

HOWARD COUNTY, INDIANA

AMERICAN RESCUE PLAN ACT PLAN

UPDATED AS OF JUNE 6, 2022

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Overview of Funding

American Rescue Plan Act & Coronavirus State and Local Fiscal Recovery Fund

On March 11, 2021, President Joe Biden signed the American Rescue Plan Act (“ARPA”) into law. Among its many provisions intended to address the COVID-19 pandemic, the ARPA included the Coronavirus Local Fiscal Recovery Fund (“FRF”), intended to provide local governments with funds to respond to the impact of COVID-19. The FRF funds may be used by recipients, including counties, for the following four purposes:

1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers;
3. For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

On May 17, 2021, the United States Department of the Treasury (“Treasury”) issued an Interim Final Rule (“IFR”), providing guidance and clarifying the nature and scope of expenses eligible for payment using FRF funds. On January 6, 2022, Treasury issued a final rule (the “Final Rule”) which provided flexibility and simplifications regarding the use of the FRF funds. The Final Rule takes effect on April 1, 2022, but recipients of FRF funds can take advantage of the Final Rule’s provisions as of the date of its publication.

Howard County’s Allocated Funding

Congress allocated the FRF funds under the ARPA to eligible counties based on each county’s population share of the total population of all counties. In sum, the FRF provided \$65.1 billion to counties. Howard County has been allocated \$16,033,204.00 in FRF funds. Howard County received its first tranche of funds in the amount of \$8,016,602 on June 1, 2021, and expects to receive its second tranche in May 2022.

Howard County ARPA Plan

In accordance with guidance issued by the Indiana State Board of Accounts, Howard County has adopted this plan outlining the intended uses, amounts, and justifications for its FRF expenditures. These numbers are estimates for each category. They may change based on need, COVID conditions and or bids/quotes that come in higher or lower. Likewise, projects may be added and or removed. This plan is to layout a roadmap for Howard County Government to utilize these dollars to have the greatest overall impact on Howard County. Input for this plan has been received from community members, business leaders, department heads and elected officials.

Summary of Proposed Uses of Funding

Howard County plans to use its FRF funds in the below amounts and permitted categories, further detailed in the following pages of this plan:

Category	Amount
Responding to COVID-19 public health emergency	\$4,145,084
Responding to negative economic impacts of COVID-19	\$1,872,555
Provision of government services to extent of reduction in revenue	\$4,515,565
Water, sewer and broadband infrastructure development	\$5,500,000

As permitted by Treasury's Final Rule, Howard County will use a portion of its FRF funds to cover administrative expense associated with the legal, financial, and other professional services to administer the funds.

Howard County, Indiana ARPA Funding Plan

Proposed Actions to Respond to COVID-19 Public Health Emergency

1. Highway Building Improvements

Proposed Action: Howard County plans to address HVAC/ventilation issues and make physical improvements to the County's Highway Building to allow for social distancing to mitigate the spread of COVID-19.

Estimated cost: \$1,345,084

Justification: Ventilation improvements to public facilities and adaptations to public buildings to implement COVID-19 mitigation tactics are eligible uses of the funds.¹

2. Government Center Building Improvements

Proposed Action: Howard County plans to address HVAC/ventilation issues at the County's Government Center Building.

Estimated cost: \$350,000

Justification: Ventilation improvements to public facilities is an eligible use of the funds.²

3. County Courthouse Building Improvements

Proposed Action: Howard County plans to address HVAC/ventilation issues at County facilities, including the courthouse, and make additional physical improvements to mitigate the spread of COVID-19, including altering the restrooms and jury area and building out an additional courtroom to allow for social distancing.

Estimated cost: \$1,280,000

Justification: Ventilation improvements to public facilities and adaptations to public buildings to implement COVID-19 mitigation tactics are eligible uses of the funds.³

4. County Mansion Building Improvements

Proposed Action: Howard County plans to make additional physical improvements to allow for social distancing at entrance and mitigate the spread of COVID-19 at the County-owned mansion.

¹ "A broad range of services and programming are needed to contain COVID-19. Mitigation and prevention efforts for COVID-19 include... ventilation improvements in congregate settings, health care settings, or other key locations... They also include capital investments in public facilities to meet pandemic operational needs, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics." Federal Register, Vol. 86, No. 93, p. 26790 (May 17, 2021) (hereinafter "Federal Register").

² *Id.*

³ *Id.*

Estimated cost: \$53,504

Justification: Adaptations to public buildings to implement COVID-19 mitigation tactics are eligible uses of the funds.⁴

5. County Jail Improvements

Proposed Action: Howard County plans to purchase a cleaning unit for the jail and make additional improvements as suggested by the sheriff to mitigate the spread of COVID-19 in the jail.

Estimated cost: \$100,000

Justification: Mitigation and prevention in congregate living facilities such as jails are an eligible use of the funds.⁵

6. COVID-19 Testing & Vaccine Investment

Proposed Action: Howard County plans invest in additional COVID-19 testing and vaccine administration.

Estimated cost: \$50,000

Justification: Testing and vaccination expenses are eligible uses of the funds.⁶

7. Grant Fund for Addiction & Mental Health Services

Proposed Action: Howard County plans to establish a grant program to award funds to non-profit organizations providing addiction and mental health services in the county.

Estimated cost: \$500,000

Justification: Funds may be used to support behavioral health services.⁷

8. Miscellaneous COVID-19 related expenses

⁴ *Id.*

⁵ “A broad range of services and programming are needed to contain COVID–19. Mitigation and prevention efforts for COVID–19 include... support for prevention, mitigation, or other services in congregate living facilities (*e.g.*, nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools...” Federal Register, p. 26790.

⁶ “A broad range of services and programming are needed to contain COVID–19. Mitigation and prevention efforts for COVID–19 include vaccination programs; medical care; testing...” Federal Register, p. 26790.

⁷ “In addition, new or enhanced State, local, and Tribal government services may be needed to meet behavioral health needs exacerbated by the pandemic and respond to other public health impacts. These services include mental health treatment, substance misuse treatment, other behavioral health services, hotlines or warmlines, crisis intervention, overdose prevention, infectious disease prevention, and services or outreach to promote access to physical or behavioral health primary care and preventative medicine.” Federal Register, p. 26791.

Proposed Action: Howard County plans address miscellaneous COVID-19 related expenses, including the following:

- Extending parking lot for work release facility to support project to mitigate the spread of COVID-19 in the County's jail population.
- Providing generator at youth facility to keep HVAC running in case of a power outage.
- Providing grants to volunteer fire and EMS departments in response to their economic loss due to COVID-19.
- Providing tent for EMS to be used for vaccine distribution

Estimated cost: \$466,496

Proposed Actions to Respond to the Negative Economic Impacts of COVID-19

1. Small Business Grant Program

Proposed Action: Howard County plans to administer a small business grant program to assist local business experiencing adverse economic impacts due to the COVID-19 pandemic.

Estimated cost: \$500,000

Justification: Funds may be used to provide loans and grants to assist businesses facing financial hardship due to the pandemic.⁸

2. Hotel Conference Center Funding

Proposed Action: Howard County plans to provide funding for a conference center in a tourism district that was put on hold due to COVID-19. This is a joint partnership with the City of Kokomo, Indiana.

Estimated cost: \$500,000

Justification: Providing aid to support businesses, attractions and business districts operating prior to the pandemic in tourism, travel, and hospitality industries and affected by required closures is an eligible use of the funds.⁹

3. Grant Fund for Housing

Proposed Action: Howard County plans to host a summit with area landlords to discuss housing certain individuals adversely affected by the pandemic and to provide incentives and/or assistance to encourage landlords to rent to these affected individuals.

Estimated cost: \$250,000

Justification: Expenses associated with rental assistance are eligible to the extent services are provided to households facing negative economic impacts due to COVID-19.¹⁰

⁸ “State, local, and Tribal governments may provide assistance to small businesses to adopt safer operating procedures, weather periods of closure, or mitigate financial hardship resulting from the COVID–19 public health emergency...” Federal Register, p. 26794.

⁹ “Aid may be considered responsive to the negative economic impacts of the pandemic if it supports businesses, attractions, business districts, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. For example, a recipient may provide aid to support safe reopening of businesses in the tourism, travel, and hospitality industries and to business districts that were closed during the COVID–19 public health emergency, as well as aid for a planned expansion or upgrade of tourism, travel, and hospitality facilities delayed due to the pandemic.” Federal Register, p. 26795.

¹⁰ “Assistance to households or populations facing negative economic impacts due to COVID–19 is also an eligible use. This includes: Food assistance; rent, mortgage, or utility assistance...” Federal Register, p. 26794.

4. Job Training Assistance

Proposed Action: Howard County plans to work with Ivy Tech to provide job training assistance to unemployed workers, specifically related to EV manufacturing.

Estimated cost: \$500,000

Justification: Expenses associated with providing assistance to unemployed workers, including job training or other efforts to accelerate rehiring and reduce unemployment, are eligible uses of the funds.¹¹

5. Reducing COVID-related Backlog in Court Cases

Proposed Action: Howard County plans to hire additional attorneys to reduce the backlog in court cases due to the inability of courts to safely operate because of COVID-19.

Estimated cost: \$122,555

Justification: Expenses associated with hiring court staff and/or attorneys to increase the speed of case resolution are eligible uses of the funds.¹²

¹¹ “This includes assistance to unemployed workers, including services like job training to accelerate rehiring of unemployed workers; these services may extend to workers unemployed due to the pandemic or the resulting recession, or who were already unemployed when the pandemic began and remain so due to the negative economic impacts of the pandemic.” Federal Register, p. 26794.

¹² “The Interim Final Rule recognizes that “decrease[s] to] a state or local government’s ability to effectively administer services,” such as cuts to public sector staffing levels, can constitute a negative economic impact of the pandemic. During the COVID-19 public health emergency, many courts were unable to operate safely during the pandemic and, as a result, now face significant backlogs. Court backlogs resulting from inability of courts to safely operate during the COVID-19 pandemic decreased the government’s ability to administer services. Therefore, steps to reduce these backlogs, such as implementing COVID-19 safety measures to facilitate court operations, hiring additional court staff or attorneys to increase speed of case resolution, and other expenses to expedite case resolution are eligible uses.” Treasury FAQ, updated as of July 19, 2021.

Proposed Uses for the Provision of Governmental Services using Revenue Loss Funds

Recipients may use elect a standard revenue loss amount of up to \$10,000,000 or the recipient's entire allocation of FRF funds, whichever is less, for the provision of government services. The provision of government services includes, but is not limited to, 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.¹³

Howard County plans to use the funds associated with revenue loss to provide the following government services:

1. Trail Development

Proposed Action: Howard County plans to expand the trails in the county.

Estimated cost: \$250,000

2. County Software Update

Proposed Action: Howard County plans update various software systems, including cybersecurity enhancements.

Estimated cost: \$532,500

3. Records Digitalization

Proposed Action: Howard County plans to complete the scanning and digitalization of various county records, which will enhance the County's recordkeeping and data services.

Estimated cost: \$500,000

4. Highway Equipment

Proposed Action: Howard County plans to purchase certain equipment for its highway department, including a backhoe and service truck.

Estimated cost: \$500,000

5. COAD Identification

¹³ "A recipient may use funds for the provision of government services to the extent of the reduction in the recipient's general revenue due to the public health emergency, calculated according to this paragraph (d). A recipient must make a one-time election to calculate the amount of the reduction in the recipient's general revenue due to the public health emergency according to either paragraph (d)(1) or (d)(2) of this section... Standard allowance. The reduction in the recipient's general revenue due to the public health emergency over the period of performance will be deemed to be ten million dollars." 31 CFR § 35.6(d)

Proposed Action: Howard County plans to purchase identification and vests to identify COAD members in emergency situations.

Estimated cost: \$5,000

6. Apple Access Technology

Proposed Action: Howard County plans to purchase Apple Access technology for the prosecutor's office.

Estimated cost: \$20,000

7. County Building Repairs

Proposed Action: Howard County plans to undertake certain repairs to county buildings not eligible under the public health uses for the funds.

Estimated cost: \$262,500

8. Courthouse Project

Proposed Action: Howard County plans to undertake certain upgrades at the county courthouse.

Estimated cost: \$225,105

9. Administrative Center Project

Proposed Action: Howard County plans to undertake certain upgrades at the county administrative center.

Estimated cost: \$547,400

10. Howard Haven

Proposed Action: Howard County plans to undertake certain kitchen and bathroom upgrades at Howard Haven.

Estimated cost: \$395,000

11. Sheriff's Department Equipment

Proposed Action: Howard County plans to purchase mobile radios and a pod workstation for use by the Sheriff's Department.

Estimated cost: \$165,000

12. County Highway Project

Proposed Action: Howard County plans to purchase updated equipment for the County Highway Department.

Estimated cost: \$409,360

13. Countywide IT Projects

Proposed Action: Howard County plans to undertake certain security, IT, and software upgrades for use by the county government.

Estimated cost: \$703,000

Proposed Actions to Invest in Water, Sewer, and Broadband Infrastructure

1. Water/Sewer Infrastructure Projects

Proposed Action: Howard County plans to build out sewer and/or water infrastructure at an industrial park to be purchased by the county.

Estimated cost: \$500,000

Justification: Water/Sewer infrastructure improvements are eligible to the extent they are eligible under the DWSRF and/or CWSRF.¹⁴

2. Drainage/Water Quality Improvements

Proposed Action: Howard County plans to use funds to pay for drainage and water quality improvement projects, creating a revolving loan fund which will allow the funds to be reinvested in future projects.

Estimated cost: \$3,000,000

Justification: Water/Sewer infrastructure improvements are eligible to the extent they are eligible under the DWSRF and/or CWSRF.¹⁵ Funds may be used to manage drainage water and improve water quality.¹⁶

3. Broadband Infrastructure Projects

Proposed Action: Howard County plans to invest in broadband development to serve underserved areas of the county.

Estimated cost: \$2,000,000

Justification: Broadband investment is an eligible use to serve underserved areas.¹⁷

¹⁴ “Understanding that State, local, and Tribal governments have a broad range of water and sewer infrastructure needs, the interim final rule provides these governments with wide latitude to identify investments in water and sewer infrastructure that are of the highest priority for their own communities, which may include projects on privately-owned infrastructure. The interim final rule does this by aligning eligible uses of the Fiscal Recovery Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency’s (EPA) Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).” Federal Register, p. 26802.

¹⁵ *Id.*

¹⁶ “With respect to wastewater infrastructure, recipients may use Fiscal Recovery Funds to construct publicly owned treatment infrastructure, manage and treat stormwater or subsurface drainage water, facilitate water reuse, and secure publicly owned treatment works, among other uses.” Federal Register, p. 26803.

¹⁷ “The interim final rule provides that eligible investments in broadband are those that are designed to provide services meeting adequate speeds and are provided to unserved and underserved households and businesses.” Federal Register, p. 26804.

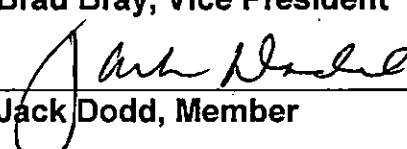
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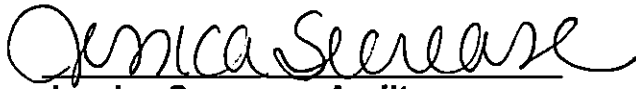


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