



## Legislation Text

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**Item:**

**Authorize Project Category Realignments Within US Treasury-designated categories for ARPA Fund Use and Approve Budget Ordinance Amendment No. 25BCC007 establishing a \$731,586 General Fund Budget from projected interest income to support ARPA-approved projects.**

**Date of BOCC Meeting: July 8, 2024**

**Request for Board Action:**

The Board is requested to authorize the County Manager to make category realignments within US Treasury-designated categories for previously approved ARPA projects as needed. The realignment would establish a \$731,586 General Fund Budget from projected interest income to support ARPA-approved projects. The projected interest income totals \$1.2 million for the fiscal year 2024-25.

These adjustments will not impact the funding amounts utilized for approved projects or the availability of funding for grantees or contractors; they will instead allow County staff to maximize operational efficiencies for ARPA grant management. This action would also authorize staff to reclassify grants as contracts where necessary and in compliance with federal requirements, including amending existing contractual language as needed, thus reducing the administrative burden for funds management. Items are being realigned to interest income from ARPA funding for three projects, with the remaining funds supporting the FY 2024-25 budgets for projects approved in FY 2023-24. Staff will provide a more detailed ARPA grant update during the August 5, 2024, work session.

In March 2021, President Biden signed the American Rescue Plan Act (ARPA). Of the \$1.9 trillion package, Durham County received \$62,445,275. Funds must be obligated by December 31, 2024. In addition, all funds must be expended to cover obligations, and all work must be completed by December 31, 2026. This ARPA funding, a transformative investment in the Durham community, can leverage resources from other local, state, and federal dollars, optimizing the potential overall community impact and paving the way for a brighter future.

**Alignment with Strategic Plan:** Goal 5: Efficient, Accountable and Visionary Government

**Resource Persons:** Claudia Hager, Deputy County Manager; John Keefer, County Grants Administrator

**County Manager's Recommendation:** The County Manager recommends that the Board approve project category realignments within US Treasury-designated categories for ARPA fund use. This approval will also authorize staff to amend contracts from a subrecipient grant to a traditional contract. The Board is also asked to approve Budget Ordinance Amendment No. 25BCC007, establishing a \$731,586 General Fund Budget from projected interest income to support ARPA-approved projects.