

# **Lane County, Oregon Recovery Plan**



## **State and Local Fiscal Recovery Funds - 2021 Report**

As of July 31, 2021

**Lane County, Oregon**  
**2021 Recovery Plan**  
As of July 31, 2021

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# GENERAL OVERVIEW

## Executive Summary

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 into law. The \$1.9 trillion package, based on President Biden's American Rescue Plan, is intended to combat the COVID-19 pandemic, including the public health and economic impacts. Funds from the ARPA were distributed to the community through several sources which include direct payments to individuals and businesses, direct allocations to schools and State and local governments, and increased funding to other Federal programs. The ARPA created the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program to deliver \$350 billion for state, territories, municipalities, counties, and Tribal governments to help cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic. Lane County anticipates receipt of approximately \$74 million, to be paid in two equal payments over the next twelve months. The first payment of \$37 million was received in May 2021.

As of July 31, 2021, use of funds are under development and no funds have been obligated, expended or allocated to projects. Lane County has hired an American Rescue Plan (ARP) Manager to administer the program to support effective management and oversight, and ensure compliance with legal, regulatory, and other requirements. The ARP Manager will begin in September 2021 and will work with the Board of County Commissioners, County leadership, and the community to develop a plan for using the County's allocation of CSLFRF funds. The County's approach to developing the plan includes coordination with other local and regional partners to ensure alignment and to maximize partnership opportunities for the greatest collective impact.

Future Recovery Plan reports will provide additional information related to the use of funds in response to the pandemic and economic recovery, key outcome goals, progress to date on those outcomes, and any noteworthy challenges or opportunities identified during the reporting period.

## Uses of Funds

Lane County has discretion to use the Fiscal Recovery Funds (FRF) in the ways that best suit the needs of Lane County constituents as long as such use fits into one of the statutory categories as outlined in the [Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds Manual](#) published by the United States Department of the Treasury (Treasury).

Coronavirus State and Local Fiscal Recovery Funds may be used to:

1. **Support public health expenditures**, by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
2. **Address negative economic impacts** caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector

3. **Provide services to disproportionately impacted communities**, allowing for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households
4. **Provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
5. **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet
6. **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic

Treasury adopted an [Interim Final Rule](#) to implement these eligible use categories and other restrictions on the use of Fiscal Recovery Funds. It is Lane County's responsibility to ensure all funds are used in compliance with the requirements set forth in the Interim Final Rule and any future guidance from [Treasury](#).

In recognition of this unprecedented amount of stimulus and the resulting opportunity to invest and provide ongoing benefits, in May 2021 the Board of County Commissioners adopted a set of Guiding Principles and Priorities to provide for the equitable and transparent allocation and expenditure of funds. The framework will guide decisions as the County works in cooperation with the community and other public and private entities to support a regional response and recovery to the COVID-19 pandemic. These principles are described below and would guide future funding decisions by the Board on the use of the Fiscal Recovery Funds:

#### PRINCIPLES

1. All funding requests will meet the objectives of the American Rescue Plan (ARP):
  - a. Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control
  - b. Replace lost public sector revenue to strengthen support for vital public services and help retain jobs
  - c. Support immediate economic stabilization for households and businesses
  - d. Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic
2. Lane County will adhere to all guidance and legal requirements for ARP funds.
3. State & Local Fiscal Recovery Funds contained within the ARP will be used to support the County's recovery and ability to provide critical services to the community now and into the future.
4. All ARP funding allocations will be viewed with the County's strategic lenses of Financial Stewardship, Equity and Collective Impact and must be in alignment with the County's overall goals as defined in the Lane County Strategic Plan.

#### VALUES

1. The systemic public health and economic challenges related to housing/shelter, health disparities, and behavioral health support that have contributed to the inequal impact of the pandemic on certain populations will be addressed/considered when allocating funding to any new project or program.

2. A focus on leveraging the ARP funds in order to create positive transformative change will be sought out through partnerships with other public and private entities to multiply the outcomes of new projects, programs or services.
3. The County will pursue and/or coordinate other ARP funds to aid critical community stakeholders.

#### PRIORITIZATION

1. Support urgent COVID-19 response efforts to continue to decrease the spread of the virus and bring the pandemic under control.
2. Provide continuity of Lane County's vital services by filling budget shortfalls and rebuilding the County's financial stability and resiliency through the reimbursement of County Funds that have experienced lost revenue and/or had additional unreimbursed expenses in response to the pandemic.
3. Fund projects requesting a one-time funding source - expenditures that are either:
  - a. one-time in nature (non-operating or targeted to reduce future costs); or
  - b. limited in duration (obligated by 12/31/2024, spent by 12/31/2026).
4. Projects that address deferred maintenance on existing County assets will be given priority over the acquisition of new building or equipment assets.
5. ARP funds will be allocated only after consideration of other funding sources that may be available for the same project, program or service.

The County's priorities for use of the CSLFRF are focused on allocating funds where they can best address health disparities, housing/shelter, behavioral/mental health, business support, employment, increased infrastructure needs for COVID-19 recovery, deferred maintenance of County assets, employee support, recovery of increased expenditures and lost revenue.

The ARPA funds are one-time in nature and focus on allocating the funds on one-time expenditures/projects or revenue replacement is strongly recommended by the Government Finance Officers Association (GFOA). Specifically, the GFOA outlines the following guiding principles:

*Temporary Nature of ARPA Funds* - ARPA funds are non-recurring so their use should be applied primarily to non-recurring expenditures.

- Care should be taken to avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment.
- Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.
- Investment in critical infrastructure is particularly well suited use of ARPA funds because it is a non-recurring expenditure that can be targeted to strategically important long- term assets that provide benefits over many years. However, care should be taken to assess any on-going operating costs that may be associated with the project.

*ARPA Scanning and Partnering Efforts* - State and local jurisdictions should be aware of plans for ARPA funding throughout their communities.

- Local jurisdictions should be cognizant of state-level ARPA efforts, especially regarding infrastructure, potential enhancements of state funding resources, and existing or new state law requirements.

- Consider regional initiatives, including partnering with other ARPA recipients. It is possible there are many beneficiaries of ARPA funding within your community, such as schools, transportation agencies and local economic development authorities. Be sure to understand what they are planning and augment their efforts; alternatively, creating cooperative spending plans to enhance the structural financial condition of your community.

*Take Time and Careful Consideration* - Throughout the years of outlays, consider how the funds may be used to address rescue efforts and lead to recovery.

- Use other dedicated grants and programs first whenever possible and save ARPA funds for priorities not eligible for other federal and state assistance programs.
- Whenever possible, expenditures related to the ARPA funding should be spread over the qualifying period (through December 31, 2024) to enhance budgetary and financial stability.
- Adequate time should be taken to carefully consider all alternatives for the prudent use of ARPA funding prior to committing the resources to ensure the best use of the temporary funding.

As of July 31, 2021, projects and use of funds are under development. Future Recovery Plan reports will provide additional information related to intended and actual uses of the funds, such as: Lane County's approach to help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn; strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes; and how the funds would support the County's communities, populations, or individuals.

In addition to the CSLFRF, Lane County received separate funding through the Emergency Rental Assistance Program. COVID-19 has exacerbated an affordable housing crisis that predated the pandemic and that has exacerbated deep disparities that threaten the strength of an economic recovery that must work for everyone. To meet this need, the Emergency Rental Assistance program, under the American Rescue Plan Act of 2021, makes funding available to assist households that are unable to pay rent or utilities. Lane County established the Emergency Rent Relief of Lane County (ERRLC) program to provide rent and utility assistance. The ERRLC provides assistance to low-income households for rent and home heating and energy bills. ARPA payments can be applied to electricity, gas, wood, pellets, oil and propane.

## Promoting Equitable Outcomes

The Guiding Principles and Priorities adopted by the Board of County Commissioners addresses the priorities for ARP funding, ensure adherence to the Treasury Guidance and legal requirements, as well as provide that Lane County's strategic lenses of Financial Stewardship, Equity and Collective Impact are followed as defined in the Lane County Strategic Plan.

**Financial Stewardship Lens:** Financial Stewardship is the prudent and transparent fiscal management of public funds and resources and serves as the basis for accountability and trust in Lane County. The County is guided by standards of performance and best practices, against which the taxpayers can judge its finances. The

use of analytical tools in decision making processes determines how the County should best maintain, spend and invest its available resources.

**Equity Lens:** Equity is when everyone has access to the opportunities necessary to satisfy essential needs, advance their well-being, and achieve their full potential; people have access to the information and supports that they need – regardless of age, education, ethnicity, language, income, physical limitations, or geographic barriers – to achieve health, safety, education, and economic stability.

**Collective Impact Lens:** Collective Impact is the commitment of a group of actors from different sectors to a common agenda for solving a complex community problem. The five key elements are to 1) have a common agenda 2) develop shared measurement 3) engage in mutually reinforcing activities 4) maintain open and continuous communications and 5) formation of a backbone organization.

Future Recovery Plan reports will provide additional information related to Lane County's efforts and intended outcomes to promote equity using qualitative and quantitative data, and how the approach achieved or promoted equitable outcomes or progressed against equity goals. Additionally, future Plans will describe the geographic and demographic distribution of funding, including whether it is targeted toward traditionally marginalized communities.

## Community Engagement

Staff will provide an overview of the ARPA to the Board of County Commissioners and seek input on the approach to developing a plan for using the CSLFRF. The proposed approach is based on a foundation of ARPA allowable uses, the County's Equity Statement, Guiding Principles and Priorities, Strategic Plan, and combines it with a community engagement process, to develop projects and programs to help address the community's post-pandemic needs. The County's approach to developing the ARPA plan also includes coordination with other local and regional partners to ensure alignment and maximizing partnership opportunities. Staff will request direction from the Board regarding the engagement of the public to receive feedback from community members through County advisory committees and other forums regarding additional ARPA funds to be pursued. Mechanisms will be developed to communicate with the Board of County Commissioners and the community on the status of the ARPA funded projects and programs. Any allocations of the funds will be presented to and approved by the Board of County Commissioners through supplemental and annual budget agenda items.

## Labor Practices

As of July 31, 2021, no funds have been allocated for infrastructure projects. Future Recovery Plan reports will include information on infrastructure projects if funds are allocated to this expenditure category. Lane County has established policies to promote effective and efficient delivery of high-quality projects while also supporting the economic recovery through strong employment opportunities for workers, including using strong labor standards.

In October 2020, the Lane County Board of Commissioners adopted a Community Benefits Bidding (CBB) process for capital projects. Incorporation of criteria that advances local impact goals into prequalification is an essential element of CBB program. Prequalification allows the

flexibility required for staff to adapt to market conditions. A pilot CCB program includes the following:

- Prequalifying both General Contractors and subcontractors.
- Health insurance pre-qualification will include "employer-paid full family health coverage" for trade workers working on the project.
- Require a "living wage" for trade workers working on the project.
- Subcontracts that are \$50k or less as set aside for COBID subcontractors, when there is such work and there are subcontractors available.
- The apprenticeship requirement will be for contractors and subcontractors to be operating or participating in an Oregon and/or federally registered apprenticeship program.

The County's intent is to apply this concept to a broad range of capital projects.

The Lane County 2018-2021 Strategic plan identifies the following areas where a CBB process aligns with Board goals related to Vibrant Communities:

- Invest in a Resilient, diverse, and sustainable regional economy;  
  
Develop and implement a policy for community benefits starting with Capital Projects to ensure projects maximize local impact, especially, with regard to promoting and prioritizing procurements by weighting the use of local businesses, contractors, subcontractors, and workers; that pay their employees living wages and provide them full family health benefits; prioritize diversity and equity in the workforce; prioritize minimal carbon emissions in new construction and retrofits with net neutral buildings as the ultimate goal; design and construction that dedicates at least one and one half percent (1 ½ %) of construction costs to renewable energy; require the utilization of state or federally approved training and apprenticeship opportunities for workers on construction projects, to the extent permitted by state and federal law. We will utilize this Community Benefits Framework to develop specific Community Benefit Agreements on a project by project basis.
- Protect and enhance our natural and built environments.
- Enhance equity and access in service delivery and representation in governance.

## Use of Evidence

As of July 31, 2021, projects are under development and no funds have been allocated for evidence-based interventions. Any projects approved to use SLFRF funds for evidence-based interventions and/or projects being evaluated through rigorous program evaluations that are designed to build evidence, will be included in future Recovery Plan reports.

## Table of Expenses by Expenditure Category

As of July 31, 2021, the first reporting period, Lane County has not expended any funds from the CSLFRF. Therefore, each expenditure category in the table below reflects a zero dollar amount. Future Recovery Plan reports will include the cumulative expenditures to date and the amount spent since the last Recovery Plan.



Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health	\$0	\$0
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts	\$0	\$0
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
3	Expenditure Category: Services to Disproportionately Impacted Communities	\$0	\$0
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay	\$0	\$0
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure	\$0	\$0
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement	\$0	\$0
6.1	Provision of Government Services		
7	Administrative and Other	\$0	\$0
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		

**Project Inventory**

As of July 31, 2021, the first reporting period, program development is in the planning phase and Lane County has not undertaken any projects. Future Recovery Plan reports will include details of each project including the project name, funding amount, identification number, project Expenditure Category, and other details.

**Performance Report**

Goals, measures, outputs and outcomes will be prepared during project development and tracked as the projects are implemented. No projects have been started as of July 31, 2021. Future Recovery Plan reports will include key performance indicators for the major SLFRF funded projects undertaken.