

**TO:** Michael Van Milligen, City Manager

**FROM:** Teri Goodman, Director of Strategic Partnerships

**SUBJECT:** American Rescue Plan Act (ARPA) and Bipartisan Infrastructure Law (BIL) Grant Updates and Inflation Reduction Act of 2022

**DATE:** August 11, 2022

## **INTRODUCTION**

This memo transmits a packet of information and the PowerPoint presentation for the upcoming August 15<sup>th</sup> City Council Work Session on the ARPA/BIL grant updates and a summary provided by Sustainable Strategies DC of the recently passed Inflation Reduction Act of 2022 and attendant grant opportunities for the city.

The work session is intended to update the City Council on the ongoing coordinated staff efforts to achieve federal, state, and private infrastructure grants to advance the City Council Goals and Priorities and to achieve incremental success with the Imagine Dubuque Comprehensive Plan, the Arts and Culture Master Plan, the Equitable Poverty Prevention and Reduction Plan and the Climate Action Plan.

## **BACKGROUND**

At the March 11, 2022 work session report to City Council, staff described the content and purpose of two pieces of landmark federal legislation – the American Rescue Plan Act (ARPA) which passed on March 10, 2021 and the Bipartisan Infrastructure Bill (BIL) which was signed into law on November 21, 2021. These two programs, combined, provide over one trillion dollars in Coronavirus relief funding and included unprecedented grant opportunities for states, local governments, small businesses, and nonprofit organizations.

ARPA provides \$1.9 billion in Covid relief funding and grants intended to support those most severely impacted by the global pandemic. BIL provides once in a generation investment in infrastructure with specific focus on climate and equity. This legislation allocated roughly one trillion dollars to upgrade transportation infrastructure, close the digital divide, improve the electric grid, and make communities healthier and more resilient.

The City of Dubuque staff responded to these opportunities by hosting four, three-hour, community sessions bringing together over nearly two hundred city staff and over fifty nonprofit and private sector leaders to review opportunities for grants and to identify strategies to work in partnership with a goal of recovering from the pandemic and building a stronger, more equitable, resilient, and sustainable Dubuque. City staff and partners collectively identified guideposts or “North Star” documents to aid in efforts to measure progress through successful grant applications. These documents include City Council Goals and Priorities, the Equitable Poverty Prevention and Reduction Plan, Climate Action Plan, Arts and Culture Master Plan, and the Imagine Dubuque Comprehensive Plan.

Outcomes of these meetings included: creation of an ARPA/BIL webpage on the City of Dubuque website, posting a list of grant writers in the Dubuque community, addition of a staff person to assist with grant research and analysis, and creation of a digital and visual “story board” that would allow city residents, nonprofit, private sector, state and federal partners an opportunity to view progress made toward measurable results in economic recovery and infrastructure improvements through the prism of the five city plans and council priorities. An ARPA SharePoint site and a BIL SharePoint site have been created and are accessible.

## **DISCUSSION**

ARPA and BIL are multi year programs. ARPA grant funds are significantly committed now with obligation of funds open until Dec 31, 2025. BIL grant opportunities will continue for four more years with some funds able to be obligated rather than spent as late as 2028.

### Process

City staff and partners meet monthly and are divided into two large groups – a Built Infrastructure Team and a Human Infrastructure Team. At these Teams meetings members share updates on grant applications, discuss future grant opportunities and explore partnerships that leverage talent and funding. Andy Seth of Sustainable Strategies DC participates in these and other Teams meetings to provide guidance on technical aspects of specific grant opportunities and to assist staff and partners in thinking strategically about multiyear strategy for federal grant applications.

Both the Built Infrastructure Teams group and the Human Infrastructure Teams group are then divided into smaller more specific focus Team Channels to work on specific grants. For example, the Built Infrastructure Team has a Railroad Team Channel, a Surface Transportation Team Channel, an Airport Team Channel, a Trails Team Channel, and so on. So far this year, city staff and partners have participated in more than two hundred and fifty Teams meetings.

### Federal Grants

Federal agencies and departments release NOFOs (federal Notice of Funding Opportunities), which then trigger convening of a corresponding topic Teams meeting where participants explore grant funding applications to determine if there is a city

priority that aligns with the grant opportunity, whether or not the city of Dubuque or one of its partners is eligible, whether the City of partners have the required match to successfully apply for the grant and whether the City or its partners has enough match to demonstrate a competitive edge over other applicants. Grant writers are then identified and collaborative work with staff and partners takes place to meet deadlines for submission.

### State Grants

Significant portions of the federal ARPA and BIL funds flow through the states. The State of Iowa has received exponentially more dollars from EPA in the form of State Revolving Loan Funds for Clean Water and Drinking Water with a special allocation for Lead Service Line replacement. Additionally, most of the federal NTIA Department of Commerce broadband funds from ARPA and BIL flow through the state government. USDOT has also increased the amount of transportation funding allocated to states and funneled into traditional transportation funding accounts. For most of these funds, the State of Iowa must go through a public input process to determine how the funds will be disseminated. This process takes time and can require travel. City staff and partners monitor on-line webinars and meetings, provide input and travel to Des Moines when necessary for face-to-face meetings, all this in order to ensure that the City of Dubuque priorities are considered as part of the overall grant programming.

Of note, the federal government, as a part of its decision to pass grant funding through states, has required that each state define “disadvantaged community” for federal review and approval. This defined “disadvantaged communities” will be prioritized for funding programs. Smaller communities in the Iowa will be more competitive for these funds than their more populated urban counterparts.

In addition to state accounts being plussed up by federal program dollars, the Governor also received over one billion dollars to spend at her discretion in the state. *Destination Iowa* and the *Non-Profit Innovation Fund* are two such examples. City staff meet with and support partners who are interested in applying for these grant opportunities. The City of Dubuque prioritizes partnering for community-wide success.

### **INFLATION REDUCTION ACT**

The US Senate recently passed the Inflation Reduction Act of 2022, to provide investments in a clean energy and climate-smart economy as well as support for health care protections and federal deficit reduction. The proposed Inflation Reduction Act of 2022 will offer a variety of different programs over the next 10 years. Important to the City and its partners, there will be \$369 billion for Energy Security and Climate Change programs. These programs will include new grant opportunities which city staff will monitor and include in updates to City Council.

### **CONCLUSION**

City staff will continue to update you on grant opportunities through this unprecedented time in our history. No further action is required at this time.