

# American Rescue Plan

## Overview

New Hanover County will receive an estimated \$45.4 million from the American Rescue Plan, which was signed into law by President Biden on March 11. The funds must be spent by Dec. 31, 2024, and New Hanover County has developed a draft framework to utilize these funds over the next three years to strengthen our community. Additional details for the administration and timing for each program or project will be determined after this plan is approved by the Board of Commissioners at its April 5 board meeting.

### Broadband Connectivity - \$5,760,000

The Congressional language permits using the funds for broadband purposes, so the county proposes the following:

**Broadband Access:** A program to connect around 8,000 homes to broadband, focusing on households with children who qualify for Medicaid or Food and Nutrition benefits, for two years in order to increase access and affordability to reliable high-speed internet for students and families. (\$5,760,000)

### Business and Employment Assistance - \$3,850,000

The legislation allows for assistance to businesses and nonprofits. New Hanover County's leisure and hospitality sectors were particularly hard hit during the pandemic and the county proposes using funds for the following:

**Business Assistance:** Business grants, scaled in size based on a business' number of employees, focused on the retail, service, leisure and hospitality sectors and child care facilities. (\$2,500,000)

**Nonprofit Assistance:** Grants to nonprofits that have been negatively impacted and were not able to continue operations at some point during the pandemic. (\$700,000)

**Job Training:** Two jobs programs, to be administered in partnership with Step Up Wilmington, to include a six-week paid job training and placement program for 100 people, and a six-month paid internship and job placement for an additional 10 to 20 people to develop long-term skills and employment. (\$650,000)

### Housing - \$3,000,000

The legislation allows assistance to households who have been impacted by the COVID-19 pandemic, so the county proposes to use funds for the following:

**Mortgage Assistance:** Provide assistance to homeowners who are in arrears on mortgages because of impacts from COVID-19. *This would be in addition to the \$7 million Emergency Rental Assistance Program that is currently underway through the county.* (\$3,000,000)

## **Physical and Mental Health - \$4,136,936**

The well-being and mental health of students and seniors suffered during the pandemic and the legislation allows local governments to use funds to mitigate the public health impact of the pandemic. The county proposes to use funds as outlined below to help address these issues and provide long-term positive impacts. *For each of these, the intention is to fold the services into the county's continuation budget beginning in Fiscal Year 2023-24.*

**Mental Health in Schools:** Ensure access at each public school to mental health counselors through the county's Health and Human Services Department. (\$3,156,039)

**Mental Health for Seniors:** Establish mental health counselors and a mobile health outreach team based at the Senior Resource Center to serve our county's older adults. (\$332,215)

**School Nurses:** Reclassify two school nurses into school nurse leads and provide one school nurse supervisor through the county's Health and Human Services Department, in addition to the school nurses that the county already provides at each school. (\$212,000)

**Senior Resource Center:** A congregate site in southern New Hanover County for the Senior Resource Center for meal distribution and social interaction. It also provides for enhanced meal distribution at the SRC's existing sites. (\$436,790)

## **Infrastructure and Emergency Management - \$12,327,521**

Congressional language explicitly allows the American Rescue Plan allocations for water and sewer projects. Given Emergency Management's role in the pandemic, it appears eligible for funding as well. The county proposes to use funds in the following ways:

**Stormwater Services:** Cover and pay for stormwater utility costs in the unincorporated county for all users for fiscal year 2021-22, to ease the burden of a new fee on residents but still provide this needed service. (\$4,158,521)

### **Water & Sewer:**

- Water and sewer extensions for Sidbury Road to ensure access to these vital services, aid in responsible growth and support the creation of affordable housing in northern New Hanover County. The intention is to lower development costs to provide affordable housing. (\$4,035,000)
- Blue Clay Business Park water and sewer infrastructure to increase economic development opportunities in this area. (\$3,600,000)

**Homeless Sheltering:** Reimburse nonprofits that provided non-congregate sheltering during the pandemic and were denied reimbursements from FEMA. (\$370,000)

**Emergency Operations Plan:** Revise the county's EOP to reflect the updated structure and ensure the plan addresses pandemic issues. (\$100,000)

**Personal Protective Equipment:** Replenish the county's PPE stock to ensure adequate supplies for any future needs. (\$64,000)

### **Revenue Replacement - \$3,200,000**

Congressional language permits replacing lost estimated revenue during the pandemic. The county proposes to use funds for the following:

**Sales Tax Revenue:** Reimburse sales tax revenue that didn't meet projections to ensure the county remains on solid financial footing. (\$3,200,000)

### **Essential County Employees - \$6,195,177**

The American Rescue Plan allows for "premium pay" for public employees who provided essential government services, so the county is proposing to use funds in the following ways:

#### **Employee Pay:**

- Provide employee bonuses in fixed dollar amounts based on an employee's length of service during the pandemic and full- or part-time status. This is in recognition of county staff who have remained on the frontlines, continued important public services, and ensured residents received the help they needed at a time when it was critical. (\$5,745,177)
- Provide bonuses for employees working directly in the vaccine response to compensate them for their dedication, long hours and constant work in vaccinating our community and saving lives. (\$450,000)

### **Reserve and Administration - \$6,930,366**

The legislation appears to allow the county to set aside funds as a reserve for potential future allowable expenses as well as funds to administer and provide reports as needed on the use of the funds. The county proposes the following reserve funds for this purpose:

- A reserve fund representing 10 percent of the total amount received. (\$4,660,366)
- A reserve fund for administration and reporting, established at 5 percent of the total amount received. (\$2,270,000)

**Total Amount of Funding Outlined in the County's Plan: \$45,400,000**