

MEMO

To: Chairs, House and Senate Appropriations Committees
From: Karen Horn, Director Public Policy & Advocacy
Gwynn Zakov, Municipal Policy Advocate
Date: Tuesday, January 4, 2022
Re: \$350,000 Request to Expand ARPA Assistance and Coordination
Program and Establish Federal Funding Assistance Program

On behalf of its 246 member cities and towns, VLCT is requesting \$350,000 in additional funding to expand the capacity and reach of the ARPA Assistance and Coordination Program to offer a single, statewide resource capable of helping towns navigate federal funding opportunities beyond ARPA, including the recently passed Infrastructure Investment and Jobs Act.

ARPA Assistance and Coordination Program Expansion (\$100,000):

We thank the legislature for funding the American Rescue Plan Act (ARPA) Assistance and Coordination Program at VLCT. Under the direction of Director, Katie Buckley, the program logged significant and early success when every eligible non-entitlement unit (NEU) in Vermont except one accepted their ARPA awards. ***This program – in coordination with legislatively-directed funding provided to the state’s regional planning commissions -- ensured Vermont municipalities drew down more than \$200 million in funding that might have otherwise been left on the table.*** We provided an early update to the General Assembly in July 2021 and have included a year-end summary with this memo for your reference.

Over the last several months, we have learned that the need for targeted reliable information, technical assistance, advice and coaching, and coordination with state and federal partners are essential to ensure towns fully comply with the law, optimize the direct aid ARPA provided them and leverage other funding resources for greatest impact. The ARPA Assistance and Coordination Program is proving to be money well spent – for towns, state government and statewide partners.

When the Legislature created the ARPA Assistance and Coordination Program in the Spring of 2021, VLCT provided a best estimate of the dollar figure necessary to help municipalities access, spend and report on the newly-created Coronavirus Local Fiscal Recovery Fund. Our estimate did not anticipate the doubling of the grant period from three years to six years or the volume and depth of requests Vermont’s cities, towns and villages would make even before they received or spent any money (more than 1,500 requests for assistance and information as of

today). To meet this demand, we are requesting \$100,000 to continue the program and legislative language that clarifies that the Legislature expects VLCT to continue this program until 2027 – when municipalities will be conducting final reporting and grant closeout.

Create Federal Funding Assistance Program (\$250,000):

At the same time, VLCT requests \$250,000 to build on the success of the ARPA program by creating a Federal Funding Assistance Program to help local governments access new federal money that will be available through the Infrastructure Investment and Jobs Act and the Build Back Better legislation, should it win passage. The program will offer one-stop technical assistance to municipalities as they figure out how to access, spend and report on the more than \$2 billion in federal infrastructure funding coming to Vermont. VLCT is already receiving dozens of requests for assistance related to the new funding. A VLCT December 2021 webinar on the topic attracted nearly 300 municipal officials.

VLCT will coordinate with regional planning commissions, regional development corporations and district transportation administrators who have proven track records providing technical assistance and project management within their regions on projects that fall within their subject areas of expertise. VLCT's role would be to provide a single, statewide resource that addresses the entire, and now expansive, range of programs local officials need to know about. VLCT is ready to use the lessons learned from the ARPA Coordination and Assistance Program to meet this need.

A VLCT Fall 2021 member survey revealed that our members rate grant research, grant writing and grant management as one of the top three services necessary to help municipalities succeed – behind only IT support and financial expertise. Many of Vermont's small towns lack the internal resources to discover the universe of possibilities and the resources to navigate the myriad of applications, implementation, tracking and reporting requirements.

VLCT's Federal Funding Assistance Program will:

- Maintain a comprehensive list of federal resources available to municipalities
- Provide simple to navigate and understand summaries and analysis of newly enacted infrastructure legislation to ensure municipalities can access new resources
- Provide one-on-one support and technical assistance to municipalities as they learn about, apply for, and administer federal funding
- Act as a liaison between state and federal agencies, and municipalities
- Assist municipalities in project development regarding financing options and provide coordination amongst multiple funding programs

- Coach municipalities on efficient and effective use of resources
- Connect municipalities to relevant funding opportunities and grant writers
- Participate with state agencies in drafting program language to ensure programs are accessible, navigable, and appropriately designed for applicable Vermont towns of all sizes and geographic locations
- Assist state agencies to find efficiencies in the delivery of their programs to municipalities
- Coordinate with state agencies and other stakeholders on timing, messaging, training, and execution of state programs to better support municipalities
- Work with other state and federal organizations to find creative financing models and tools for municipal projects.

We are happy to discuss this proposal for assistance that will enable local governments to best avail themselves of future federal programs, including the Infrastructure Investment and Jobs Act and Build Back Better legislation, to build a more economically vibrant, resilient and sustainable Vermont. Thank you for your attention to this request.