



## **CITY OF LEBANON AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION PROCESS & ELIGIBILITY FACT SHEET**

### **American Rescue Plan Act**

On March 11, 2021, President Biden signed the American Rescue Plan Act to combat the COVID-19 pandemic, including the public health and economic impacts. The American Recovery Plan Act includes \$350 billion in Coronavirus State and Local Fiscal Recovery Funds.

The City of Lebanon's allocation is \$16.6 million. 50% of this amount was received in May 2021, and the other 50% will be received in May of 2022. Funds can be used to cover eligible costs incurred between March 3, 2021, and Dec 31, 2024. Funds must be obligated by December 31, 2024, and expended by December 31, 2026. A percentage of funds will be utilized to financially stabilize the City of Lebanon from the economic effects of the COVID-19 pandemic. The City is utilizing the majority of the first allocation for Covid related expenses, stormwater and other infrastructure improvements. The City will also award \$1 million of this funding to Non-Profit organizations through an application process.

Keep in mind that \$16.6 million needs to make lasting change in Lebanon City. There is a large list of potential priorities for Non-profit organizations. Some of the eligible categories are: mental health service, healthy childhood environments, affordable housing, and workforce development. A full list can be found in the appendix. Unfortunately, we cannot afford to do everything that has been determined as an acceptable expense. We must make choices. This is a once-in-a-lifetime opportunity to improve our community. We must support projects that have a long-term impact on the City of Lebanon for our residents, businesses and visitors.

### **Purpose of the Application**

The purpose of the application process is to aid the maximum number of non-profit organizations and to ensure that the allocations of public funds derived from the American Rescue Plan Act (ARPA) are used strategically to offer services that are better provided by non-profit community partners while creating clear expectations and improved outcomes from the services rendered. It is important that all public funding assigned to outside organizations are distributed and monitored in a transparent and accountable manner on behalf of the citizens of Lebanon City.

### **Application Process**

Organizations that meet the general requirements must complete an application to be considered for funding from the ARPA funds. Complete applications must include answers to all questions and be accompanied by all requested supporting documentation. Applications

will be reviewed by the city for completeness and complete applications will be sent to the ARPA Non-Profit Review Committee (the Committee) for consideration. The Committee will rank eligible applications and send a list of recommended recipients and grant amounts to the Mayor for final approval.

### **Award of Funds & Ranking Criteria**

The City of Lebanon anticipates that there will be more demand for funding than is available to meet the needs of every applicant. A scoring/ranking system, even split of allocated funding, first-come first-serve, or revised caps on funding support may all be used at the discretion of the city dependent upon the quantity of eligible applications received. All program guidelines are subject to change.

Below is a list of general characteristics that may be considered as part of the process. This list may be refined by members of the Committee/City as deemed necessary. Preference will be given to organizations that:

- Demonstrate need for service in Lebanon City.
- Provide services to Lebanon City residents that are disproportionately impacted by the pandemic.
- Serve Lebanon City's most vulnerable populations, low income, seniors, handicapped, unemployed or other underserved residents.
- Have a long-term impact on Lebanon City residents and are sustainable after ARPA funding.
- Have partnered with or assisted other non-profits to provide needed services.
- Have actively provided needed services to Lebanon City residents for the longest period of time.

### **Contractual Agreement**

Applicants approved for funding will enter a contractual agreement with the City that outlines general obligations and reporting requirements. The ARPA includes language that may require grant recipients to meet additional financial compliance guidelines including the need for a formal audit if certain thresholds are met. Recipients are expected to be familiar with these requirements and willing to comply with all terms.

If an organization spends over \$300k of federal funds in a fiscal year, they may be required to have an audit of not only those funds but also their financial statements, internal controls, and compliance. Please seek legal counsel for any impact.

### **Grant Disbursal & Reporting Requirements**

Approved grants will be disbursed prior to April 30, 2022. Approved organizations will be required to submit a report outlining how funds were utilized. Reports will be due quarterly until all funds are spent. A final report detailing how the funding was spent and the programs impact will be due to close out the grant contract.

### **Non-Profit Status & Location**

An organization will only be considered for funding if they are a 501(c)(3) as evidenced from a copy of a current IRS Determination Letter. Any applicant must also be headquartered

within the municipal boundaries of Lebanon City and provide direct services to the Lebanon City community. Organizations headquartered outside of Lebanon City should seek ARPA support from their respective jurisdiction.

### **Funding as a Percentage of the Organization's Expenses**

The city will not consider any funding request in excess of 40% of the organization's total annual expenses as noted on their IRS form 990. This ensures that public funding is not the sole support at risk in any organization's efforts and allows the city to provide a base leverage of at least 1-to-1. If an organization meets all program requirements and has annual operating expenses of less than \$50,000, as reported on the most recent IRS form 990, the city may grant up to half of the organization's operating expenses or \$25,000 whichever is lower.

### **Limited Term of Support**

Applicants should understand that this grant application is for a one-time grant process as a result of the city's access to ARPA funding. The city is not obligated to provide any funding commitments beyond this support cycle.

### **History of Service in Lebanon City**

Organizations applying for support must have at least a three-year history of service in the City of Lebanon or provide a business plan. This helps ensure that applicants have been operationally viable and have a history of commitment to the city with a proven record of accomplishment.

### **Size of Organization**

It is the City of Lebanon's assumption that larger organizations have more diverse funding and support options and that this program's support should be reserved for smaller non-profits in the city. Any organization with annual operating expenses as demonstrated on their most recent IRS form 990 that is larger than \$4 million, will not be eligible to apply.

### **COVID-19 Impact**

The ARPA requires that any sub-recipient of funding would have to demonstrate detrimental impact from the pandemic. The application will provide an area for the submitting organization to provide their explanation of impact, whether this be estimated revenue loss due to closure, reduced capacity, reduced services, employee layoffs or reductions in grant revenues or some other explanation.

### **Public Record**

All organizations applying for support should recognize that State of Pennsylvania laws stipulate that any correspondence or applications received by the City of Lebanon are subject to public records requests.

Est. 12/8/2021

## Appendix

Below is a list of eligible categories for ARPA funding:

### **Public Health**

Mental Health Services

Substance Use Services

### **Negative Economic Impacts**

Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)

Aid to Nonprofit Organizations

Aid to Tourism, Travel, or Hospitality

Aid to Other Impacted Industries

Other Economic Support

Rehiring Public Sector Staff

### **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