



BACKGROUND

In March 2021, the Federal American Rescue Plan (ARP) Act was signed, providing \$350 billion to states, counties, cities, and towns throughout the country to support local government coronavirus recovery efforts. The funds can be used to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

The ARP Act requires that the payments from the Coronavirus State and Local Fiscal Recovery Funds be used only to cover expenses that:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control
- Replace lost revenue for eligible state, local, territorial, and Tribal governments to strengthen support for vital public services and help retain jobs
- Support immediate economic stabilization for households and businesses
- Address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic

In early September, Otter Tail County received the first distribution of its \$11,410,722 ARP Act funding allocation. The final distribution will happen in May 2022. These funds must be committed by December 31, 2024 and expended by December 31, 2026. Additionally, Otter Tail County will continue to seek other funding opportunities from the federal government, state government and other sources to offset the costs associated with an effective COVID-19 recovery.

PROPOSAL

There continues to be a need to support COVID-19 response and recovery efforts in Otter Tail County. Staff have involved community stakeholders and the departments most aware of the health and economic impacts of COVID-19 to identify the following priority investment areas of our allocated ARP Act funding. These priority investment areas also align with the County's Long Range Strategic Plan (LRSP). An outline of the proposed programmatic areas can be found below.



Housing Investment

Housing growth and investment is a priority area that the Otter Tail County Community Development Agency (CDA) and Housing and Redevelopment Authority (HRA) will expand and accelerate efforts already underway. CDA and HRA staff and Boards of Directors are developing the following programming:

Proposed Program	LRSP Goal Statement	LRSP Objective	Solution
Create New Homes and Advance the Big Build	Provide opportunities for a variety of housing types throughout Otter Tail County.	Consider the completion of a county-wide housing study to identify housing types, values, and vacancy rates to help determine future housing development.	A countywide and submarket housing demand study is in progress. The study will be used to further identify housing demands in communities across the county and inform where housing growth investments should be prioritized. The development of a matching infrastructure funding program with townships has been discussed to help offset the expense of sewer and water investments necessary for housing growth. Township funds will be leveraged as well.
Keep People in Homes	Provide opportunities for a variety of housing types throughout Otter Tail County.	Consider utilizing housing programs that support investment in and maintenance of the existing housing stock.	Leverage City/Township ARP funds for rural rehabilitation program.
Get People into Homes	Promote the development of a range of housing options that meet the needs of all affordability levels.	Encourage public and private partnerships to apply for local, state, county, and federal funding to cover the gap between affordable housing revenue and costs.	Advance current housing assistance and affordable housing resources



Business & Workforce

Many businesses and organizations in Otter Tail County have been directly and adversely affected by the COVID-19 pandemic. The ongoing workforce shortage presents an immediate challenge to existing businesses as they struggle to maintain adequate staffing levels; as well, it hinders those looking to expand and grow in Otter Tail County. Given these challenges, the Community Development Agency has launched an action-oriented workforce strategy called ***OTC Works: Opportunities - Training - Connections***. In alignment with this strategy, the CDA staff and Board of Directors are developing and advancing programs and projects in collaboration with various partner organizations and identifying necessary funding sources. The requested ARP funds would be used to access additional funding, with the goal of leveraging the County ARP investment with an equal amount of outside funding. Following is a summary of the program areas, along with the alignment to the County's Long Range Strategic Plan:

Proposed Program	LRSP Goal Statement	LRSP Objective	Solution	Estimate
Advance Empowered Worker Occupational Readiness and Customized Skills Training Program	Provide access to quality educational opportunities for all residents to continue lifelong learning. Work with the County's school districts post-secondary schools and continuing education providers to provide access to learning opportunities that create a life ready population.	Continue partnerships with post-secondary schools, such as M State, to create a skill-ready workforce for Otter Tail County.	To connect displaced, underemployed, and unemployed workers within Otter Tail County with the currently available jobs and resources, this program will provide these individuals with supportive training and wraparound services for a three year pilot program.	\$150,000
Advance Youth Workforce Navigator Program	Provide access to quality educational opportunities for all residents to continue lifelong learning. Work with the County's school districts post-secondary schools and continuing education providers to provide access to learning opportunities that create a life ready population.	Invest in high-quality education. Opportunities within public and private entities should be created to provide youth with more professional experiences to gain tools and resources. The County should continue to partner with the School Districts to provide these tools.	Solution: Community Development Agency staff and partners have identified a gap between our school districts' young people and our industry employers. This three year Youth Workforce Navigator Program would bridge the gap between these key stakeholders for short-term workforce solutions and long-term employer to worker connections.	\$80,000

Proposed Program	LRSP Goal Statement	LRSP Objective	Solution	Estimate
Job Portal Support	Explore efforts to attract new and support existing businesses and industries to Otter Tail County that provide a living wage.	Collaborate with existing businesses to understand workforce, development and infrastructure issues limiting economic development and expansion.	The jobs portal is an Otter Tail Lakes Country Association (OTLCA) initiative in collaboration with the CDA. The portal provides a one stop shop for Otter Tail County businesses to share their open positions and for job seekers to find job opportunities of interest. Providing support for the jobs portal will allow OTLCA to continue promoting and improving this resource for a three-year period.	\$150,000
Leverage for Advising Services Partnership	Pursue the maintenance of a diverse economy within the County, providing a range of employment, shopping and recreation options.	Support and enhance existing businesses. Seek opportunities to learn about and solve barriers to retention of businesses like a Business Mentorship Program or Business Retention Program.	Businesses and other organizations need support to assist with transitioning their operating models to be more resilient moving forward. Efforts would be coordinated with the West Central Small Business Development Center (WC SBDC) to provide expertise and advising capacity. These supports would be in the form of coaching from experts in areas including business technology, marketing, digital presence, financial education, general business planning and succession planning. Grant funds from DEED's Small Business Partnership Grant have been secured to develop advising services in partnership with WC SBDC.	\$82,000
Support Existing Childcare Providers and Expand Availability of Childcare	Collaborate with childcare providers to provide access to quality and affordable care.	Explore opportunities to support existing and new childcare providers, including licensing assistance or the identification of space.	Specific solutions are under development. The CDA board has a childcare subcommittee meeting to assess the how the CDA/County can best support existing and new childcare providers.	\$100,000



Broadband & Other Infrastructure

The COVID-19 pandemic has highlighted the widening digital divide. As schools navigate digital learning, workers continue remote work arrangements and public services move online, the need for an affordable, reliable broadband connection and productivity technology is even more acute.

Proposed Program	LRSP Goal Statement	LRSP Objective	Solution	Estimate
Advance Local Broadband Initiatives	Support investments in emerging technologies throughout the County to provide quality communications infrastructure.	Continue partnerships with the private sector to provide quality communications infrastructure throughout the county.	This funding will be leveraged with other state and federal funding sources to support local broadband providers in the deployment of fiber to the home as well as a variety of digital access and equity projects.	\$2.8 million
Other County Infrastructure	Maintain a public infrastructure system that promotes economic development throughout the County and region.	Support the development of infrastructure systems that support commerce and tourism, as well as efficiently transport goods and people across the county and region.		



Community Resilience

Community Resilience seeks to focus on basic needs of those in crisis due to the impacts of COVID-19. While the framework below generally shows how Otter Tail County plans to move funding into the community to those most in need, we will continue to look at other needs and concepts in the areas of food and mental health should additional funding become available. Conversations around innovative approaches aligned with this initial proposal are occurring with state and community partners.

Proposed Program	LRSP Goal Statement	LRSP Objective	Solution	Estimate
Mental Health and Chemical Dependency Social Worker for Detainees	Provide access to services and amenities that create opportunities for residents to live a healthy lifestyle – include active living, recreation, healthy foods, and physical and mental health resources.	Prioritize programs that address addiction and mental health.	This funding will be used by Human Services and the Sheriff's Office to fund a Social Worker position in the jails and the individual in this role will support detainees experiencing mental illness and/or chemical dependency by providing information, referrals and coordination in pre-release planning. This position will establish relationships and effectively collaborate and communicate across multi-disciplines including Human Services, Probation, Sheriff and County Attorney to assist with the development and implementation of goals, policies, and procedures to provide optimal services to individuals based upon available resources.	\$500,000
Other mental health supports	Provide access to services and amenities that create opportunities for residents to live a healthy lifestyle – include active living, recreation, healthy foods, and physical and mental health resources.	Prioritize programs that address addiction and mental health.		



Other County Resource and Asset Investment

As a local unit of government responding to significant increases in current and projected needs for programs and services due to the COVID-19 emergency, Otter Tail County is also ensuring that it sets aside a portion of the ARP funding to be available for non-budgeted costs that must be addressed to ensure that the County is able to effectively operate and serve residents throughout the emergency period. Examples of such expenditures include compliance and oversight, public communications, sanitation, and testing.

Other ARP Funding

Every township and city within Otter Tail County was also eligible to receive a direct allocation of ARP funds. The per capita aid amount for all cities and townships is approximately \$115 per capita, totaling over \$3,000,000. Staff contacted all cities and townships to help ensure they complete the necessary certification to receive funding. 74 of our 86 cities and townships completed the certification and are receiving a direct payment based on the per capita formula.

CONCLUSION

We are committed to injecting the County's allocation of ARP funding into the community with both short-term and long-term projects. To maximize the County's investment of these dollars, the County must be willing to engage important partners from inside and outside the organization and rely upon the strength of relationships and trust that have developed over time. All spending will be reviewed to ensure eligibility and compliance with ARP Act spending guidelines.