



MEMORANDUM

TO: Snohomish County Council

FROM: Dave Somers, Snohomish County Executive

SUBJECT: Recommendation for American Rescue Plan Act (ARPA) Funds Appropriation

DATE: July 14, 2021

CC: Geoffrey Thomas, Eric Parks, Lacey Harper, Ken Klein, Kendee Yamaguchi, Jason Biermann, Mary Jane Brell-Vujovic

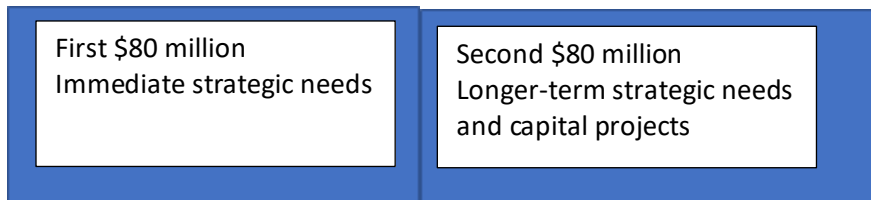
Snohomish County was home to the first case of COVID-19 in the United States, and therefore has been responding to the global pandemic longer than any other local jurisdiction in the country. As such, we have partnered with the Snohomish Health District, state of Washington, cities, towns, Tribes, fire districts, non-profit organizations, companies, and individuals to ensure we prevented deaths, limited disease in our community, protected our health care system, helped the private sector and workers, organized mass vaccine sites, and otherwise responded to the first major global pandemic in 100 years.

Since Snohomish County is a regional service provider for the entire county and a local service provider for unincorporated portions of the county, we must by necessity use partnerships to ensure all of our programs fit well with the strategies of other jurisdictions and the many needs of the county. In particular, our partnership with cities and towns has been a very important component of our response and recovery strategy. Cities and towns were faced with a significant decrease of business activity and a huge spike in unemployment. We have shaped our response and recovery programs to complement ongoing efforts and fill in gaps where possible.

The following proposal will allow us to shift formally from response to recovery and keep forward momentum for ensuring our entire community can be stronger in the long term from the negative effects of the COVID-19 pandemic.

American Rescue Plan Disbursement

On March 11, 2021, the President signed the American Rescue Plan Act (ARPA) into law. ARPA payments to local governments are intended to support our efforts to respond to and recover from the COVID-19 pandemic. Under the provisions of the law, Snohomish County is expected to receive a total of \$160 million in two \$80 million payments. Snohomish County received the first \$80 million payment in May 2021. The second payment is expected in May 2022.



The Snohomish County Executive Office proposes to use the first \$80 million ARPA payment to address the critical needs in our community, from continued response to the COVID-19 pandemic to launching our recovery office. The first tranche of ARPA funding by necessity will be used for shorter term strategies and address critical community needs. The second tranche (\$80 million) will be used for longer term strategies and capital needs.

With the continued state and local-level emergency declarations, Snohomish County needs to use all available funding sources to meet diverse needs, including the projected end of the eviction moratorium, the need for a response to a continuing public health crisis, the exacerbation of the housing affordability crisis, the significant negative impacts to small businesses and tourism, the spike in behavioral health and substance abuse disorders, and other critical challenges. The first \$80 million tranche of ARPA funds will be directed toward these ongoing community needs.

Strategic Framework

The Executive Office recommends a framework based on the principles of *Stabilize, Organize, and Strategize* to prioritize and invest Snohomish County’s first \$80 million installment (of the total \$160 million) of ARPA funds to support continued response and recovery from the COVID-19 pandemic. We define those principles in the following way:

- *Stabilize*: Ensure that Snohomish County can provide essential services to our residents.
- *Organize*: Create a coordinated effort based on shared goals and SMART (Specific, Measurable, Achievable, Realistic, Time-bound) objectives.
- *Strategize*: Make strategic investments based on:
 - *Immediacy*. Businesses need to reopen their doors, and people need outreach assistance and skills development to match them to available jobs.
 - *Inclusivity*. An important lesson we learned from expending last year’s CARES Act funding is that moving resources exclusively and very quickly through existing mechanisms can exacerbate economic and racial inequality.

- *Complementarity.* Whenever possible, use investments to boost strategies already in progress.
- *Future prosperity.* Create opportunities that will endure well beyond the lifespan of these funds.

Our primary focus for the priorities we’re recommending for the first investment of \$80 million is on stabilizing and organizing around strategies that can have an immediate impact, are inclusive, and are not funded by other resources. We anticipate using the second installment of ARPA funds to continue focusing on inclusivity and an increased investment in complementarity and future prosperity at the individual and community levels. The recommended proposal addresses immediate needs through an equity lens, continues programs needed for stability to be successful, especially for the personnel involved, and invests in a gap analyses to ensure we make the best use of all funds available.

Moving Toward Recovery

Recovery Framework

Stabilize

- Ensure we can continue to provide our residents the essential services they expect from the County.
- Support efforts to mitigate COVID-19 by providing vaccines, contact tracing, and testing

Organize

- Provide the resources necessary to facilitate a well-coordinated and well-communicated recovery.

Strategize – Immediacy

- Invest in the recovery of individuals and households.
- Support small businesses struggling to remain solvent.
- Retain businesses and our established talent.

Strategize – Inclusivity

- Ensure our efforts reach all members of our community.
- Build the resiliency and sustainability of our Human Services Department and our Community Service partners.
- Attract new businesses with a focus on BIPOC-owned.

Response “Buckets”

Community Support

- Invest in the recovery of individuals and households.
- Build the resiliency and sustainability of our Human Services Department and our Community Service partners.
- Ensure our efforts reach all members of our community.

County Operations

- Ensure we can continue to provide our residents the essential services they expect from the County.
- Provide the resources necessary to facilitate a well-coordinated and well-communicated recovery.

Economic and Workforce Recovery

- Support small businesses struggling to remain solvent.
- Retain businesses and our established talent.
- Attract new businesses with a focus on those that are BIPOC-owned.

Public Health

- Support efforts to mitigate COVID-19 by providing vaccines, contact tracing, and testing.

DRAFT AS OF MAY 17 2021

PUBLIC HEALTH

TOTAL

\$1,500,000

The ongoing response to COVID-19 will require additional resources to ensure that we adequately mitigate the pandemic’s impact on Snohomish County.

Stabilize

Support ongoing efforts to mitigate COVID-19

\$1,500,000

Although most of Snohomish County’s residents are now fully vaccinated, there is a significant population that is not, and the threat of variants remains. The requested funds will support Snohomish County’s efforts to continue providing vaccines via community-based clinics, to support contact tracing and testing, and to ensure our partners in these efforts get compensated for things not covered by other federal reimbursement programs (e.g., FEMA Public Assistance).

Of the total \$3 million, \$1/2 million will be appropriated to the Department of Emergency Management, \$1 million to the Health District and \$1.5 million will be set aside in the second installment.

COMMUNITY SUPPORT

TOTAL

\$27,530,500

In developing the proposed uses of these funds, the Human Services Department is recommending the first installment as the “bridge” between the CARES/CRF and CAA/CRRSAA funds and the second installment of ARPA funds to address the objectives outlined below:

Goal 1: Invest in supporting the recovery of individuals/households from the challenges created and/or exacerbated by the COVID-19 pandemic by effectively addressing evolving and sudden changes in economic, social, and environmental conditions in the human services and housing arena.

Goal 2: Develop, expand, and enhance the resiliency and sustainability of the Human Services Department and our community services network to reflect the diversity of Snohomish County and offer effective services in a strengths-based, trauma-informed, and individuals/household-centered manner by partnering with philanthropic organizations and other jurisdictions in the investment of resources to support systemic recovery at all levels in the human services and housing arena.

Goal 3: Ensure efficient and effective compliance with federal and state funder requirements.

In addition, the Department took into consideration the \$262 million in CAA and other ARPA funding that is being made available, as well as the \$26,875,000 million being requested in CARES/CRF by Human Services. Input from a wide range of sources are reflected in the overall proposal, including:

- County and Human Services Monthly Calls hosted by CMs Dunn and Wright
- Local municipalities

- Housing Affordability Regional Taskforce
- Community Services Advisory Council (Community Action Agency Board)
- Consolidated Plan/Action Plan development process (for several HUD Programs)
- Partnership to End Homelessness (HUD Continuum of Care Board)
- Chemical Dependency and Mental Health Advisory Board
- Children’s Commission
- Developmental Disabilities Advisory Board
- Council on Aging
- Veterans Homelessness Committee
- Housing Consortium of Everett and Snohomish County
- Snohomish County Funders Coalition
- Community Foundation of Snohomish County
- Immigrant and Refugee Services NW
- Other members of the Washington Association of Area Agencies on Aging
- Participants in the Washington Low Income Housing Alliance
- Other direct services providers
- Survey of 14,500 county senior residents (with more than 3,000 responses) in multiple languages [draft under review]

Strategize – Immediacy

Access to Benefits and Enhanced Senior Services \$840,000

Dedicated funds to be used to continue to support 211, Senior Information Line, and Domestic Violence Information Line volume increases due to the pandemic, as well as continued Northwest Justice Project services to fund pandemic-related gaps in civil law responses associated with eviction moratorium violations and anticipated end of the moratorium.

Educational Readiness and Enhanced Early Learning \$4,600,000

Continue providing early learning supports including continuing the childcare services offered by the YMCA and Boys and Girls Club with services expanded to a wider range of essential workers. We are also proposing to have funds available to provide vouchers for childcare to family members who need childcare to look for work and for continued care until the receipt of the first check and/or starting on the Working Connections childcare program. The vouchers would be “choice” vouchers which could be used at any licensed facility consistent with the family’s needs and could include care for any age range.

Childcare for Essential Workers \$655,500

Essential Workers are critical to ensuring the health, safety and basic needs infrastructure of the community and often need affordable, accessible and safe childcare for their children. COVID-

19 has impacted availability, access to and increased costs for childcare. This funding will provide continued support for childcare for Essential Workers through August of 2021.

Food Security **\$1,000,000**

Continue ensuring food and culturally appropriate food is available to high need areas throughout the county.

Behavioral Health **\$1,900,000**

Given the dramatic increase in substance use disorders resulting from the pandemic, Human Services is proposing to launch a Recovery Support Services Pilot Project to provide easily accessible substance use disorder recovery support services including transitional housing support in a person-centered manner as part of a flexible and tailored recovery-oriented system of care. The intent is to engage and retain people in treatment, support their ongoing recovery and re-entry into the workforce and community.

Expand adolescent mental health services in interested schools, continue the telephone reassurance program, and continue support for Hope Options which combines housing and services for seniors with behavioral health challenges.

Housing Stability **\$9,500,000**

Multi-pronged sheltering effort including keeping people currently in motels subsidized by the County housed during the pandemic while offering other services to support stability and long-term self-sufficiency/resiliency of the individuals served.

Provide rapid rehousing assistance including move in costs for families who become homeless due to the pandemic.

Launch a Housing Stability for Families Pilot Project to help all system partners (education, workforce development, and other community groups) work together to help families with very young children obtain and retain stable housing to include flexible funding and one-on-one support for families to address their housing-related and income needs.

Please note, the Department has received an additional \$75 million in CARES/CRF and CAA/CRRSAA funds for emergency rental assistance and utilities and has received/will be receiving another \$90 million more in additional ARPA funds “dedicated” for rental and utility assistance as well.

Other Support Services **\$4,660,000**

Continue providing funding for staffing support to Family Support Centers and expand the network to include other community service centers as well as resources to help individuals and families meet their immediate and complex service needs.

Innovative grants to senior centers for service enhancements to reduce social isolation.

Strategize – Inclusivity

Employment Center/Workforce Development **\$1,600,000**

Dedicate funds to help individuals who have not been able to enter or re-enter the workforce due to the pandemic with enhanced workforce entry supports including the establishment of a center to provide intensive and customized support. A portion of the resource will be dedicated to ensuring B-FET services are available to individuals in need. Please note we anticipate dedicating another \$1 million in CSBG-CV2 funds made available through the State to provide high intensity subsidized work experience opportunities to those most in need of this experience.

Organize

Network Building **\$1,000,000**

Conduct another round of small grants to local non-profits serving individuals and families furthest from opportunity through the Community Foundation of Snohomish County which will also continue providing capacity building support to participating entities.

Staffing Costs **\$1,775,000**

Hire 9.2 additional project staff to support direct service delivery by the County as well as coordinate supports for our community network of service delivery providers. Human Services is proposing to hire 5 additional project staff to assist in management of administrative oversight of the services delivered. These costs include the cost of redeployment of permanent staff to address compliance and reporting requirements as well as evolving database and reporting requirements being instituted by the federal and state governments. These funds will support these positions and associated costs for a period of up to 12 months for each position, recognizing that there may be staggered start dates.

The 14.2 FTE positions being requested are as follows:

- 5 are for administration/oversight including 1 Account Specialist, 1 HSS I, 2 HSS IIs, and 1 HSS II - Lead.
- 9.2 are for direct services and service coordination staff including 2 HS Planners, 7 Community Services Counselors (aka “Navigators), and a .2 Case Manager (to make a .8 position whole).

ECONOMIC AND WORKFORCE RECOVERY

TOTAL

\$28,250,000

In 2021, Snohomish County’s Economic and Workforce Recovery Task Force and Council Advisory Groups met to discuss current and future economic recovery and resiliency efforts due to the COVID-19 pandemic. Three overarching themes emerged that bridged past work to future needs for recovery: providing assistance to small business to aid in the recovery of local communities; retaining and reskilling existing talent to support local businesses in growing industries; and expanding the counties economic and job opportunities by creating, attracting, and growing businesses. The following initiatives are recommended to foster a wholistic County-wide approach for an inclusive and equitable economic recovery.

Strategize — Immediacy

Many small businesses and workers in every community across Snohomish County struggled during the COVID-19 pandemic. Small businesses were forced to close as customers and revenue disappeared and thousands of workers were laid-off. As Snohomish County begins to reopen and pandemic restrictions are eased, there is an immediate need: to provide support to small businesses as customers return; to provide opportunities for workers to find new careers; and to assist growing industries throughout the county.

Support Small Businesses in Local Communities

\$10,500,000

Supporting small businesses, particularly those owned by women and people of color, as they reopen, and welcoming back customers is key for the county’s economic recovery. This goal consists of two initiatives to build resiliency in small businesses. The first initiative would build long-term operational development into small businesses by providing services such as digital technical assistance, funding, and advisement to support day-to-day operations. The program would include building an online presence where businesses and individuals will have a one stop hub for resources and information to receiving guidance. Operational tools will also include accounting and HR software, website and social media platforms, and point of sale solutions to aid in their business. Many local restaurants in Snohomish County have struggled to stay in business due to lockdowns and/or capacity restrictions that have been in effect for over a year. The second initiative would drive customers to small businesses by encouraging patrons to visit small retail and restaurant businesses throughout Snohomish County.

Retain Talent and Businesses

\$5,250,000

Provide reskilling and upskilling services to laid-off workers with a focus on women and people of color, who have left the job market to pursue training in growing industries such as: life sciences, space, software, and maritime. Qualified candidates would receive technical training from a recognized training provider (community college, coding school or technical training college) for re-skilling and certification for a new career. The curriculum would specifically

target workers to be trained for soft skills (communications, problem-solving and interpersonal skills) along with hard skills (technical, computer, analytical, marketing and management skills) to fully round out the worker's abilities to fulfill open jobs. In addition, candidates will also receive job placement support (resume writing, interview coaching, etc.) to prepare them for entering the job market.

Create, Attract, and Grow Businesses **\$2,100,000**

Create a marketing and promotional campaign with economic, workforce and tourism development community partners that focuses on bringing new businesses, investments and visitors to the County. Special focus will be on encouraging visitors to patronize leisure and hospitality businesses – particularly to women owned small businesses and businesses of color. The program will work to attract new businesses to expand and relocate into the County through target industries such as aerospace, advanced manufacturing, and life sciences. The program would include working closely with businesses, education, and skill providers to foster the development of new talent to support growing businesses across Snohomish County.

Strategize – Inclusivity

Businesses owned by, and workers who are, women and people of color were disproportionately impacted by the pandemic. Making sure that all Snohomish County businesses and workers can take part in economic recovery is important for an inclusive recovery as well as long-term sustainable and equitable growth.

Support Small Businesses in Local Communities **\$550,000**

Small businesses will receive no-cost one-on-one confidential advising from a small business consultant who will work with new small businesses to develop a business model that includes a resiliency strategy tailored to the business' needs. Advising services would particularly target women and businesses of color. This assistance would include finance and market plan development, training, access to capital, new market identification, regulatory compliance, and general business operations advisement to foster greater long-term resiliency in small businesses.

Create, Attract, and Grow Businesses **\$2,100,000**

Establish a program across Snohomish County to assist the expansion and retention of businesses in driver industries such as aerospace, advanced manufacturing, and life sciences. This would include providing technical assistance (workforce hiring and training, permitting, transportation, energy and infrastructure solutions) to build long-term growth. The focus of the program will be to support employers with a workforce of over 100 employees. The program also includes integrating innovative technology platforms for County-wide economic development professionals to access data and share information with peers with the goal of maintaining the health of all businesses in the County.

Strategize – Complementarity

As part of the greater Puget Sound regional and global economy, successful business recovery in Snohomish County means businesses need to adopt new technologies to remain competitive and workers need to be upskilled to stay current with increasing technological demands of their careers.

Retain Talent and Businesses **\$2,100,000**

Create a best in class business model that incorporates new technologies to support innovation in advanced manufacturing and leverage previous work on the 5G agriculture resiliency project. The program will aim to expand the current field labs and develop additional 5G field labs that supports the growth and expansion of advanced manufacturing facilities in all parts of Snohomish County. This program will spur job creation via 5G technologies to manufacturing. Startups and corporate partners will activate this investment and enable our manufacturers, farmers and business owners to discover, build, test and validate applications that solve real-life use cases.

Retain Talent and Businesses **\$3,150,000**

This program will provide workforce services to individuals in Snohomish County who face barriers to employment and have been out of the workforce for over 12 months, or face barriers that inhibit them from entering the workforce. It would develop career pathways support for individuals particularly women and people of color, for careers in high demand occupations and growing industries in Snohomish County. The two-year pilot program could achieve region-wide career training for high-demand occupations such as registered nurses, software developers, teachers, logistics and distribution equipment operators, etc.

Invest in Economic Development **\$2,500,000**

Provide funding to the Ports of Snohomish County and the Public Facilities District to drive economic recovery. A total of \$4,000,000 is being recommended in both the first and second installment of ARPA funds.

COUNTY OPERATIONS AND RESERVES

TOTAL **\$22,559,492**

Stabilize

Restore general fund services (Law & Justice) **\$3,136,837**

During the pandemic, key operations throughout the county were reduced or in some cases eliminated due to actual or projected revenue shortfalls. This funding will be utilized to reinstate critical functions of county government that were necessarily reduced or unable to be performed.

This funding will be used to fund two year project positions for the Superior Court, Prosecuting Attorney, County Clerk and Office of Public Defense as proposed by the departments.

Council District Projects **\$2,500,000**

Provide support to defined geographic areas by Council District to support recovery efforts from the pandemic. \$500,000 per district.

Imagine Children’s Museum **\$500,000**

Invest in the Imagine Children’s Museum’s capital expansion to provide additional hands-on exhibits to increase access to innovative programs that foster 21st Century learning skills for children. Over 250,000 children and families visited the Imagine Children’s museum in 2019. This critical regional asset for children will be a vital resource in addressing the developmental gap for young learners and school aged children, who have lost nearly 2 years of instructional learning; provide quality learning and social and emotional development opportunities outside of the traditional classroom; and provide a welcoming safe place for children to play. Research has shown that by investing in high-quality, birth-to-five early childhood programs for underserved families, it “yields a 13% return on investment per child, per annum through better education, economic, health, and social outcomes.”

County/City Matching Partnership Grants **\$2,000,000**

Provide grant opportunities for City matching funds to create a multiplier effect to ensure that the ARPA dollars get stretched as far as possible for the sake of local businesses and lasting economic recovery.

County/City Collaborative Planning **\$250,000**

Facilitate a joint County and City collaborative planning process to ensure the second installment of the ARPA funds are well-coordinated and will leverage recovery funding county-wide.

Future Disaster Training Opportunities **\$100,000**

Provide funding to prepare and train for the next potential disaster.

Organize

Office of Recovery **\$1,650,000**

The Executive and Council established the Office of Recovery to develop and implement a successful recovery plan in collaboration with local jurisdictions, tribes and government services, the health, human services and medical community, the private sector, non-profits, and schools to recover the local economy, focus on the communities’ long-term recovery, and build resiliency for both communities and businesses. The amount requested in the attached ordinance is \$1,012,072 as \$637,928 has already been appropriated.

Strategize - Immediacy

Hazard Pay **\$2,500,000**

Provides a one-time hazard payment (\$1,250) from federal ARPA funds to those front-line Snohomish County employees who throughout the pandemic have been public-facing and engaged in essential government services.

Continue to upgrade essential County Services (Competitive Process) **\$2,227,555**

The pandemic has greatly reshaped how the County delivers services, changed the way that many employees work, and created opportunities for efficiencies in business processes. This funding is forward-looking and will be invested in technology infrastructure and systems to support this new reality. Similar to how the operations bucket was utilized in the CARES funding, in order to obtain this funding, departments/requestors will create business cases documenting how they would use this funding to improve their systems. A team consisting of Facilities, Finance, Operational Excellence, IT and Executive will score the proposals, confirm that the expenditure meets ARPA criteria and authorize the transfer of funding to the department/organization.

Continue to upgrade essential County Services **\$350,600**

The District Court and the Assessor have proposed utilizing ARPA funds to improve their operations. The District Court will utilize \$ 303,845 to hire temporary staff and purchase technology and equipment in order to address existing case backlog and modernize court operations with additional remote opportunities. The Assessor will utilize \$46,755 to purchase iPads, peripherals and cellular data service for use with Mobile Assessor software and cloud services will improve efficiency for field personnel for property inspections, new construction, business personal property audits and supervisor review of work.

Strategize - Inclusivity

Ensure all recovery efforts receive an equity lens **\$2,000,000**

Across the United States, State of Washington, and Snohomish County, Black, Indigenous, and other communities of color (BIPOC) have experienced higher rates of COVID-19 infection, mortality, food insecurity, housing instability, job loss, and have had less access to resources than their White counterparts as a result of systemic racism. Snohomish County has an obligation to ensure that residents who have been most adversely impacted by the pandemic will have an equitable chance to rebuild their lives and pursue opportunities that enrich communities.

In order to accomplish this goal, we must prioritize equity and social justice. We will do this by establishing a BIPOC Business Fund, BIPOC-oriented community advocate and navigator Program, and a Countywide equity and social justice campaign including a coalition to address racism, hate, and bias.

This work will be done in collaboration with the Office of Social Justice, Economic Development, Human Services, BIPOC leaders and BIPOC-led community-based organizations.

Reserve for Unanticipated Needs

\$5,344,500