

This is just an advisory and informational note relating to the revised amendment to the proposed Ord. 512-23, to provide ARPA funding to United Way for 211 Services.

The originally drafted Ordinance amended the Toledo Recovery Plan to include an allocation of \$300,000 for United Way of Greater Toledo 211 Services, and authorized the appropriation and expenditure of the \$300,000.

The law department previously provided guidance that the purpose of the 211 Services would be an eligible use under likely more than one guidance category for the use of ARPA funds, including “responding to the public health and negative economic impacts of the pandemic.”

ARPA regulations for the cited category include various enumerated eligible purposes, including just as an example, “assistance to households and individuals, “assistance for food, emergency housing needs”; “a program, service, capital expenditure, or other assistance that is provided to a disproportionately impacted household, population, or community”. ARPA regulations also allow nonprofits to receive ARPA assistance, including programs, services or capital expenditures, to mitigate financial hardship resulting from the pandemic.

ARPA regulations require that funds must be committed by the end of 2024 and the expenditure of all funds by the end of 2026. The revised Amended Ordinance still appropriates the entire \$300K, but only authorizes expenditure of \$100K for 2024.

The change to the amended ordinance limiting the expenditure authorization will require that Council authorize expenditure of the remaining \$200k by way of an additional ordinance before the end of 2024 in order to ensure that the grant agreement complies with the ARPA requirement for the commitment of all funds by the end of 2024. (Council could subsequently authorize a lesser amount for expenditure than the full appropriated amount, but then it would need to re-appropriate and authorize expenditure of any remaining balance for another eligible purpose also by the end of 2024.)

The contract may contain provisions that make distribution of such funds contingent on specific criteria or performance measures to the extent they are identified. However, the commitment requirement of ARPA funds by the end of 2024 remains.

Funding may be provided to an eligible entity as either a beneficiary who experienced economic impacts during the pandemic or as subrecipient grant or transfer to carry out an eligible use on behalf of the City. ARPA regulations provide flexibility to the recipient (city) in transferring funds to the beneficiary or sub-recipient, including as an advance payment or as a reimbursement.

The United Way will need to comply with all the various federal regulations applicable to the ARPA funds, including conflict of interest and financial reporting requirements, which will be further defined in a funding agreement.

I realize that you are receiving this just before a holiday weekend. If you have questions prior to Tuesday, please feel free to contact me on my mobile phone at 419-508-7681. We will be available on Tuesday morning as well if you have any questions.

Thanks,

Eileen

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