State and Local Fiscal Recovery Grant (SLFRG)

City Council Finance Committee
July 27, 2021

State and Local Fiscal Recovery Grant (SLFRG)

Meeting Agenda

- **Opening Remarks** - *Committee co-chairs*

- **Overview of SLFRG** - *City Staff*

- **Discussion and Questions**

- **Public Comment**

- **Next Steps**

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substantial discretion to use the award funds in the ways that best suit the needs of constituents – as long as such use fits into <u>one of the following four statutory categories</u>:

1. **To respond to the COVID-19 public health emergency** or its negative economic impacts;

2. **To respond to workers performing essential work** during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work;

3. **For the provision of government services**, to the extent of the reduction in revenue of such recipient due to the COVID–19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; and

4. **To make necessary investments in water, sewer, or broadband infrastructure**.

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Eligible Costs / Timeframe

Funds may be used to cover eligible costs incurred during the period that **begins on March 3, 2021 and ends on December 31, 2024**, as long as the award funds for the obligations incurred by December 31, 2024 are expended by December 31, 2026.

Costs for projects incurred by the recipient State, territorial, local, or Tribal government prior to March 3, 2021 are not eligible, as provided for in Treasury's Interim Final Rule.

This is a Federal Grant and is subject to all rules, guidelines, regulations and requirements like all other federal grants received by the City and is subject to Single Audit requirements

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Summary of Expenditure Categories

Note: For each project, the recipient (*City of Cambridge*) will be asked to select the appropriate Expenditure Category based on the scope of the project (*see Appendix 1*). Projects should be scoped to align to a single Expenditure Category. For select Expenditure Categories, the City will also be asked to provide additional programmatic data (described further below).

- **Public Health**
- **Negative Economic Impacts**
- **Services to Disproportionately Impacted Communities**
- **Premium Pay**
- **Infrastructure**
- **Revenue Replacement**
- **Administrative**

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Required Information

1. Project and Expenditure Reports

a) **Projects:** Provide information on all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, the City will be required to enter the project name, identification number, project expenditure category (see Appendix 1), description, and status of completion.

b) **Project descriptions** must describe the project in sufficient detail to provide understanding of the major activities that will occur, and will be required to be between 50 and 250 words. Projects should be defined to include only closely related activities directed toward a common purpose.

c) **Review** the Required Programmatic Data (which follows) and define projects at a sufficient level of granularity to report these metrics for a reasonably specific activity or set of activities in each project.

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Required Information (Continued)

2. **Expenditures:** Once a project is entered the City will be able to report on the project's obligations and expenditures. The City will be asked to report:

   - Current period obligation
   - Cumulative obligation
   - Current period expenditure
   - Cumulative expenditure

3. **Project Status**: Once a project is entered the City will be asked to report on project status each reporting period, in four categories:

   - Not Started
   - Completed less than 50 percent
   - Completed 50 percent or more
   - Completed

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Required Information (Continued)

4. **Project Demographic Distribution**: The City must report whether certain types of projects are targeted to economically disadvantaged communities, as defined by HUD. The City will be asked to identify whether or not the project is serving an economically disadvantaged community.

5. **Subawards:** The City shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the City that are greater than or equal to $50,000.

6. **Civil Rights Compliance**: Treasury will request information on recipients' compliance with Title VI of the Civil Rights Act of 1964 on an annual basis. This information may include a narrative describing the recipient's compliance with Title VI, along with other questions and assurances.

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Required Information (Continued)

7. **Required Programmatic Data** (other than infrastructure projects): For all projects listed under the following Expenditure Categories (see Appendix 1), the information listed must be provided in each report.
    - Payroll
    - Household Assistance
    - Small Business Economic Assistance
    - Aid to Travel, Tourism, and Hospitality or Other Impacted Industries
    - Rehiring Public Sector Staff
    - Education Assistance
    - Premium Pay
    - Revenue Replacement

8. **Required Programmatic Data for Infrastructure Projects**: For all projects listed under the Water, Sewer, and Broadband Expenditure categories (see Appendix 1), more detailed project-level information is required. Each project will be required to report expenditure data as described above plus additional information.

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Appendix 1: Expenditure Categories

1. **Public Health**
   - COVID-19 **vaccination**
   - COVID-19 **testing**
   - COVID-19 **contact tracing**
   - **Prevention** in congregate settings (nursing homes, prisons/jails, work sites, schools, etc.)
   - **Personal Protective Equipment**
   - **Medical expenses** (including Alternative Care Facilities)
   - **Capital investments** or physical plant changes to public facilities that respond to the COVID-19 public health emergency
   - Other COVID-19 **public health expenses** (including Communications, Enforcement, Isolation/Quarantine)
   - **Payroll costs** for public health, safety, and other public sector staff responding to COVID-19
   - **Mental health, substance use, and** Other **public health services**

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Appendix 1: Expenditure Categories (continued)

2. **Negative Economic Impacts**
   - Household Assistance: **food programs**
   - Household Assistance: **rent, mortgage, and utility aid**
   - Household Assistance: **cash** transfers
   - Household Assistance: **internet access** Programs
   - Household Assistance: **eviction prevention**
   - **Unemployment benefits** or cash assistance to unemployed workers
   - **Job training** assistance (e.g., Sectoral job-training, subsidized employment, employment Supports or incentives)
   - Contributions to **UI Trust Funds**
   - **Small business** economic assistance (General)
   - Aid to **nonprofit** organizations
   - Aid to **tourism, travel, or hospitality**
   - Aid to other **Impacted Industries**
   - Other **economic support**
   - Rehiring **public sector Staff**

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Appendix 1: Expenditure Categories (continued)

3. Services to Disproportionately Impacted Communities

- Education Assistance: **Early learning**
- Education Assistance: Aid to **high-poverty districts**
- Education Assistance: **Academic services**
- Education Assistance: **Social, emotional, and mental health** services
- Education Assistance: Other
- Healthy Childhood Environments: **Child care**
- Healthy Childhood Environments: **Home visiting**
- Healthy Childhood Environments: **Services to foster youth** or families involved in child welfare system
- Healthy Childhood Environments: Other
- Housing Support: **Affordable housing**
- Housing Support: **Services for unhoused** persons
- Housing Support: Other **housing assistance**
- Social Determinants of Health: Other
- Social Determinants of Health: **Community health workers** or benefits navigators
- Social Determinants of Health: **Lead remediation**
- Social Determinants of Health: **Community violence interventions**

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Appendix 1: Expenditure Categories (continued)

4. **Premium Pay**
   - **Public sector** employees
   - Private Sector: **Grants** to other employers

5. **Infrastructure**
   - Clean Water: Centralized **wastewater treatment, collection and conveyance**
   - Clean Water: **Decentralized wastewater**
   - Clean Water: **Combined sewer overflows** and other sewer infrastructure
   - Clean Water: **Stormwater**
   - Clean Water: Energy **conservation** /water conservation
   - Clean Water: **Nonpoint source**
   - Drinking water: **Treatment, transmission & distribution**
   - Drinking water: Transmission & distribution: **lead remediation**
   - Drinking water: **Source / Storage**
   - Drinking water: Other **water infrastructure**
   - Broadband: "**Last Mile" and other projects**

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Appendix 1: Expenditure Categories (continued)

6. **Revenue Replacement**
   - Provision of Government Services

7. **Administrative**
   - Administrative Expenses

   - Evaluation and Data Analysis

   - Transfers to Other Units of Government

   - Transfers to Non-entitlement Units (States and territories only)

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Appendix 2: Evidenced-Based Intervention Additional Information

What is evidence-based?

For the purposes of the SLFRF, evidence-based refers to interventions with strong or moderate evidence.

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Appendix 2: Evidenced-Based Intervention Additional Information (continued)

Preliminary evidence means that the evidence base can support conclusions about the program's contribution to observed outcomes. The evidence base consists of at least one non-experimental study. A study that demonstrates improvement in program beneficiaries over time on one or more intended outcomes OR an implementation (process evaluation) study used to learn and improve program operations would constitute preliminary evidence. Examples of research that meet the standards include: (1) outcome studies that track program beneficiaries through a service pipeline and measure beneficiaries' responses at the end of the program; and (2) pre- and post-test research that determines whether beneficiaries have improved on an intended outcome.

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Ineligible **uses of funds**

In general, categories of *ineligible expenditures* include:

- Using the money for federal **matching funds**

- Premium pay for **employees who were able to telework** during the public health emergency

- **Funding pension accounts**, paying off outstanding **debt**, or making deposits to **reserve accounts** or **rainy day funds**