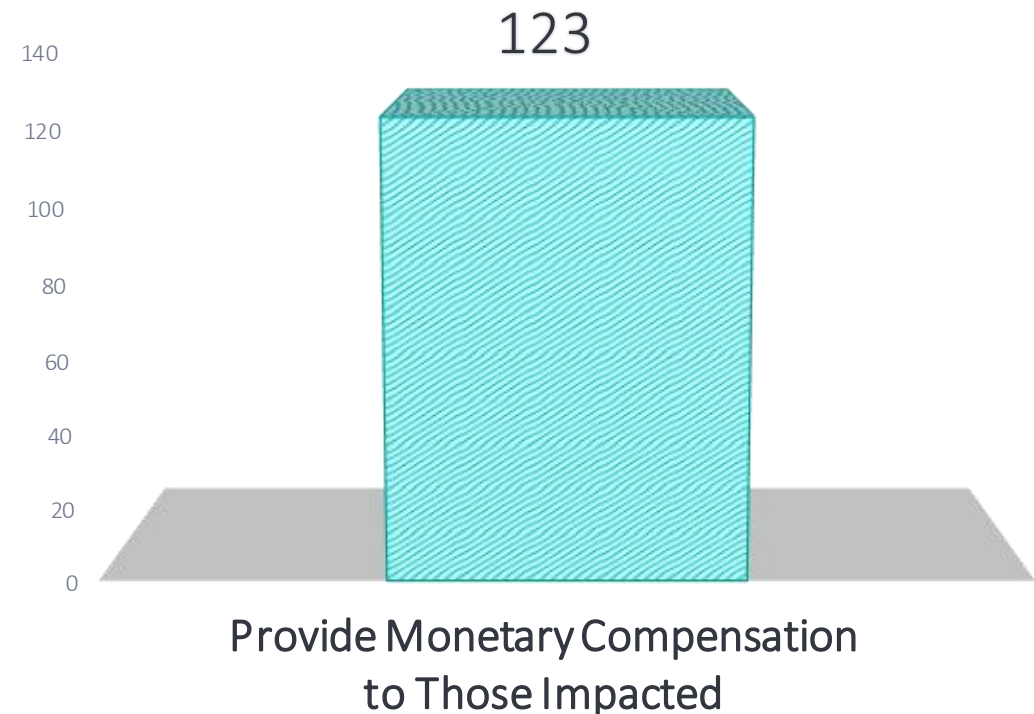
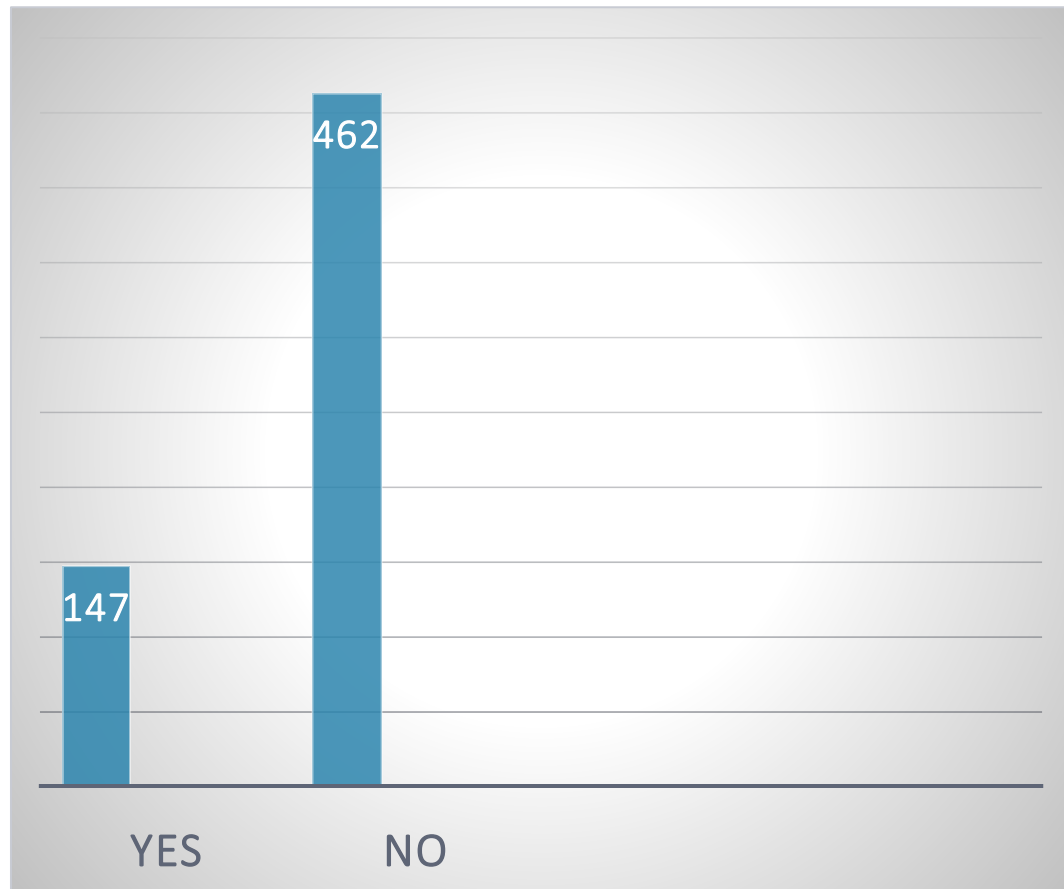


Support for those Negatively Affected Economically

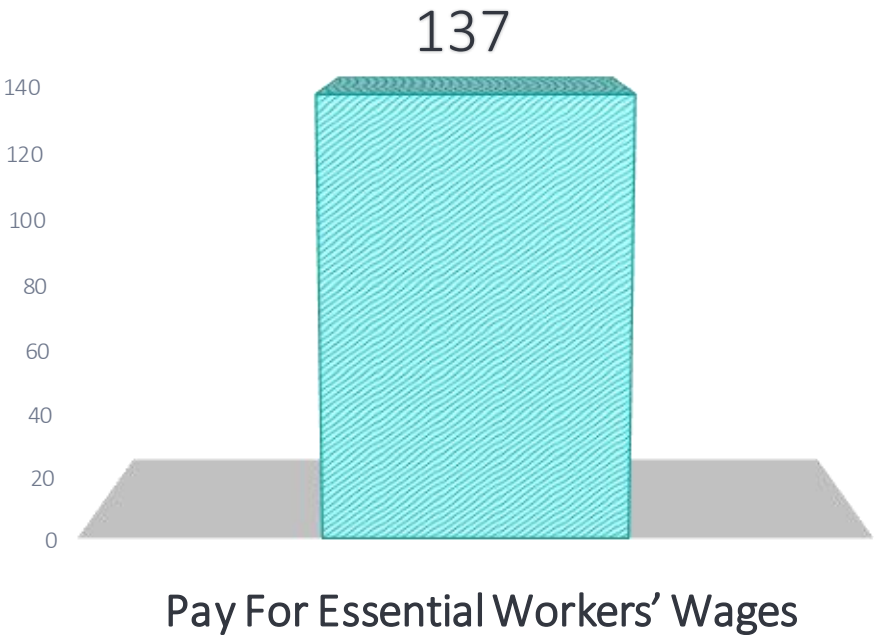
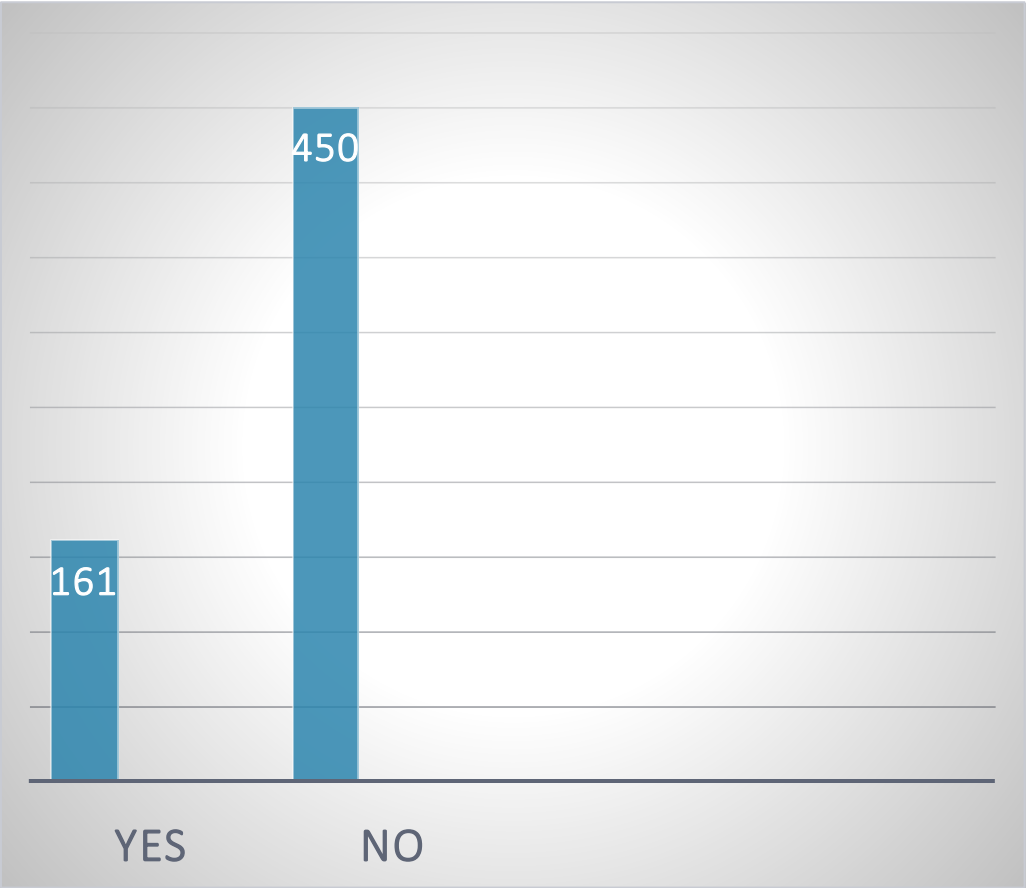


Support for those Negatively Affected Economically

Response Summaries

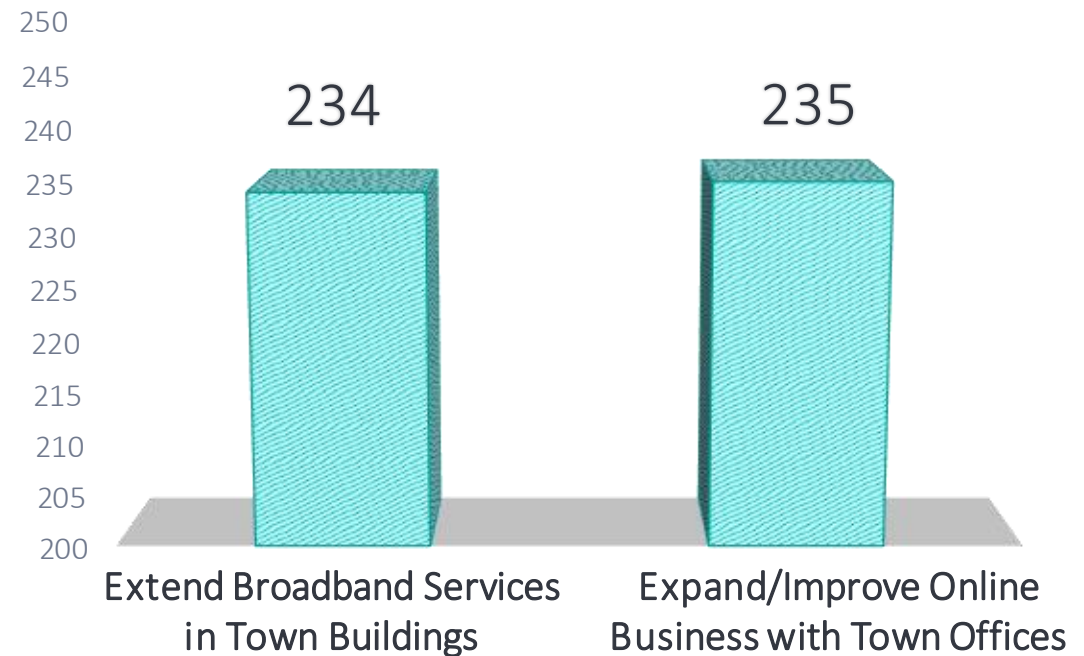
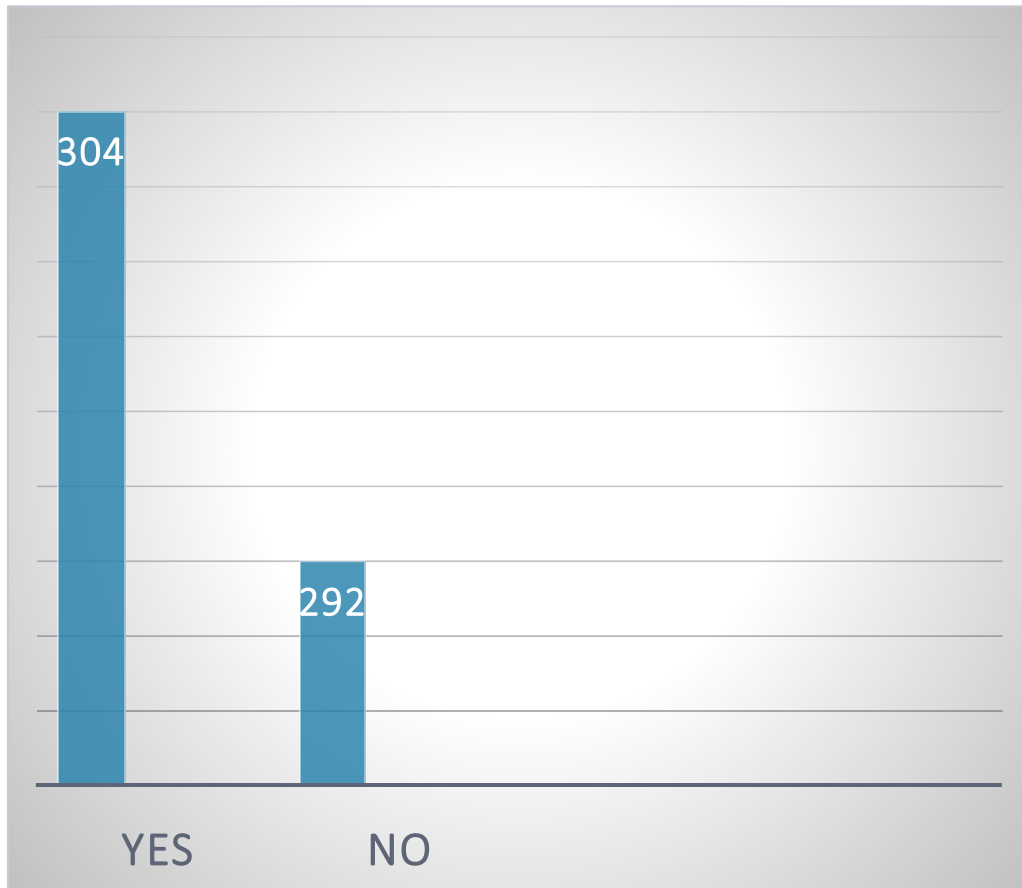


Pay For Essentials Worker's Wages



Broadband Infrastructure

Response Summaries



Ideas Submitted from Residents

This is a sampling. A full list will be available with the Subcommittee's Report.

- Dog Park
- Splash Pad
- Walking Trails
- Attract more small businesses to town
- Town Swimming Pool
- Road Repairs
- Support programs that promote healthy living
- Upgrades to the Community Center
- Updates and Additions to Parks and Playgrounds
- Extend natural gas lines through town
- Expand Food Bank
- Road upgrades
- Provide COVID Testing Kits and Masks
- Lower Taxes for Residents



What are the Next Steps?



- Presentation to the Town Council and Mayor of findings of the survey
- Research into projects most favored by residents and what will bring best services to residents for current and future needs of the town
- Funds need to be obligated for expenses by 2024
- Total funds need to be expended by 2026
- Projects identified for funding will follow Town of Prospect Purchasing Procedures, Town Meeting process and Town Charter guidelines



QUESTIONS