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American Rescue Plan Act Funds

An Opportunity for Counties and
Municipalities to Fund Conservation,
Trails, Parks, and Recreation as Part of
COVID-19 Recovery Strategies in
Pennsylvania

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Disclaimer

- + Although this presentation focuses on conservation-related investments, ARPA provides similar opportunities for investments in heritage tourism, cultural resource management, historic preservation, placemaking and other uses that meet the spirit and guidelines of community and economic recovery.
- + This presentation is based on my personal interpretation of the American Rescue Plan Act as a private citizen. For the full list of guidelines, refer to the US Treasury's interim final rule, fact sheet, and FAQs on the US Treasury's website.
- + Guidance for ARPA may evolve over time before publication of the final rule.
- + Do you have examples of creative ways your municipality or county has invested Rescue Act funds in conservation, trails, open space, or outdoor recreation? Please let me know at schamberlin@yceapa.org.

What is the American Rescue Plan Act?

- + The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021.
- + Nationally, the Act provides funding for a broad array of uses related to recovery. For example: \$125 billion to help K-12 schools reopen for in-person classes; \$48 billion for COVID-19 testing and contact tracing; \$7.5 billion for the Centers for Disease Control and Prevention's vaccine distribution efforts; \$21.5 billion for rental assistance; \$30 billion for local subway and bus systems; \$8 billion for airports.
- + In Pennsylvania, the state government, counties, and local governments will all receive funding. The state will receive a total of \$7.5 billion; counties will receive direct allocations of \$2.8 billion; municipalities will receive a total of approximately \$3.3 billion.

Who is getting funding? How much?

- + Every county and individual municipality in Pennsylvania will receive federal funds via the American Rescue Plan Act (Rescue Act) to aid in recovery efforts of all types and reimburse for COVID-related expenses.
- + County governments and municipalities with more than 50,000 residents will receive a direct allocation from the federal government. A list of county allocations (for PA and across the nation) can be found [here](#).
- + Municipalities with fewer than 50,000 residents will receive allocations of federal funds passed through by the state. A list of municipal allocations can be found [here](#).
- + These direct allocations are very substantial. County allocations range from the tens of millions to well over \$100 million. Municipal allocations can range from tens of thousands to multiple millions of dollars.

How can funds be used?

- + The funds are meant to aid in recovery from COVID. Unlike funding provided under the CARES Act, these funds cover a significantly broader set of uses, including but not limited to allocations that:
 - + Support public health expenditures by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
 - + Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector
 - + Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic
 - + Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet

How can funds be used? (cont.)

- + Support safe reopening of businesses in the tourism, travel and hospitality industries and to districts that were closed during the COVID-19 public health emergency, as well as aid a planned expansion or upgrade of tourism, travel and hospitality facilities delayed due to the pandemic
- + Within these overall categories, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. For the full list of guidelines, refer to the US Treasury's interim final rule, fact sheet, and FAQs on the Treasury's website.

What does this mean for conservation, trails, parks, and recreation?

- + Note that none of these terms appear in the guidelines. However, Treasury has made clear that the guidelines do not represent an exclusive list of uses and that counties and municipalities have latitude in determining what projects and programs to fund.
- + Further, Treasury has indicated that the same types of uses eligible under the CARES Act are eligible under the Rescue Act, and many counties in Pennsylvania and across the country set a precedent by using CARES Act funds for conservation and recreation purposes.
- + In August 2021, WeConservePA secured a legal opinion from the law firm Hawke McKeon & Sniscak LLP, which has deep experience in regulatory affairs and as solicitor and special counsel to local governments, that found these types of projects are clearly eligible for ARPA dollars. The opinion letter can be [viewed here](#).
- + In July 2021, US Treasury provided an updated set of FAQs that make it very clear that investing conservation is an eligible use for ARPA funds and that counties and municipalities have significant discretion in how to award funds to such projects

What does this mean for conservation, trails, parks, and recreation? (cont.)

As you determine what is eligible, keep in mind the following ways in which conservation projects and programs align very well with the Rescue Act guidelines:

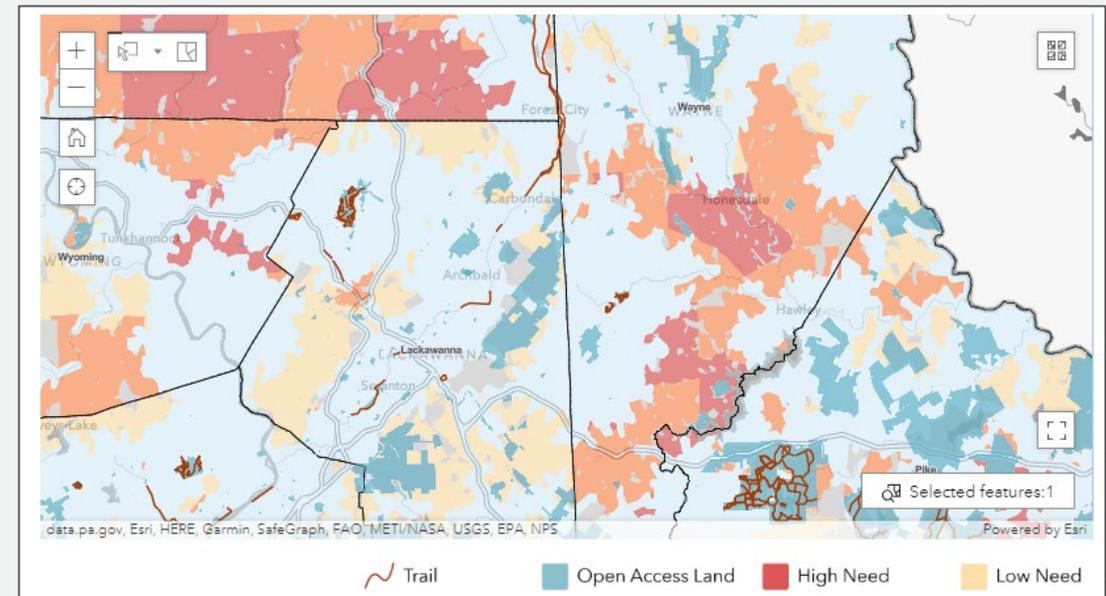
- + **Trails, parks and open space are crucial to our economic recovery.** Pennsylvania's outdoor recreation economy is a \$29 billion industry that sustains 251,000 jobs. At a time when less-resilient industries were disrupted, major sectors of our outdoor economy thrived—pumping money into small businesses in communities across the state. Municipalities that invest in parks, trails and open space are creating platforms for economic development that will serve them well during and after COVID. The Rescue Act gives latitude to counties and municipalities to invest in their economic recovery and impacted industries. If someone tells you parks, trails, and open space are not eligible for funding, they are giving you their opinion not a statement of fact from the Rescue Act guidelines or US Treasury.
- + **Trails and parks are infrastructure.** They provide well-documented stormwater benefits. They often assist in local and regional multi-modal transportation. They provide corridors for broadband and other utilities. Trails, in particular, are already funded through federal infrastructure bills, so allocating federal funds to trails as infrastructure is not a stretch. It is established precedent.

What does this mean for conservation, trails, parks, and recreation? (cont.)

- + **Parks, trails, and recreation are critical elements of our public health response and recovery.** The public health benefits of the outdoors were well-known prior to the COVID pandemic, but the last 18 months have significantly elevated the importance of public open space during public health emergencies. These amenities provide socially-distanced space for recreation at a time when other facilities, such as gyms were closed or had limited capacity. They also provide essential benefits to mental health, which is specifically identified in the Rescue Act guidelines.
- + **Parks, trails and open space are critical tourism assets.** Prior to the COVID pandemic, trails, parks, and open space were already major drivers of tourism. While other parts of the tourism and hospitality sector remained shuttered for much of the pandemic, outdoor amenities proved their resiliency even during times of economic and social disruption. Most parks and trails experienced exponential growth in visitation—both from local visitors and tourists—which helped sustain local economies across the state. Use of state parks and forests increased by 27% during the pandemic, while many trails across the commonwealth experienced increases of more than 200%.

What does this mean for conservation, trails, parks, and recreation? (cont.)

+ **Investment in trails and parks helps address racial and socio-demographic disparities.** One of the priorities highlighted in the Rescue Act is to ensure funds reach historically-disadvantaged communities. Communities of color and low-to-moderate income communities especially suffer from disparities in access, but many rural areas also lack access. PA DCNR, the Trust for Public Land, and WeConservePA produced a [dynamic mapping tool](#) that identifies parts of every county that currently have the least access to trails and parks. Supporting better access or new facilities in these areas would be consistent with ARPA priorities.



What specific ways can the funds be spent?

- + This is a non-exclusive list of potential uses for your county or municipality to consider:
 - + Acquisition or construction of new trails, parks, and recreation facilities to aid your community in improving: economic recovery, public health, stormwater management, outdoor recreation access, etc.
 - + Maintenance of trails, parks, sports fields, and other amenities damaged due to overuse during the pandemic
 - + Funding of recreation programs reduced or eliminated due to lost municipal revenue
 - + Bicycle and pedestrian improvements, especially in tandem with other infrastructure projects, such as street paving due to waterline replacements
 - + Trail or park construction or rehabilitation undertaken as part of a broadband project (i.e., building a trail over land acquired for buried fiber optic conduit; or rehabilitating a trail after conduit has been buried beneath it)

What specific ways can the funds be spent? (cont.)

- + Provide direct allocations to non-profit organizations, such as the following, to aid in their recovery and enhance their ability to provide essential community services:
 - National and State Heritage Areas
 - DCNR-designated Conservation Landscapes
 - Friends groups serving state and federal public lands
 - Land and water conservancies and other conservation organizations, including trails organizations
 - Trail Town, River Town, and Outdoor Town programs
 - Local and regional recreation commissions
 - Main Streets and Business Improvement Districts engaged in nature-based placemaking

What specific ways can the funds be spent? (cont.)

- + Create competitive grant programs for a variety of non-profits and allow the above organizations to apply—or prioritize conservation and outdoor recreation organizations within broader competitive grant programs.
- + Provide funding to regional Tourism Promotion Agencies, Destination Marketing Organizations, or Convention and Visitors Bureaus and require that a portion of funds be reserved for trails, parks, and businesses serving nature-based tourists.
- + Note that all organizations receiving direct allocations and competitive grants must still adhere to the Rescue Act Funds.

Some real-world examples

- + In York County, the Commissioners established the YoCo Strong Recovery Task Force, which made dozens of recommendations on the use of the county's ARPA funds, including \$1.1 million to four conservation projects/organizations:
 - + Hanover Trolley Trail Phase 1 Development– York County Rail Trail Authority: \$500,000
 - + Camp Donegal Park Conservation – Lancaster County Conservancy: \$400,000
 - + South Mountain Trolley Greenway Planning/Development – Dillsburg Borough: \$100,000
 - + Susquehanna Heritage operations and programming: \$100,000
- + In Warren County, a large municipality is allocating \$500,000 and seeking a \$500,000 match from the county for a boat launch that is part of a waterfront development project. The ARPA funds may match DCNR and RACP commitments.
- + A rural township in south central PA is allocating \$150,000 for acquisition of a new park property that will expand recreational access to an underserved part of municipality.

What is the timing for Rescue Act funding?

- + Your county or municipality began receiving funds in **June 2021**. Most counties and municipalities are already discussing how to allocate their funds. Some counties have proactively assembled advisory committees or task forces to create formal recommendations; others may make decisions with very little public input. In any case, the time to reach out is right now.
- + All Rescue Act funds must be obligated by the recipient government by **December 31, 2024** and expended by **December 31, 2026**. This gives a considerable window for use of the funds, even for complex or time-consuming projects. It also allows for multi-year commitment of funds to programs or organizations.
- + Counties and cities had to submit a one-time “interim report” by **August 31, 2021** outlining the use of their funds. The next report is due **October 31, 2021** and then annually or quarterly depending on the size of the municipality and its allocation.
- + Most reports submitted to date are very general and still allow significant flexibility in expending funds for conservation uses.

What should you do—right now?

- + Reach out to your county or municipal leadership now! Believe me, everyone else is already doing this, and often the squeaky wheel gets the grease. Conservation groups should be doing the same. Be the squeaky wheel, make your case!
- + Reach out to your municipal manager, council, supervisors, county commissioners, administrator, or executive to learn what process your county or municipality is using to allocate funds
- + Submit a formal letter to your county or municipality to request funds, documenting your anticipated needs and making your case for why your project or program is important
- + Share this presentation and WeConservePA's legal opinion with your county or municipal leadership to show that trails, conservation, parks, and recreation are eligible for funding
- + Tie your work to economic development, business growth, tourism, and infrastructure. For better or worse, those concepts resonate with policymakers more so than trails, conservation, and recreation. We all know they are one and the same. **Note that tourism and economic development are eligible—and prioritized—under the Rescue Act.**

What should you do—right now? (cont.)

- + Go public. Write an op-ed about your organization's contributions during COVID and how you've been negatively impacted; issue a press release; arm your board members with talking points. Again, this is what private sector businesses and advocacy groups do every day—and your organizations are just as deserving of funds as they are.
- + Use data. For example, in York County we used trail counters to show a 300% increase in trail use in April and May 2020 versus the same time in 2019. That's a pretty definitive way to show your trail has been an essential service and seen significant impact due to COVID.
- + Use your creativity. You know better than anyone else how your parks, trail, recreation organization, or favorite open space fits into your municipality or county's recovery from the pandemic. Your elected officials will be approached from people advocating that their pet project; specific industry; specific business or organization; or old college roommate receive funding. But you are advocating on behalf of public assets that serve thousands of people across your community. This is a not a time to be coy, humble, or shy about the role the outdoors plays and the need for governments to invest in them. If you don't ask, others will.

What shouldn't you do?

- + Wait. You need to act now before plans to allocate funds are made without your input.
- + Let someone brush you off. The reality is that the US Treasury issued one set of guidelines. They are publicly available and straightforward, but they are intentionally written to be flexible to the needs of county and local governments. Different groups will put out their own interpretations of the guidelines, but if someone tells you they are an expert in the Rescue Act, that's a sign that they aren't. If someone tells you they know definitively that a specific use is eligible or ineligible, that is a red herring. They are likely giving you their opinion and not a fact. Don't sacrifice relationships or hurt your project in the long-run by being rude or unprofessional, but make your strongest and best case—and make it more than once.
- + Misuse these funds or try to get funds if you don't need them. There are enough legitimate uses of Rescue Act funds without needing to bend the rules.

Do you have examples of creative ways your municipality or county has invested Rescue Act funds in conservation, trails, open space, or outdoor recreation? Please let me know at schamberlin@yceapa.org.

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