

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



**ITEM: 3.16
(ID # 17061)**

MEETING DATE:
Tuesday, August 24, 2021



FROM : HOUSING, HOMELESSNESS PREVENTION AND WORKFORCE SOLUTIONS
AND Executive Office :

SUBJECT: HOUSING, HOMELESSNESS PREVENTION AND WORKFORCE SOLUTIONS/EXECUTIVE OFFICE (HHPWS/EO): Establishment of the Coronavirus Recovery Community Improvement Designation Funds (Coronavirus CID) to Support Non-Profit Organizations Responding to the Public Health Emergency or the Negative Economic Impacts of COVID-19 Within Riverside County. All Districts. [\$1,000,000; 100% Federal American Rescue Plan Act Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3);
2. Authorize the allocation of \$1,000,000 in Federal funding under the American Rescue Plan Act of 2021 (ARP) to the Community Improvement Designation Fund (CID) program to support COVID response efforts and economic recovery within Riverside County;
3. Allocate \$200,000 to each Supervisorial District to be granted to local non-profits through the established CID application and award process; and
4. Restrict eligibility for this round of CID funding to non-profit organizations which are responding to COVID-19 and the public health emergency and/or assisting with economic recovery efforts to help offset the negative economic impacts within Riverside County.


ACTION:Policy


Heidi Marshall, Director 8/18/2021 
Juan C. Perez, Chief Operating Officer 8/18/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Spiegel duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: August 24, 2021
xc: HHPWS

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	\$1,000,000	\$ 0	\$1,000,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Federal American Rescue Plan Act Funds 100%			Budget Adjustment: No	
			For Fiscal Year: 21/22	

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or the American Rescue Plan (ARP), is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021, to accelerate the United States' recovery from the economic and health impacts of the COVID-19 pandemic. The American Rescue Plan includes \$350 billion for eligible state, local, territorial, and Tribal governments. These funds known as the Coronavirus State and Local Fiscal Recovery Funds provide a substantial infusion of resources to help turn the tide of the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Through the ARP Fiscal Recovery Funds, Congress provided State, local, and Tribal governments with significant resources to respond to the COVID-19 public health emergency and its economic impacts through four categories of eligible uses.:

- a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- c) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- d) To make necessary investments in water, sewer, or broadband infrastructure.

Riverside County has received a first-year ARP allocation of \$239,937,299.50. An initial recommended allocation plan was provided to the Board for discussion at the April 27, 2021

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Board meeting (Item 3.5), prior to the issuance of the Interim Final Rule. The U.S. Department of the Treasury issued the Interim Final Rule for the expenditure of ARP funds on May 11, 2021. The Treasury has solicited comments from funding recipients and is in the process of reviewing those comments in order to provide a Final Rule. Staff is anticipating that the Treasury will issue a Final Rule in late August/early September. Staff is awaiting the publishing, and subsequent staff review, of a Final Rule before returning to the Board with an updated recommended allocation plan for the entire first year of funding, which is currently anticipated for late September/early October 2021.

The Interim Final Rule does allow for immediate use of the ARP funds, for costs incurred as early as March 3, 2021. Given the desire to start distributing funds and getting them out in the community as soon as possible to meet critical community needs, staff is recommending that the Board allocate this initial \$1,000,000 for use by Non-Profit organizations now, ahead of adopting the overall updated allocation plan. The funds would be distributed to Non-Profits using a well-established program for allocation of funding to such groups, the CID program. It should be noted that Non-Profit organizations are specifically identified in the Interim Final Rule as eligible recipients.

Local non-profit organizations play a critical role in responding to the public health emergency or its negative economic impacts, by supporting the public health efforts, delivering essential social services and supporting individuals and families in stabilizing economically. As such, it is essential that these organizations receive additional financial support to increase services and capacity during the pandemic. It is also important that this funding be distributed geographically throughout the County so that impacted groups, households and individuals have access to this financial support.

The Community Improvement Designation Fund, known as the CID program, was established by the Board of Supervisors under the provisions of Government Code §26227 which authorizes the Board of Supervisors to appropriate and expend general fund monies to support programs that serve a public purpose by meeting the social needs of the population of the county. The CID program, as an existing funding vehicle, provides a mechanism to quickly deploy funding to non-profits on the front lines of the pandemic response efforts. Staff recommends allocating \$1,000,000 to the Community Improvement Designation Funds which will provide each Supervisorial District with \$200,000 to be used to support non-profit response efforts.

The current CID program guidelines, applications and award processes which are described in the Riverside County Board of Supervisors Policy A-72 will be modified by the Executive Office to comply with the Department of Treasury guidelines which govern the use of Coronavirus State and Local Recovery Funds. These guidelines are detailed in the Interim Final Rule issued by the Department of Treasury (31 CFR Part 3, RIN 1505-AC77, Coronavirus State and Local Fiscal Recovery Funds). Specific modifications to comply with the Interim Final Rule would focus this funding for:

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- Assistance to individuals or households facing negative economic impacts due to COVID-19.
- Addressing systemic public health and economic challenges that have contributed to the disparate impact of the pandemic, particularly on disadvantaged communities.
- Mitigating financial hardships such as declines in revenue or impacts of business closure.

Impact on Residents and Businesses

The establishment of the Coronavirus Recovery Community Improvement Designation Funds (Coronavirus CID) to Support Non-Profit Organizations will assist with quick disbursement to assist in responding to the public health emergency or the negative economic impacts of COVID-19 within Riverside County.

ATTACHMENTS:

N/A