



MEMORANDUM

Date: September 12, 2023

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Leshner
County Administrator

A handwritten signature in blue ink, appearing to read "Jan Leshner", is placed over the printed name.

Re: **Additional Information for the September 19, 2023 Board of Supervisors Meeting
– REVISED American Rescue Plan Act (ARPA) Coronavirus State & Local Fiscal
Recovery Fund (CSLFRF) Budget**

Pima County is at the midpoint of the American Rescue Plan Act (ARPA) Coronavirus State & Local Fiscal Recovery Fund (CSLFRF) funding period. At the advent of this pivotal federal allocation, the nation was in the height of the COVID-19 pandemic response. The County swiftly dedicated these critical federal aid funds to eligible projects in order to respond, reinforce and fortify the public health and economic well-being of County residents, and invest in Pima County's longer-term pandemic recovery. While the County remains on the frontlines of the response, this juncture offers an opportunity to re-examine and evaluate the current ARPA CSLFRF projects and their associated alignment with the current needs of the community.

The ARPA CSLFRF funding was designed to ensure that governments have the resources needed to respond to the COVID-19 pandemic, restore and recover from negative economic impacts to businesses and families, maintain vital public services amid declines in revenue; and build a strong, resilient, and equitable recovery through investments that support long-term recovery. These three pillars underpinning this funding lay a strong foundation yet allow for enough flexibility to allow communities to pivot their planned responses as community needs shift.

While there are some realignments needed, the funds to-date have been vital to the County and have enabled the County to make significant strides on behalf of services to this community. Detailed in the [ARPA CSLFRF 2023 Annual Report](#), existing projects have had tremendous impact on Pima County – in public health preparedness, economic support, and enhancements to the provision of County services. These strategic investments, approved by the Board on December 21, 2021, have assured the County's ability to respond to the direct and indirect effects of the pandemic.

On May 11th, 2023, President Biden declared the end of the pandemic national emergency. As the public health emergency has come to an official end, the County (and the nation) are in a new phase of the COVID-19 pandemic – better prepared to respond, react, and deploy

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resources directed to the community. Similarly, in this current phase of the pandemic, localities are seeing a rise in the indirect effects of the pandemic – specifically, economic need and longer-term and broader capacity investments to assure continued services for the community. Per the statute, ARPA CSLFRF dollars can be used, and pivoted, for a broad range of eligible and enumerated activities at the approval of the legislative body.

Most of the strategic investments already approved and in progress remain necessary, but this midway juncture of the funding period, and the removal of the public health emergency declaration enable the County to recalibrate, pivot and modify the ARPA CSLFRF allocation to new or existing projects. Overarchingly, the previously approved ARPA CSLFRF investments remain the same, with fiscal and programmatic adjustments (as determined by CSLFRF-implementing departments and County leadership), and new CSLFRF opportunities realized by overall cost adjustments.

This memo serves as a request to the Board for consideration and approval of budget modifications and new projects to be funded through ARPA CSLFRF.

Modifications of Existing Projects

U.S. Treasury (UST) allocated \$203,421,668 to Pima County in ARPA CSLFRF monies. Since the original approval of the draft ARPA CSLFRF spending plan on August 10, 2021, and its subsequent finalization on December 21, 2021, the landscape has changed significantly. As Pima County ends the second full year of this federal spending, the County has emerged into a new phase of the pandemic response, with less continued need to focus on the public health response. This juncture, instead, realizes the need to dedicate focus to enhancing public health capacity and more directed resources to economic recovery and resilience.

All CSLFRF-implementing departments and community partners have shown good faith efforts to accomplish their ARPA CSLFRF projects as intended. At the completion of the first and second year of this funding period, the CSLFRF-implementing departments took inventory of their successes and barriers and, where needed, requested mid-course adjustments in budget or scope.

Pima County Grants Management and Innovation (GMI) has been supporting each Pima County CSLFRF-implementing department with their fiscal and programmatic monitoring, implementation and execution of their CSLFRF projects. This includes monthly fiscal and programmatic meetings, data coordination and public reporting. Beginning in December 2022, GMI, Pima County Administration, CSLFRF-implementing County departments and community partners carefully analyzed the status of their projects, changing needs in the community, and the feasibility of project completion and spend down.

This careful analysis resulted in this modification proposal to adjust projects to reflect the following scenarios – project closures or consolidation, budget / cost adjustments, and redirection of funds to create new programs from net fiscal adjusted impact. The complete revised budget as proposed can be seen in Attachment 1.

Removal or Consolidation of ARPA CSLFRF Projects

As detailed in Attachment 1, some ARPA CSLFRF Projects have been consolidated or removed. This is due to either the viability of the project, or feasibility of completion within the performance period requirements. The projects proposed to be removed or consolidated from the previously approved project list are - Community and Workforce Development (CWD) Kino Service Center Facility Modifications (project closed – other funding source, proposed to shift budgeted amount to the existing CWD Data System Upgrade Project), Supportive Housing and Job Training (project canceled), and \$25,000 in Community Partnership projects (project canceled – other funding source).

Adjustments to Approved ARPA CSLFRF Project Budgets

Attachment 1 details a reduction in budget to 17 of the 52 existing projects. These amounts have been reduced either due to service demand or realized budget adjustments throughout the project timeline. These proposed reductions to budgets enable the County to re-dedicate those funds to emerging priorities and changed community needs. The new project proposals are detailed herein and reflect a reduction of \$14,615,500 across the previously approved project budgets.

In alignment with the December 2021 approved project inventory, the project modifications are still prioritizing public health, economic recovery and investment, infrastructure, and eviction prevention, and all proposed modifications are allowable per UST's Final Rule.

Adoption of Revenue Replacement Standard Deduction (\$10,000,000)

When the original budget was ratified by the Board of Supervisors in December 2021, it included \$1.6 million in revenue replacement to be used for the provision of general government services as was limited by the definition of lost revenue in the originating legislation and the Interim Final Rule. When the Final Rule was published in April 2022, there was a change made in the revenue replacement allowing for jurisdictions to recognize \$10 million in revenue replacement in lieu of one tied to a specific calculation of revenue lost.

Pima County opted to recognize \$10 million in revenue replacement and shifted those projects that counted as the provision of general government services to the revenue replacement reporting. This also allowed Pima County to recoup costs that would have otherwise been absorbed by the general fund.

New ARPA CSLFRF Project Proposals

Enhancement to Available Medical Services for Victims of Sexual Assault - Strangulation Exams (\$4,500)

Pima County continues to support the Southern Arizona Center Against Sexual Assault (SACASA) in their ability to provide Medical Forensic Exams (MFEs) for victims of sexual assault. A vital component of medical forensic exams are the strangulation exams, where applicable. These exams gather crucial evidence for victims of sexual assault and domestic violence and aid in the prosecutions for these cases.

Pima County Behavioral Health (PCBH) determined that one previously approved project was not viable and is proposing a modification to shift the funds from Mental Health Legal Representation Equipment and instead use the dedicated funding to aid the MFE work and enhance these exams to include funding for strangulation exams.

Public Health Service Enhancements (\$1,211,000)

Pima County Health Department (PCHD) is mandated to provide public health services to the County, and as part of that ongoing statute-mandated service are clinical services and disease surveillance. PCHD would like to dedicate some of its allocation to enhance vector surveillance, controlling the spread of disease through animal (and insect) vectors across Pima County and purchase a Mobile Health Vehicle for enhanced provision of clinical services to the community.

PCHD would like to allocate ARPA CSLFRF dollars to expanded vector surveillance activities and the purchase of a mobile health vehicle to expand statute-mandated and clinical services - *\$611,000 and \$600,000 respectively.*

Justice Services: Transition Center (\$1,000,000)

In accordance with memoranda submitted to Pima County Board of Supervisors by County Administration between January and May, with approval in Spring of 2023, \$1,000,000 of ARPA CSLFRF monies are eligible to fund to Pima County Justice Services (PCJS) for the Justice Services Modular and Diversion Programming. This program launched in late June 2023 to connect individuals released from the Pima County Adult Detention Center with needed health, social and housing (or other identified) services. This program (and facility) is integral to supporting the continuum of services for the justice involved population.

Justice Services installed the Transition Center, a modular facility adjacent to the PCADC grounds and the Pre-Trial Services modular, to engage the misdemeanor population, released from pretrial services with a pending court date. Funds will also be used to hire four Justice Navigators housed at the Transition Center. These navigators will work with eligible individuals to support the connection to critical services, identify barriers with the legal

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process, and empower individuals to engage with services they need and reduce their involvement in the justice system.

Per approval of the program, and this budget modification PCJS plans to receive \$1,000,000 of ARPA CSLFRF for the Transition Center. This will be divided into two projects: \$500,000 for the facility and \$500,000 for the hiring of program staff.

Pima County's Natural Resources, Parks and Recreation Built Environment Infrastructure (\$2,000,000)

Pima County Natural Resources, Parks and Recreation (NRPR) and Health have partnered to enhance public health and safety through several park improvements. NRPR has identified multiple county-operated park sites where the playground or swimming pool equipment has reached its life expectancy and needs to be replaced. Additionally, parks where new or additional lighting will measurably expand hours of operation for recreational use. Our community members' access to safe, usable public spaces is principal to a healthy citizenry and demonstrates the county's commitment to helping our community thrive.

The budget modification for NRPR is estimated at \$2,000,000 to refurbish equipment, park and playground enhancements, and augment lighting for eight eligible County parks.

Congregate Shelter Facility (\$4,100,000)

Over the course of the last four years Pima County has partnered with Catholic Community Services, the City of Tucson, The Inn of Southern Arizona, collectively – the Pima County Southwest Border Coalition (The Coalition). The Coalition provides humanitarian aid to legal asylum seekers through funding made available via the Department of Homeland Security Federal Emergency Management Agency (DHS - FEMA) Emergency Food and Shelter Program (EFSP). Volumes over recent years have increased substantially, requiring the Coalition to seek additional congregate shelter capacity in order to avert street releases in the community. The additional shelter site, *Drexel Congregate Shelter*, is currently leased by the County, and provides an additional 350-beds to support the humanitarian sheltering effort.

Purchase of the Drexel Congregate Shelter would not only allow for continuous use of this property but would support more permanent (and necessary) modifications for the scope of services provided at the facility. Ownership of the shelter site would reduce overall operating costs as a result of this investment. This site has been pivotal for the provision of humanitarian aid shelter services and will continue to be vital for the County for other future sheltering needs.

The County is proposing to allocate \$4,100,000 in ARPA CSLFRF dollars to the purchase of the Drexel Congregate Site for ongoing emergency sheltering needs across the community.

TMC Emergency Opioid Response and Electronic Health Record (\$6,300,000)

Enhancement of public health services and strengthening the public health capacity is an enumerated use of ARPA CSLFRF funds. The County has identified a pivotal and unique opportunity to partner with Tucson Medical Center (TMC) on two aligned projects to enhance the provision of health services in the community, and at the Pima County Health Department (PCHD).

TMC Emergency Room Enhancements

TMC has embarked on a \$30 million multi-year capital project to reimagine their emergency department. This redesign is necessary based on realized increases in high acuity patient visits as well as total ED visits overall at the hospital. It is anticipated that area-hospitals will need to align their capacity with the increase in high-acuity patients and complex presentations of medical and behavioral health issues. Enhancements to this Emergency Room will remain a critical component in Pima County's health care safety net.

The current emergency department is not well equipped to address complex patients and their needs. Recent TMC data determined that 80 percent of individuals who present in the Emergency Room currently score as *highly acute – defined as severity of medical need* (between 1-3 on a 5-point acuity scale, with 1 being the most acute). Additionally, patients are more frequently presenting with complex behavioral health concerns including co-occurring mental health and substance use disorders, suicidal ideation, alongside acute medical needs.

Funds will be used to aid in the capital campaign to expand this vital component of the health care system to ensure accessibility to emergency care in Pima County.

PCHD Infrastructure- Electronic Medical Record

Data capacity and data limitations were realized across health departments nationwide throughout the pandemic emergency. PCHD determined a critical need to replace the current electronic medical record (eMR) and enhance data sharing capacity and collaboration with area-health and medical partners. In addition to the infrastructure partnership listed above, the County and TMC identified the opportunity for the County to engage is TMC's 'Community Health Hub.'

The Community Health Hub will enable PCHD to implement a new eMR (EPIC) within the consortium of participants in the *Community Health Hub*. This implementation will provide the critical infrastructure to better share data across a continuum of providers, thus building needed public health capacity and service delivery. Pima County has been granted permission through Pima County Procurement to proceed forward in working with TMC and EPIC to request a quote for a PCHD EPIC-instance within TMCs Community Health Hub network.

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This proposal would dedicate \$6,300,000 of ARPA CSLFRF monies to support the aforementioned community public health and medical care enhancements.

Recommendation

I recommend the Board of Supervisors approve all fiscal and programmatic modifications requested herein to assure the County and its partners can expend the County's allocation of CSLFRF funds timely and re-deploy critical funds to emerging community priorities as determined allowable by the U.S. Treasury and the County.

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Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
Steve Holmes, Deputy County Administrator
Regina Kelly, Director, Grants Management and Innovation Office
Amy Fish, Deputy Director, Grants Management and Innovation Office

ATTACHMENT 1

| Implementing Department | Project Name | Total Allocated as of Annual Report to UST in July 2022 | Proposed REVISED Budget | Change in Budgeted Amount (+/-) | Amount spent through 6/30/23 | Amount Remaining to Spent |
|-------------------------|---|---|-------------------------|---------------------------------|------------------------------|---------------------------|
| AT | Visit Tucson Destination Promotion | \$2,000,000.00 | \$2,000,000.00 | \$0.00 | \$1,703,115.29 | \$296,884.71 |
| AT | City of Gastronomy Food Destination Promotion | \$500,000.00 | \$500,000.00 | \$0.00 | \$477,736.19 | \$22,263.81 |
| AT | Old Tucson Reopening Assistance | \$4,000,000.00 | \$3,813,378.36 | (\$186,621.64) | \$3,813,378.36 | \$0.00 |
| AT | Leased Properties Re-opening Assistance | \$3,020,000.00 | \$3,207,370.73 | \$186,621.64 | \$362,751.57 | \$2,844,619.16 |
| AT | Downtown Tucson Partnership Continued Partnership | \$25,000.00 | \$0.00 | (\$25,000.00) | \$0.00 | \$0.00 |
| BH | Domestic Violence Shelter Improvements | \$1,000,000.00 | \$1,000,000.00 | \$0.00 | \$1,000,000.00 | \$0.00 |
| BH | Victim Services Community Needs Assessment | \$700,000.00 | \$700,000.00 | \$0.00 | \$16,561.09 | \$683,438.91 |
| BH | Correctional Health Vaccine Storage | \$100,000.00 | \$35,187.43 | (\$64,812.57) | \$25,557.98 | \$9,629.45 |
| BH | Correctional Health Vaccine Purchase | \$100,000.00 | \$164,812.57 | \$64,812.57 | \$45,704.31 | \$119,108.26 |
| BH | Mental Health Legal Representation Equipment | \$4,500.00 | 0 | (\$4,500.00) | | \$0.00 |
| BH | Juvenile Correctional Dental | \$100,000.00 | \$100,000.00 | \$0.00 | \$53,465.06 | \$46,534.94 |
| BH | Supportive Housing and Job Training | \$1,005,500.00 | \$0.00 | (\$1,005,500.00) | \$0.00 | \$0.00 |
| BH (new) | Strangulation Exams | \$0.00 | \$ 4,500 | \$0.00 | \$0.00 | \$4,500.00 |
| COMMS | Public Health Communications and Outreach | \$621,401.89 | \$620,000.00 | (\$1,401.89) | \$571,999.11 | \$48,000.89 |
| COMMS | Economic Recovery Communications and Outreach | \$980,000.00 | \$650,000.00 | (\$330,000.00) | \$76,760.09 | \$573,239.91 |
| COMMS | Economic Recovery Marketing | \$150,000.00 | \$150,000.00 | \$0.00 | \$150,000.00 | \$0.00 |
| CWD | Emergency Eviction Legal Services (EELS) | \$3,013,785.49 | \$3,013,785.49 | \$0.00 | \$1,512,348.98 | \$1,501,436.51 |
| CWD | Pima Early Education Program (PEEPs) | \$30,200,000.00 | \$30,200,000.00 | \$0.00 | \$10,189,996.22 | \$20,010,003.78 |
| CWD | Community and Workforce Development Data System Upgrade | \$567,933.51 | \$955,939.51 | \$388,006.00 | \$188,293.88 | \$767,645.63 |
| CWD | Kino Service Center Facility Modifications | \$388,006.00 | \$0.00 | (\$388,006.00) | | \$0.00 |
| CWD | Emergency Housing Support, Case Management, and Supportive Services | \$2,950,000.00 | \$2,950,000.00 | \$0.00 | \$1,896,622.85 | \$1,053,377.15 |
| DJS (new) | Justice Services Modular | \$0.00 | \$ 500,000 | \$0.00 | \$0.00 | \$500,000.00 |
| DJS (new) | Justice Services Startup | \$0.00 | \$ 500,000 | \$0.00 | \$0.00 | \$500,000.00 |
| FM | Northwest Services Center | \$34,900,000.00 | \$37,600,000.00 | \$2,700,000.00 | \$3,212,580.81 | \$34,387,419.19 |
| FM | Curley Gymnasium-Ajo | \$2,200,000.00 | \$3,456,000.00 | \$1,256,000.00 | \$131,535.46 | \$3,324,464.54 |
| FM | Office of the Medical Examiner Equipment | \$4,000,000.00 | \$4,000,000.00 | \$0.00 | \$0.00 | \$4,000,000.00 |
| FM (new) | Drexel Congregate Shelter Facility | \$0.00 | \$ 4,100,000 | \$0.00 | \$0.00 | \$4,100,000.00 |
| GMI | PCC Micropathways to In-Demand Jobs | \$5,340,676.00 | \$5,340,676.00 | \$0.00 | \$1,087,967.99 | \$4,252,708.01 |
| GMI | JobPath Tuition and Support Programs | \$3,003,500.00 | \$3,003,500.00 | \$0.00 | \$1,868,149.41 | \$1,135,350.59 |
| GMI | Fire District COVID-19 Support | \$1,000,000.00 | \$938,452.06 | (\$61,547.94) | \$938,452.06 | \$0.00 |
| GMI | Food Security Initiative | \$600,000.00 | \$600,000.00 | \$0.00 | \$423,317.44 | \$176,682.56 |
| GMI | Revenue Replacement (includes former projects of PC51: Translation Services, PC53:Pima Recovers Staff and Website Development, PC43: Grants Management Support Staffing, PC06: Consumer Health and Food Safety) | \$10,000,000.00 | \$10,000,000.00 | \$0.00 | \$10,000,000.00 | \$0.00 |
| GMI/FIN | PC Employee Vaccine Incentive Project | \$6,328,203.00 | \$6,328,203.00 | \$0.00 | \$6,219,574.15 | \$108,628.85 |
| HD | Epidemiological Infrastructure | \$24,425,167.09 | \$18,339,061.73 | (\$6,086,105.36) | \$9,299,847.09 | \$9,039,214.64 |
| HD | Communicable Disease Vaccines | \$19,550,236.20 | \$13,647,000.00 | (\$5,903,236.20) | \$7,251,345.22 | \$6,395,654.78 |

| Implementing Department | Project Name | Total Allocated as of Annual Report to UST in July 2022 | Proposed REVISED Budget | Change in Budgeted Amount (+/-) | Amount spent through 6/30/23 | Amount Remaining to Spent |
|-------------------------|--|---|-------------------------|---------------------------------|------------------------------|---------------------------|
| HD | Communicable Disease Testing | \$15,512,629.90 | \$12,153,755.00 | (\$3,358,874.90) | \$8,837,084.58 | \$3,316,670.42 |
| HD | Communicable Disease Mitigation Effort at Congregate Sites | \$1,059,658.00 | \$709,691.29 | (\$349,966.71) | \$138,325.40 | \$571,365.89 |
| HD | Therapeutics and Genomic Sequencing | \$500,000.00 | \$464,000.00 | (\$36,000.00) | \$163,366.15 | \$300,633.85 |
| HD | Emergency Housing - Medical Support | \$775,000.00 | \$775,000.00 | \$0.00 | \$775,000.00 | \$0.00 |
| HD | Health Department Vaccine and Testing Salary and Fringe FY2021 | \$3,315,409.80 | \$3,315,409.80 | \$0.00 | \$3,315,409.80 | \$0.00 |
| HD | Health Department Testing Support Supplies FY2021 | \$2,075,341.49 | \$2,075,341.49 | \$0.00 | \$2,075,341.49 | \$0.00 |
| HD | Health Department Vaccine Support Supplies FY2021 | \$3,117,942.64 | \$3,117,942.64 | \$0.00 | \$3,117,943.44 | (\$0.80) |
| HD | Public Health Vaccination Wayfinding Ellie Towne | \$20,000.00 | \$4,883.91 | (\$15,116.09) | \$4,883.91 | \$0.00 |
| HD (new) | Expanded vector surveillance | \$0.00 | \$ 611,000 | \$0.00 | \$0.00 | \$611,000.00 |
| HD (new) | Mobile Health Vehicle | \$0.00 | \$ 600,000 | \$0.00 | \$0.00 | \$600,000.00 |
| HD (new) | TMC Emergency OPIOID Response and Electronic Health Record | \$0.00 | \$ 6,300,000 | \$0.00 | \$0.00 | \$6,300,000.00 |
| IT | Remote Enabled Workforce Security Upgrade | \$3,195,000.00 | \$2,755,000.00 | (\$440,000.00) | \$1,587,496.98 | \$1,167,503.02 |
| IT | Public Safety Support Network Upgrade | \$1,500,000.00 | \$920,000.00 | (\$580,000.00) | \$15,915.24 | \$904,084.76 |
| IT | Broadband Infrastructure | \$500,000.00 | \$2,030,000.00 | \$1,530,000.00 | \$120,397.04 | \$1,909,602.96 |
| IT | Network Equipment | \$1,505,000.00 | \$700,000.00 | (\$805,000.00) | \$171,215.32 | \$528,784.68 |
| IT | Security Software Services Implementation | \$2,300,000.00 | \$1,200,000.00 | (\$1,100,000.00) | \$413,482.52 | \$786,517.48 |
| NRPR (new) | Built Environment Infrastructure/NRPR Parks Improvements | \$0.00 | \$2,000,000.00 | \$0.00 | \$0.00 | \$2,000,000.00 |
| SC | Courts - Remote Enabled Projects | \$3,000,000.00 | \$3,000,000.00 | \$0.00 | \$2,480,140.26 | \$519,859.74 |
| Stadium | Kino Stadium District Parking Lot Restoration | \$829,918.34 | \$829,918.34 | \$0.00 | \$829,918.34 | \$0.00 |
| Stadium | Kino Stadium District Asphalt Development | \$691,857.65 | \$691,857.65 | \$0.00 | \$691,857.65 | \$0.00 |
| Stadium | Kino Event Center Repair | \$750,000.00 | \$750,000.00 | \$0.00 | \$16,751.06 | \$733,248.94 |
| | Total Amount | \$203,421,667.00 | \$203,421,667.00 | | | \$116,150,077.21 |