



Hamilton County

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MEMORANDUM

Date: May 19, 2021
To: Board of County Commissioners
From: Jeff Aluotto, County Administrator
Copies: Holly Christmann, John Bruggen, Bridget Doherty, Frank Spataro, Tim McCartney
Subject: Recommended Concept Plan for American Rescue Plan Funding

Introduction

Hamilton County is recipient of \$158.8 million in State and Local Fiscal Recovery Funding from the American Rescue Plan (ARP). The American Rescue Plan is a \$1.9 trillion economic stimulus package signed into law on March 11, 2021 with the goal of expediting the nation's recovery from the health and economic impacts of the COVID-19 pandemic.

The American Rescue Plan builds off of the CARES Act, passed in 2020, and the State and Local Fiscal Recovery Funds (SLFRF) program builds off of the Coronavirus Relief Fund from which Hamilton County received \$142 million to assist the community in responding to the health emergency and its ancillary economic impacts.

Funding objectives from the SLGFRF, hereinafter referred to as ARP for convenience, include:

- Supporting urgent COVID-19 response efforts to decrease the spread of the virus and bring the pandemic under control
- Replacing lost public sector revenue to strengthen support for vital public services and help retain jobs
- Supporting immediate economic stabilization for households and businesses
- Addressing systemic public health and economic challenges that have contributed to the unequal impact of the pandemic

The following document provides the Board of County Commissioners with a summary of the Administration's efforts to develop a recommendation for use of ARP funding. It has been developed through analysis of the ARP itself and the Interim Final Rule and FAQs subsequently provided by the Department of Treasury.

Background and Stakeholder Input Process

Beginning in the spring of 2020, the Hamilton County Board of County Commissioners began aggressively responding to the needs of the community related to the COVID-19 pandemic. Through the use of CARES Act funds, the County ensured homeless populations were effectively housed and cared for, helped keep over 1,000 small businesses and non-profit organizations solvent, provided over 50,000 COVID-19 tests, provided funding for needed health infrastructure improvements, and provided retraining opportunities for those left unemployed by the pandemic. Attachment A provides a summary of the types of programs funded through the CARES Act.

The Board anticipated the receipt of ARP funding from the federal government and has expressed policy priorities for the use of these funds including:

- Job Creation and Workforce Development Focused on Women and Youth
- Affordable Housing
- Budget Stabilization
- Economic Development and Community Revitalization (including the expansion of broadband infrastructure)
- Enhancing Internal Operations

Recognizing these priorities, County Administration held a total of four stakeholder input sessions involving both internal and external organizations to provide input on the current state of need in the community relating to the COVID-19 pandemic and its resulting social/economic ramifications. These stakeholders have recommended that the County prioritize ARP funding toward a variety of purposes including: expansion of affordable housing, addressing mental health needs, stabilizing the County's finances, advancing capital infrastructure projects – both within the community and within County buildings, enhancing workforce development programs, expanding child care and increasing affordability, supporting non-profits and arts organizations, expanding broadband in the County, and addressing needs in vulnerable and minority communities. A more complete summary of stakeholder input is included in Attachment B.

Receipt of ARP funding provides the County with a once-in-a-generation opportunity to address the most significant impacts of the pandemic while ensuring that the community emerges more resilient and prepared for future negative shocks. The following plan, developed and recommended by County Administration, provides a high-level concept, or "Concept Plan", for leveraging ARP funding to address the emergent needs of the pandemic as well as transformative opportunities made possible by the federal stimulus program.

The Concept Plan provided below is offered for the Board's consideration and is built upon the following framework:

1. It can be modified or adjusted at the Board's discretion.

2. Funding for each program is presented as a lump-sum to be allocated through the obligation period December 31, 2024. (Note: The Interim Final Rule provided by the Treasury Department indicates that program funds must be obligated by 12/31/24 but can be spent through 12/31/26)
3. Most of the program categories are conceptual; recognizing that additional work will be necessary to fully develop detailed programs for implementation.
4. It is recognized that the Board has expressed certain policy priorities that Treasury's Interim Final Rule has deemed unallowable. The Concept Plan utilizes the ARP in addition to other sources of funding to advance Board priorities.
5. It contains a 5 percent reserve to allow for flexibility.
6. Flexibility to allow for adaptation by the Board and in response to additional Treasury guidance.

The following sections detail the ARP Concept Plan recommendations of the Administration. The narrative provided for each section is purposefully broad but provides a general approach for addressing each of these recommendations. In most cases, additional stakeholder work and engagement will be necessary to fully develop programming for each recommended area as ultimately approved by the Board of County Commissioners.

These Concept Plan recommendations are broken down into four major sections:

- Strengthening Public Health Systems (\$24 million)
- Stabilizing County Finances and Operations (\$37 million)
- Addressing Negative Economic Impacts (\$71 million)
- Enhancing Community Infrastructure (\$19 million)

Strengthening Public Health Systems

ARP Background: The ARP contains broad latitude allowing communities to respond to the public health impacts of the COVID-19 pandemic. This includes everything from addressing emergent health needs, countering the spread of COVID-19, and providing programs or services to address the disparities in the provision of public health services that have been exacerbated by the pandemic. More specifically, the ARP allows for the payment of expenses to mitigate COVID-19 and its spread, pay for medical expenses associated with the disease, address behavioral health, mental health, and substance abuse disorders exacerbated by the pandemic and address expenses to improve the design and execution of health and public health programs.

The ARP is also specific about allowing for the payment of expenses associated with addressing disparities in public health outcomes. The Interim Final Rule provides a non-exclusive, broader, list of services that are presumed to be eligible for addressing public health disparities if they are provided within Qualified Census Tracts¹ (a map of Hamilton County's Qualified Census Tracts is included as Attachment C). These services include:

- Funding community health workers to help community members access health services and services to address the social determinants of health.
- Funding public benefits navigators to assist community members with navigating and applying for available Federal, State, and local public benefits or services.
- Housing services to support healthy living environments and neighborhoods conducive to mental and physical wellness.
- Remediation of lead paint or other lead hazards to reduce risk of elevated blood lead levels among children.
- Evidence-based community violence intervention programs to prevent violence and mitigate the increase in violence during the pandemic

The Administration's Concept Plan, for Strengthening Public Health Systems, includes funding for the following activities:

Addressing Emergent Needs and Long-Term Community Resiliency - \$6 million

The Administration's concept plan includes funding to address the basic ongoing costs of the pandemic. Specifically, this would involve working with Hamilton County Public Health to define those community needs which, when addressed, will strengthen the County's ability to successfully resolve the final stages of the COVID-19 pandemic while establishing Hamilton County as a more resilient community when faced with future public health threats. This may involve a range of activities including: public-private

¹ If programs are provided outside of Qualified Census Tracts, it must be demonstrated and documented that the populations served had a disproportionate economic outcome.

partnerships to strengthen the ability of health care facilities to address pandemics, additional COVID-19 testing and ongoing surveillance programs, planning for alternative care facilities, additional physical improvements to address homeless or congregate care shelters, or improvements to public health data systems.

Strengthening Behavioral Health, Mental Health and Substance Abuse Response Programming - \$8 million

Recent studies have found significant increases in the incidence of depression, anxiety and other mental health issues over the course of the pandemic. The Concept Plan includes funding to ensure the community is prepared to respond to the anticipated surge in demand for mental health, behavioral health and substance abuse issues spurred by the health pandemic and its associated economic impacts. This may include funding for additional surge staff to provide the capacity to provide these services where deemed most urgent based upon community demand, strengthening the County's mobile crisis unit to facilitate the quick response to emergent situations, increased bed capacity, and technology improvements to facilitate the ability of mental health, behavioral health and substance abuse response providers to provide these critical services efficiently and remotely.

Provision of Services to Disproportionately Impacted Communities - \$10 million

The COVID-19 pandemic has been particularly insidious inasmuch as it has preyed, most heavily, on individuals with comorbidities spurred by various social determinants of health. The Concept Plan includes funding to help address health disparities in disproportionately impacted communities, including:

- Community Outreach to Vulnerable Populations (\$5 million) - The Concept Plan envisions that a portion of acquisition and operation cost for the County's mobile health resources would be allocated from this category. In addition, based upon work performed under the CARES Act and additional stakeholder input, this may include the provision of public health workers and navigators to help community members obtain health services and public benefits, housing services to support healthy living environments, lead hazard reduction programs for children, outreach programs to spur health system engagement amongst disproportionately impacted communities and populations, and targeted violence prevention programs.
- Relocation of Cincinnati Police Department Gun Range (\$5 million) - ARP funding is recommended to be allocated to help Hamilton County and the City of Cincinnati partner to relocate the CPD gun range given its impacts on communities such as Lincoln Heights.

Stabilizing County Finances and Operations

ARP Background: The ARP contains various provisions, further defined by Treasury's Interim Final Rule, allowing for the stabilization of a community's finances and operations. These include, but are not limited to:

- The ability to replace lost revenue and to allocate those revenues to governmental services.
- The ability to provide premium pay to defined categories of essential workers.
- To provide payroll support to public health and safety staff "for the portion of the employee's time that is dedicated to responding to the COVID-19 public health emergency."
- Adaptations to public buildings to implement COVID-19 mitigation tactics.

The Administration's recommended Concept Plan includes the following:

Revenue Replacement - \$20 million

As a result of the pandemic, Hamilton County has seen a reduction in numerous revenue streams comprising general resources of the County. While the impact of COVID-19 on these revenues is anticipated to lessen over the eligibility period, there has nonetheless been a significant impact since the base year of 2019. The Concept Plan includes using ARP funding to replace these revenues and allocating those resources toward the provision of general governmental services as deemed allowable by the Interim Final Rule. Specifically, the Interim Final Rule allows for replaced revenues to be used for general government services including: maintenance or pay-go funded building of infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.

Note: The Interim Final Rule appears to indicate that funds allocated for Revenue Replacement and Public Safety Payroll may not be used toward ineligible purposes such as fund balance expansion, debt service payment, etc. As such, the cost of government services provided by these dollars should equate to the amount of revenue replacement or public safety payroll absorbed through the ARP. In the case of Hamilton County, the \$25 million total allocated for Revenue Replacement and Public Safety Payroll equates to:

- \$13 million for pay-go construction of a 9-1-1 / EMA Facility
- \$6 million in pay-go construction of Lot 28 public infrastructure on the Banks
- \$3 million in information technology improvements to County buildings
- \$1.5 million in road resurfacing costs
- \$1.5 million in parks infrastructure

Capital Improvements - \$6.5 million

The Concept Plan includes funding for capital improvements and a satellite office. More specifically, funding is recommended for:

- Improvements within County buildings to continue to mitigate the spread of COVID-19 (\$5 million) - This may include ongoing HVAC improvements to facilitate appropriate airflow to reduce viral load in buildings, additional HEPA filter purchases, ongoing capital efforts to

promote sustainable social distancing in the work environment, and enhancements to ensure safe employee/public interactions.

- Development of a satellite office (\$1.5 million) - The Administration is also investigating options for more effectively integrating County services into the community and, in particular, to provide services available to residents and business impacted by the pandemic. Presuming eligibility, the Administration recommends incorporation of satellite facility construction into its use of ARP funding. The satellite facility would be used to geographically support the needs of the County's mobile and remote workforce and to enable enhanced engagement with suburban communities and their residents.

Public Safety Payroll - \$5 million

Hamilton County operations include multiple public safety jobs, funded through the general fund, which have been heavily impacted by COVID-19. These positions include Adult and Juvenile Corrections Officers, Sheriff Patrol Deputies and 9-1-1 Communications Officers. The day-to-day functioning of each of these job classifications has been impacted by the COVID-19 pandemic due to the continual close interaction with individuals entering incarceration or the need to respond to emergency calls dealing with the pandemic.

Premium Pay - \$3 million

The ARP specifically authorizes Premium Pay to "eligible workers performing essential work during the COVID-19 public health emergency or to provide grants to third-party employers with eligible workers performing essential work." Further, the Interim Final Rule indicates that ARP funds can be used to compensate eligible workers for elevated health risks they faced by performing essential work during the pandemic. Under the Interim Final Rule, essential work is defined as "work involving regular in-person interactions or regular physical handling of items that were also handled by others."

County Staffing Deployment/Redeployment - \$1.5 million

Funding is included in the County's Concept Plan for County staff redeployed to directly address COVID-19 and to administer ARP grant funding and ancillary programming. For instance, this activity would include funding for staff overseeing grant programming, reporting requirements, and financial tracking. Funding is also included for initiating projects necessary to promote effective remote staffing arrangements.

EMA Operations - \$1 million

The Interim Final Rule specifically includes COVID-19 mitigation efforts such as PPE purchase/distribution and vaccine programs as eligible expenditures under the ARP. The Concept Plan includes funding for the continuation of PPE sourcing operations and vaccine storage and warehousing being managed by Hamilton County EMA.

Addressing Negative Economic Impacts

ARP Background: The ARP allows local governments to use funding to address the negative economic impacts caused by the pandemic so long as there is an assessment to determine whether, and to what extent, there has been economic harm and if that harm was caused by, or exacerbated by, the pandemic. Eligible programs, as outlined in the Interim Final Rule, include:

- Impacts to households and individuals such as: food assistance; rent, mortgage, utility; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization; internet access or digital literacy assistance; job training
- Expenses to improve efficacy of programs: support tools such as data analysis, technology, and outreach to assist with the development of programs and/or to administer relief programs
- Small businesses and non-profits: loans/grants to mitigate financial hardship such as declines in revenues or impacts of business closure; loans/grants to implement mitigation tactics; and technical assistance
- Rehiring government staff: increase the number of government employees up to the number that were employed on January 27, 2020
- Aid to impacted industries: support to the travel, tourism, and hospitality industry to include mitigation efforts such as ventilation improvement, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans

The ARP also allows for the payment of expenses associated with addressing disparities in these negative economic impacts. The Interim Final Rule provides a broader list of services that are presumed to be eligible for addressing public health disparities if they are provided within Qualified Census Tracts. These services include:

- Investments in housing and neighborhoods, including: services to address homelessness; affordable housing development; housing vouchers, residential counseling, or housing navigation assistance to facilitate move to neighborhoods with high levels of economic opportunity and mobility for low-income residents.
- Addressing educational disparities, including: new, expanded, or enhanced early learning services; assistance to high-poverty school districts; evidence-based educational services and practices to address the academic needs of students; evidence-based practices to address the social, emotional, and mental health needs of students.
- Promoting healthy childhood environments, including: new or expanded high-quality childcare; home visiting programs to provide structured visits from healthcare, parent educators, and social service professionals; education and assistance navigating resources for economic support, health needs, or child development; enhanced services for child welfare-involved

families and foster youth to provide support and training on child development, positive parenting, coping skills, or recovery for mental health and substance use challenges.

The Administration's Concept Plan, for addressing the negative economic impacts, includes funding for the following activities:

Housing - \$40 million

An internal assessment is currently underway to identify how Hamilton County can play a stronger and more cohesive role in affordable housing. While not complete, certain themes have surfaced that align with stakeholder input received; all of which were used to inform the following recommendations:

- Production (\$20 million) – Focus on producing new multi-family and single-family affordable housing. As needed and determined appropriate by the County, this could also include investments in transitional and supportive housing for individuals facing homelessness as well as mental health or substance abuse issues.
- Preservation (\$10 million) – Focus on maintaining and reinvesting in existing affordable housing (both subsidized and unsubsidized) and may include initiatives such as home repair program, investments in existing subsidized units, financial literacy, etc.
- Protection (\$5 million) – Focus on preventing homelessness and may include additional funding for programs such as shelter diversion.
- Mortgage Assistance (\$5 million) - It is anticipated that Ohio will receive at least \$50 million in homeowner assistance funding through the American Rescue Plan. At this time, though, it is unknown when or how those funds will be distributed throughout the state. Therefore, it is recommended to include up to \$5 million in the County's plan for a mortgage and utility program for eligible residents. The need for these funds will be re-examined if it is determined that an appropriate amount of funding is coming via the state to Hamilton County residents.

Workforce Development - \$15 million

While Ohio and Hamilton County's unemployment rate has dramatically improved compared to a year ago, there remain barriers to residents re-entering the workforce. For example, lack of childcare providers may be impacting the number of women returning to employment. At the same time, there remains a talent shortage in Hamilton County. Use of ARP funding can assist in addressing some of these barriers and help residents become more economically stable. It is recommended to develop programs in the following broad categories with more specific program recommendations and allocations to be made in consultation with local and regional experts.

- Childcare – According to 4C for Children, the number of Hamilton County childcare programs that accept Publicly Funded Childcare vouchers decreased 8.5 percent between December 2019 and December 2020 (829 vs. 758). ARP funding could be aimed at expanding capacity of our childcare provider network and providing an on-ramp for parents, primarily women, reentering the workforce. Administration will work with partners such as 4C to help identify the most effective use of these funds.

- Targeted Training – Administration will work with partners to fill immediate, high-need jobs and on-ramp residents back into the workforce, with a particular focus on women, through results-oriented programming. It is anticipated that funding will also be provided to programs addressing barriers to employment such as training, transportation, childcare and to better prepare employers to accept individuals who have been retrained or who are re-entering the workforce.
- Youth Services – A subset of workforce development dollars will be devoted to helping youth prepare for and find employment opportunities. It is anticipated that any program(s) funded will include a mentoring component. The County will seek to leverage these funds appropriately with available resources through HCJFS.

Non-Profit Assistance - \$5 million

In 2020, almost \$5 million in CARES Act funding was provided to non-profit organizations that provided social services and demonstrated an increased demand for services due to the pandemic. Hamilton County is fortunate to have a robust non-profit sector providing a wide range of critical social services to the community. These include organizations providing services related to food security, youth engagement, employment and training, housing, counseling services, senior services, addiction treatment, medical care and so many others directly related to addressing the social and economic ramifications of the COVID-19. Given the continued demand many non-profits are facing due to the pandemic, it is recommended that additional grant funding be provided to support the services provided by these organizations.

Small Business Back-Office Support - \$4 million

Through the experience of the two rounds of small business assistance, it is clear many of our small businesses excel at their craft, yet struggle with back-office functions such as accounting and technology. To continue to support Hamilton County's small businesses, it is recommended to use ARP funds for an organization(s) that can provide small and minority businesses impacted by the pandemic with expert back-office support and technical assistance.

Small Business Assistance Grants - \$3 million

In 2020, Hamilton County, through the use of its CARES Act funds, provided two rounds of small business grants and will be launching a third round with remaining CARES Act funding. Given the impact the pandemic had on many small businesses, it is recommended to provide an additional round of grant assistance. While the parameters and criteria have yet to be determined, staff will be looking closely at modifying the grants to focus more on one-time costs to adapt the business space (i.e., enhance outdoor space or improve ventilation) as opposed to business interruption costs.

Hospitality Industry - \$2 million

The ARP emphasizes the need to help with the recovery of the hospitality industry as it was the hardest hit industry. How to provide this assistance, however, remains unclear. In assessing the Interim Final

Rule, eligible uses of the fund appear to be focused more on mitigation efforts (ventilation, barriers, etc.) and reopening planning versus pure operational assistance for this sector. Until there is more clarity on the eligible use of funds for this purpose, the Administration is not prepared to recommend specific uses for these dollars and will work with our partners in the hospitality industry to identify the best uses for the funds.

Arts and Cultural Assistance - \$2 million

The arts and humanities industry in Hamilton County, and nationally, has been significantly impacted by the COVID-19 pandemic, and the ARP has made available multiple sources of funding for arts and culture institutions. For example, \$1.3 billion is available through the Sheltered Venue Grant, and \$200 million for arts and humanities. Additionally, the City of Cincinnati has allocated \$7 million for arts programs and \$1 million for museums. While the County did provide \$3.4 million in arts grants last year through the CARES Act, it is recommended to provide an additional \$2 million in 2021 with the goal of combining efforts with the City of Cincinnati's program in an effort to streamline the process. Funding is recommended as there is no doubt that a strong arts and cultural environment will help the County emerge stronger from the impacts of the pandemic, including the number of jobs that are created (non-profit arts organizations employed 10,000 prior to the pandemic per ArtsWave).

In addition, the Administration recommends the Board pass a resolution designating ArtsWave as the region's official Arts Service Provider/Local Arts Agency. Approval of this designation during May, would enable ArtsWave to apply for pass-through funding through the National Endowment for the Arts in June. The NEA received its own allocation of ARP dollars and intends to distribute \$52 million to regional arts service providers early this summer.

A Note on Program Alignment

To ensure the most effective programs and best results, particularly in addressing negative economic impacts, it is crucial that any programs funded through the ARP are connected to one other. County Administration will strive to incorporate these connections throughout the development of ARP-funded programs. A few examples to illustrate this point include:

- If funding is provided for shelter diversion programs, providers of this service should be encouraged to connect residents with workforce training efforts; or
- If funding is provided for homeowner repair programs, ensure contractors are aware of existing construction training programs from which to hire new employees; or
- Ensure that the small business grantees are aware of the availability of back-office support and HCDC Economic Development services.

Enhancing Community Infrastructure

The American Rescue Plan allows local governments to use funding for infrastructure projects, primarily limited to water, sewer and stormwater, and broadband. Other types of infrastructure is allowed only to the extent that it is a government service and to the extent of the estimated revenue reduction (government service is defined as “maintenance or pay-go funded projects, such as: roads, cybersecurity, health services, environmental remediation, school or educational services, and provision of police, fire, and other public safety services).

The Administration’s Concept Plan, for enhancing community infrastructure, includes funding for the following activities:

Broadband- \$10 million

Without question, the pandemic highlighted the critical need for improved high speed internet capacity and broadband accessibility. Eligible uses of ARP funding include investments designed to provide for high-quality broadband (as further defined by US Treasury).

Before recommending specific programs, it is necessary to better understand and examine the specific gaps and needs of our County:

- Are there areas of the County that lack connectivity?
- Is there a problem of affordability impacting access?
- Is quality of surface provision a problem?

The answer to these questions will direct the County’s use of dollars most effectively. Furthermore, as any projects funded via ARP must be focused on locations that are unserved or underserved, having the underlying data specific to Hamilton County is necessary to document the appropriate use of these funds. As such, the County’s Concept Plan begins with utilizing private sector consulting resources to inventory the status of the County in providing reliable, high quality broadband services to its residents and recommending the most effective use of funds to close identified gaps in service, access or affordability.

Communities across the country are using smart technologies for applications ranging from gun violence prevention, air quality improvement, street lighting maintenance and ensuring efficient traffic flow. The chosen application, however, begins with a statement of problem or need. Therefore, in addition to inventorying the County’s connectivity status, it is recommended that specific emphasis be placed on engaging stakeholders to discern problems and needs for which a connected, or Smart, community could provide a solution.

Finally, given the amount of broadband funding available and the priority placed on it by the federal government, this is an area ripe for duplication and, as such, the County’s funding plan should be closely monitored and differentiated to reduce confusion. (For example, the state of Ohio just announced \$20 million for its Residential Broadband Expansion Grant Program Fund and an additional \$10 billion for infrastructure is included in the American Rescue Plan, focused on broadband.)

Stormwater/Sewer - \$9 million

Sewer projects are eligible uses of ARP if they follow USEPA's Clean Water State Revolving Fund criteria. Pending a final review of this criteria, funds are recommended to support the continued extension of sewer service into the western portion of Hamilton County. Given the apparent limitations on the use of ARP funds for Consent Decrees, no MSD consent decree projects are recommended at this time.

Treasury's Interim Final Rule is clear that projects to improve resiliency to severe weather events, including stormwater projects, are eligible uses of funds. While the Hamilton County Stormwater District provides some capital resources to ameliorate overland flooding issues, these funds have been limited over the past several years. To reduce overland flooding and its impact on residents, the Administration will work with the Hamilton County Stormwater District to identify eligible projects in flood prone areas. All projects will be vetted to ensure compliance with US Treasury.

Additional Funding Recommendations

The Administration's recommendation for a Concept Plan to leverage federal ARP funding is based on its current interpretation of the ARP itself as well as the Interim Final Rule and subsequent FAQs released by the Department of Treasury. As such the Administration has identified specific policy priorities of the Board of County Commissioners, previous needs as indicated by County Administration, as well as specific stated needs of stakeholders that, at this point, are deemed to be ineligible expenses under the ARP. Nonetheless, as the Administration has developed this Concept Plan it has attempted to use this seminal time in our community's history to address as many of these needs and challenges as possible – be it through ARP funding or other sources of funding.

To that end, and presuming Board concurrence, the following is a non-exclusive list of issues and priorities for which funding, or some manner of assistance, will be advanced corresponding with additional County needs. Some of these programs have already been budgeted and their inclusion in this list is meant as a means of providing a more complete view of how the County is addressing certain issues. Other initiatives will require additional grant acquisition or budgeting from other County funds in order to address the need.

Emergency Rental Assistance

The County's Concept Plan does not include a specific ARP allocation for Emergency Rental Assistance. However, the County has received approximately \$27 million in funding through two separate allocations which, at this point in time, should address the overall community demand related to the need for rental assistance. Additionally, HCJFS continues to work with tenants, landlords and the court system to proactively address these issues on a real-time basis.

Recommendation: The Administration recommends that current programming and funding sources continue to be leveraged to address eviction prevention and rental assistance needs in the community.

Capital/Community Infrastructure

Numerous internal County stakeholders indicated the need to address County building infrastructure through the ARP. While some of these requests included projects designed to address and mitigate COVID-19 (and thus would be eligible under the ARP), the majority of these requests were general infrastructure projects responding to years of disinvestment in County buildings due to lack of resources. Finally, some of the requests related more toward community infrastructure such as roads and park infrastructure.

Additionally, the Board has prioritized the completion of Lot 28 at the Banks and the incorporation of programming integrating Cincinnati musical heritage into the ICON Music Venue on Lot 27.

Recommendation: The Administration recommends the continuation of plans to fund approximately \$9 million in general capital improvements from an amount earmarked in the County's 2021 general fund budget. These projects, as currently recommended by County Facilities, will address both system issues (HVAC, fire, etc.) as well as business continuity needs of various departments and agencies throughout the County and at various County buildings. Additionally, the Administration recommends \$3 million in IT infrastructure enhancements through the use of revenue replacement.

Additionally, the Administration recommends allocating \$6 million for the completion of Lot 28 infrastructure at the Banks including associated programming related to musical heritage. This will be initiated as a pay-go construction project, to be offset by ARP revenue replacement allocations.

Finally, the Administration is also recommending the allocation of \$1.5 million in revenue replacement dollars to the County Engineer for necessary road resurfacing work and \$1.5 million for parks infrastructure, facilitated through revenue replacement, for matching funds to facilitate the build-out of transformative environmental improvement projects in the County.

Facility Expansion Needs

EMA/9-1-1: During stakeholder meetings, the need for more seamless integration of the County's emergency communications functions was raised. Combined with the need for improvements/expansion of the current 9-1-1 Center and for EMA to have a greater presence in the suburban community, this fact has spurred the investigation of a combined 9-1-1/EMA facility.

Recommendation: The County's Concept Plan will be prioritized to include the location and development of a combined EMA/9-1-1 Operation. \$13 million is projected as an initial allocation for this project. A portion of funding for this project may derive from the County general fund to the degree general fund revenue replacement, using ARP funds, is feasible.

Community Revitalization

Stakeholder feedback included a recommendation for further County partnerships with the revitalization efforts of local political subdivisions. The Administration had considered a recommendation to use ARP funding to further support its existing Community Revitalization Grant and

Site Readiness Programming. Revitalization programs are funded at \$1.5 million and \$2.0 million respectively in the current 2021 General Fund Budget.

Recommendation: The allocation of funds to support general economic development projects appears to be limited under the ARP. As such, the Administration recommends continuing with its current general fund allocation of \$1.5 million and \$2.0 million, respectively, to the Community Revitalization Program and Site Readiness Program.

Unallocated Reserve

The Administration is recommending retention of a 5 percent reserve in order to allow the Board flexibility for additional program implementation. This may be particularly useful as clarification from Treasury is received regarding use of funds towards tax reduction initiatives at the local level.

Issues Requiring County Comment and Clarification from the Department of Treasury

The Interim Final Rule proposed by the Department of Treasury includes a request for comment and feedback by July 16, 2021. While the Rule, in general, provides the ability to use ARP funding in a strategic and beneficial manner, there are some elements where the Administration would recommend that the County provide input to gain clarify and, potentially, enhance the utility of the program. Specifically, these areas include:

Use of ARP funds for Debt Service: Briefly, the ARP does not define debt service as an eligible use. As stated in the Interim Final Rule, Treasury does not view debt service as providing “services or aid to citizens”. In the case of Hamilton County, however, the Transient Occupancy Tax – a fund which exists for the sole purpose of supporting travel and tourism (an industry category that the ARP deems as substantively impacted by the pandemic) – has been decimated by the financial impacts of COVID-19. Many of the investments made by the County in this area, including expansion and renovation of two convention centers and clearance of space for a new convention center expansion and headquarter hotel project, are instrumental to the recovery of the travel and tourism industry and the future ability of the community to provide services in these areas. Inability to use ARP funding to support these investments, in the case of Hamilton County, runs counter to the stated purpose of the law.

Ability to use ARP funds to directly or indirectly offset a reduction in tax revenue: The Administration recommends seeking clarity from Treasury on the use of ARP funds to support an allocation to the Property Tax Rebate program and to assist homeowners with property tax delinquency payments. The Interim Final Rule language indicates that ARP funding may not be used to directly or indirectly offset a reduction in net tax revenue. However, the language does not specifically address the County’s situation relative to a “Rebate” or assisting with delinquency payments and thus should be clarified.

Qualified Census Tracts (QCTs): The ARP provides that certain services may be performed in QCTs as these are deemed to have been hit hardest by the pandemic. These services include: addressing health disparities, housing investments, educational disparities, and promoting healthy childhood environments. Attachment C shows QCTs in Hamilton County. The Administration, however, wishes to seek guidance and clarification on this concept. For example, expansion of childcare capacity – if provided only within the geographic boundaries of the County’s QCTs – may not fully address the need as felt by residents of the QCT. The same concept can be said about investments in affordable housing. As such, the Administration recommends seeking guidance from Treasury on this issue.

Uses of Funds for the Hospitality Industry: The ARP is clear that funds can be spent on assisting the hardest hit industry. However, the Interim Final Rule language seems only focused on safe re-opening expenses, not revenue replacement or business interruption costs.

Attachment A – 2020 CARES Act Funding

Public Health Response		
PPE Distribution	\$617,730	Warehouse, equipment, staff
PPE Procurement	\$5,800,000	
Quarantine/Navigation Assistance Services	\$2,480,470	Resident and small business assistance
Testing Services	\$18,214,850	
Childcare Support	\$668,810	80 providers received assistance
Contact Tracing	\$400,000	
Public Health Infrastructure	\$2,583,000	
Assistance to Vulnerable Populations		
Homeless Sheltering	\$3,128,680	Day shelter, hotels, OTR shelter
DDS	\$500,000	
Senior Needs	\$3,025,025	
Domestic Violence Response	\$230,000	3 organizations funded
Mental Health Services	\$2,650,000	
Community/Economic Assistance		
Community Assistance	\$24,170,743	Funding provided to local governments
Rent and Utility	\$6,419,833	
Small Business Grants	\$11,250,000	796 grants; 3 rd round to be announced
Convention/Tourism	\$2,000,000	Safe re-opening campaign
Workforce Development	\$1,000,000	Training and rapid re-employment
Nonprofit Relief Program	\$4,541,695	60 organizations received assistance
Youth Non-Profit Grant	\$980,991	24 organizations received assistance
Arts Grant	\$3,421,876	63 organizations received assistance
Public WiFi	\$267,519	5 organizations expanded their Wi-Fi
Duke Energy Convention Center	\$1,000,000	Mitigation efforts
School Reimbursement	\$5,559,912	80 schools/school districts received assistance
Food Assistance	\$1,000,000	Freestore Foodbank
County Operational Response		
Departmental reimbursement	\$3,500,000	Remote needs, plastic barriers, cleaning products, etc.
Facility Improvements	\$1,200,000	HEPA/UV filters, phone system
Communication Needs	\$400,000	Center for Closing the Health Gap, live streaming services, etc.
Unemployment Costs	\$259,404	
Redeployments/Overtime	\$400,000	
Public Safety Personnel	\$35,000,000	

Attachment B – Summary of Stakeholder Input

Workforce Development

- Robust local training program for high demand jobs
- Provide tuition and needs-related payments to those engaged in local vocational training
- More substantial youth employment efforts
- Address workforce shortages
- Remove barriers to re-entering workforce - lack of childcare, transportation, license suspensions

Health

- Address health disparities
- Mental health, including: lack of beds, need for additional access points for help, improve upon early intervention efforts, staffing
- Substance abuse assistance
- Public health and healthcare infrastructure

County Operations

- Focus on deferred maintenance
- Joint EMA/911 center
- Additional space needs for some County departments
- Security upgrades
- Upgraded Wi-Fi in County buildings
- Upgrade of systems (CMS, JMS, voter registration, etc.)
- Move more systems/documents online
- Prepare for surge of Court cases (prepare more jury rooms, hire a mediator, additional staffing)
- Hazard pay for essential/eligible employees
- Attracting and retaining employees given job market
- Poll worker recruitment

Housing

- Preserve existing stock (property maintenance funding, rehabbing)
- Longer term housing subsidy for returning citizens
- Mortgage assistance
- Production of new affordable housing
- Financial literacy to encourage new homeowners or help existing homeowners

Revenue replacement for impacted County funds

Youth

- Programs targeted to school “catch-up” and mentoring
- Youth employment

Infrastructure

- Broadband accessibility
- Projects to mitigate overland flooding
- Moving private septic systems to sewer
- Expand sewer service to western parts of County

Economic Development

- Position the County for re-shoring of manufacturing - industrial site development/site readiness
- Funding for transformational projects in inner ring suburbs
- Business districts assistance

Economic Impacts

- Non-profit assistance
- Additional support for small and minority businesses (including grant, technical assistance, outdoor dining expansions, etc.)
- Funding to townships if not otherwise receiving ARP dollars

Hospitality

- Tourism and marketing
- Arts assistance

Attachment C – Map of Qualified Census Tracts

