



Legislation Text

File #: 21-243, **Version:** 1

TITLE:

Short-term American Rescue Plan Act Funding Plan Authorization

PURPOSE: To authorize staff to implement a short-term program for distributing up to \$2,359,525 of American Rescue Plan Act (ARPA) Funds immediately while developing a long-term plan.

DEPARTMENT: Economic Development, Finance, and Housing & Community Services

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INFORMATION: Economic Development Related: The Town anticipates receiving American Rescue Plan Act (ARPA) Funds from the state by early July and staff believe getting these funds to our local business community as soon as possible will help them recover and adapt to a post-COVID-19 environment more quickly. To this end, ED Staff are requesting that up to \$300,000 of the ARPA Funds be approved for a grant program to be developed by staff during the summer break. We expect the framework of the grant to be as follows:

Minimum criteria for applying: must have been in business before July 1, 2020 and business license address must be in Carrboro Town limits.

Priorities (based on points): Tourism based business (restaurants, bars, breweries, entertainment venues), BIPOC Business, businesses within 500 feet of the 203 Project, businesses matching these grant funds, businesses in Carrboro for more than 5 years, businesses with 2 locations or less, and certified living wage employers.

Eligible grant fund uses: Marketing and advertising; training new under- or un-skilled employees; back rent and utilities; COVID-19 loan repayment; capital expenditures to adapt business to a post-COVID-19 environment.

Human Services Related: The intent of the American Rescue Plan Act Funds (ARPA) is to mitigate the effects of COVID in communities. Many of our community nonprofits have worked tirelessly throughout the pandemic to support individuals and families impacted by COVID-19, even when they themselves have been adversely affected. The Town Council has directed that some of the ARPA funds be allocated to nonprofit agencies serving Carrboro residents. Since nonprofits will receive FY22 Human Services funding from the Town in July/August, staff proposes using the summer weeks to determine the appropriate funding level, to develop an equitable process for allocating ARPA funds, informed by conversations with nonprofits about what they need for pandemic recovery, and to explore a collaborative funding process with our jurisdictional partners. Staff anticipates providing funding recommendations for consideration to the Town Council in September.

Finance Related: The attached ordinance allocates \$2,359,525.00 to grants for small businesses, essential employee pay for activities related to the COVID-19 pandemic response, and revenues replacement for revenue losses to the Town due to COVID-19.

FISCAL & STAFF IMPACT: This will add \$6,200,000 with \$3,840,475 unrestricted to the Town's funds. Staff impact will include time allocation for administration and disbursement of funds for the grant program.

RECOMMENDATION: Staff recommend approval of the ordinance.