



TOWN OF OCCOQUAN

Circa 1734 | Chartered 1804 | Incorporated 1874

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Occoquan Town Council Town Council Meeting January 16, 2024 | 7:00 p.m.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Citizens' Time** - Members of the public may, for three minutes, present for the purpose of directing attention to or requesting action on matters not included on the prepared agenda. These matters shall be referred to the appropriate town official(s) for investigation and report. Citizens may address issues as they come up on the agenda if advance notice is given during 'Citizens' Time
4. **Consent Agenda**
 - a. Request to Accept December 5, 2023, Town Council Meeting Minutes
 - b. Request to Reappoint Ann Kisling to the Planning Commission
 - c. Request to Accept VTC Grant
 - d. Request to Adopt Ordinance to Amend Title III of the Town Code
5. **Mayor's Report**
6. **Councilmember Reports**
7. **Boards and Commissions**
8. **Administrative Reports**
 - a. Administrative Report
 - b. Town Treasurer's Report
 - c. Town Attorney
9. **Regular Business**
 - a. Request to Approve New Town Seal
10. **Discussion Items**
 - a. HolidayFest Recap and Look Ahead
 - b. Discussion on SLFRF Funding
 - c. Discussion on Mill House Museum Lease and Status of Structure
11. **Closed Session**
12. **Adjournment**

Portions of this meeting may be held in closed session pursuant to the Virginia Freedom of Information Act.
A copy of this agenda with supporting documents is available online at www.occoquanva.gov.



TOWN OF OCCOQUAN
TOWN COUNCIL MEETING
Agenda Communication

4. Consent Agenda	Meeting Date: January 16, 2024
Request to Approve Consent Agenda	

Attachments: See below

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a request to approve the consent agenda:

- a. Request to Approve December 5, 2023, Town Council Meeting Minutes
- b. Request to Reappoint Ann Kisling to the Planning Commission
- c. Request to Accept VTC Grant
- d. Request to Adopt Ordinance to Amend Title III of the Town Code

Staff Recommendation: Recommend approval as presented.

Proposed/Suggested Motion:

"I move to approve the consent agenda."

OR

Other action Council deems appropriate.



OCCOQUAN TOWN COUNCIL
Meeting Minutes - DRAFT
Town Hall - 314 Mill Street, Occoquan, VA 22125
Tuesday, December 5, 2023
7:00 p.m.

Present: Mayor Earnie Porta; Vice Mayor Jenn Loges, Councilmembers Cindy Fithian, Nancy Freeborne Brinton, and Theo Daubresse

Absent: Eliot Perkins

Staff: Adam Linn, Town Manager / Chief of Police; Matt Whitmoyer, Deputy Town Manager; Philip Auville, Town Clerk; Julie Little, Events Director (remote); Jason Forman, Deputy Chief of Police; Liz Quist, Interim Town Treasurer (remote); Martin Crim, Town Attorney

1. CALL TO ORDER

Mayor Porta called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. CITIZENS' TIME

No one spoke during citizens' time.

4. CONSENT AGENDA

- a. November 8, 2023, Meeting Minutes
- b. Request to Reappoint Walt Seiberling to the BZA
- c. Request to Adopt Ordinance to Amend Title VII of the Town Code
- d. Request to Adopt Arbor Day 2023 Proclamation

Vice Mayor Loges moved to approve the Consent Agenda. Councilmember Freeborne Brinton seconded. Motion passed unanimously by voice vote.

Mayor Porta asked for unanimous consent to add to the agenda a Request to Accept VRSA Grant and Authorize the Purchase of a Public Safety Drone. There being no objection, the item was added to the Regular Business section of the Agenda.

Mayor Porta asked for unanimous consent to move up on the Administrative Reports the Town Treasurer Report. There being no objection, the item was moved up on the agenda.

5. ADMINISTRATIVE REPORTS

b. Town Treasurer's Report

The interim Town Treasurer, Mrs. Quist, provided a written report as part of the agenda packet.

Mayor Porta noted that the report covers through October and that if straight lining the budget about one-third of the budget has been spent and anything greater than that are from upfront costs.

No questions were asked.

6. MAYOR'S REPORT

Mayor Porta reported the following:

- On November 9th, he attended the semi-annual Occoquan River Safety Forum.
- On November 15th, he represented the Town at the 96th birthday party of former Town resident Alice Gardiner at Westminster.
- On November 17th, he participated in the Tunnel Tour provided by Fairfax Water.
- On November 17th, he provided a historic tour of the Town to a group brought by Wade Tours.
- On November 18th, he met with the Occoquan District Supervisor and the State Senator-Elect for our area.
- On November 18th, he participated in the ribbon cuttings for the Welcome Mural at the entrance to Town and the designation of the island adjacent to the Route 123 bridge as "Heron's Haven".
- On November 18th, he participated in the Town Tree Lighting and related kickoff activities for HolidayFest.
- On November 20th, he participated in a tour of the Fairfax Water treatment plant and the High Dam arranged at the request of the Gaslight Landing HOA.
- On November 29th, he participated in Delegate Briana Sewell's bill workshop at Town Hall.
- On November 30th, he participated in an interview with a free-lance reporter working on real estate story on Occoquan for the Washington Post.
- On November 30th, he chaired the first meeting of the Riverwalk Expansion Special Committee.
- On December 2nd, he brought Santa Claus to Town by boat for the Holiday Artisan Market and associated activities.

Mayor Porta thanked Julie Little and all of the Town Staff for their excellent job over the weekend with all the holiday activities, including but not limited to Santa's arrival and the Holiday Artisan Market. He noted that he had received a great deal of positive feedback from vendors and visitors.

Mayor Porta reminded those in attendance that Chabad Lubavitch of Greater Manassas & Gainesville would again be lighting on the first night of Hanukkah (December 7th) at 5:30 p.m., the menorah they donated last year to the Town.

7. COUNCILMEMBER REPORTS

Councilmember Fithian noted that she participated in the Tree Lighting and Holiday Artisan Market Events and thanked everyone involved with their efforts.

Councilmember Daubresse noted that he participated in the Tunnel Tour provided by Fairfax Water Authority. He also noted the good feedback he received from the Holiday Artisan Market, and thanked the Town Staff and Police for all the work over the Holiday Artisan Market weekend. He also met with the Washington Post free-lance reporter on a real estate story and he was able to provide data to her to use.

Councilmember Freeborne Brinton thanked Staff for their work for all of the events in Town during HolidayFest.

Vice Mayor Loges noted all of the positive feedback on the Holiday Artisan Market and that she worked with Town Staff on a process to have a new Town Seal designed.

8. BOARDS AND COMMISSIONS

Architectural Review Board (ARB) Chair Seefeldt reported that there was not an Architectural Review Board (ARB) meeting in November.

9. ADMINISTRATIVE REPORTS (Continued)

a. Administrative Report

Mr. Linn provided a written report as part of the agenda packet.

Mayor Porta requested to have the language related to the Riverwalk Planning Project Update corrected to accurately reflect that “the Town Council authorized the Mayor to appoint a committee,” rather than it saying that “the Town Council appointed a committee.”

Mayor Porta mentioned that after the calendar year is over that he along with the Town Manager and Vice Mayor will meet to discuss and review three financial items. First, to have staff put together an analysis of the Meals Tax to have a comparison over the years from how it has changed with increasing the Meals Tax rate and the event changes as well as the increase of number of restaurants. Second, to review the events budget in order to see where proposed changes maybe needed. Finally, to review the Strategic Framework within the current fiscal year.

Mayor Porta asked for clarification on the Public Works Inventory noted in the report.

Mr. Whitmoyer replied that is to log Public Works items located at the Annex, River Mill Park, and at the new River Road storage shed. The purpose is to be able to track supplies and equipment.

Mayor Porta thanked Ms. Little and Staff on the Holiday Artisan Market and asked how many new vendors were at the Holiday Artisan Market and general thoughts on doing more events.

Ms. Little replied that about thirty percent (30%) of the vendors were new to the event and Town.

Mr. Linn noted that holding more events is a strain on staff and to be able to hold more frequent events that the Town would need more staff to be able to help.

When asked, Ms. Little noted that she could see doing quarterly events since there are already 3 events held quarterly, RiverFest, the Fall Arts & Crafts Show, and the Holiday Artisan Market. Adding a fourth event in late winter would be possible. She also noted issues with mud in River Mill Park from rain and to look in the future how to manage the water issue in the park or to consider a different footprint to not place vendors in the park.

Mayor Porta asked if there was an engineering solution to help with drainage in River Mill Park.

Mr. Linn replied he would research the possibilities of an engineering solution to the water/mud problem in the park and respond back to council.

Ms. Fithian asked a question about a Holiday Artisan Market Vendor not being able to offer samples of the alcohol product they sell.

Mr. Linn replied that the vendor didn't have the correct license from ABC to provide samples or sell their alcohol products for people to drink in the Sip and Stroll. He explained that the Town's ABC DORA license only permits brick and motor ABC licensees in the Town to participate.

b. Town Attorney Report

Mr. Crim provided a written report as part of the agenda packet.

Mr. Crim mentioned that he has been working on revisions to the Freedom of Information Act to put before the Virginia State Legislature as a result of recent decisions of the Virginia Supreme Court. The first is based on the *Barry vs Board of Supervisors of Fairfax County* case, which concluded that a zoning ordinance was invalid because it was passed at an electronic meeting in a manner not consistent with Virginia law. Virginia does not currently have a remedy that validates ordinances if acted upon in good faith. The second issue involves the wording of a definition of meetings, which potentially causes problems with elected officials gathering at events where public business isn't being discussed. Mr. Crim noted he was working on legislative language to address such situations.

Mayor Porta noted that during the Tunnel Tour provided by Fairfax Water, the Council Members present were broken off into two separate groups of less than three members each so as to avoid any possible interpretation of the event as a meeting.

10. PUBLIC HEARING

a. Public Hearing and Action to Award Franchise to Own and Operate EV Charging Stations at the Town-Owned Parking Lot on the 100 Block of Mill Street for Commercial Use

Mayor Porta opened the public hearing at 7:54 p.m.

Mayor Porta invited the public to speak. No one spoke at the public hearing.

Mayor Porta closed the public hearing at 7:55 p.m.

There was only one bid presented to the Council and the bidding process was closed.

Councilmember Fithian moved to approve Ordinance O-2023-18 as presented to grant a franchise to Greenspot JC, LLC, to own and operate EV charging stations at the parking lot and associated property located at approximately 170 Mill Street. Councilmember Freeborne Brinton seconded. Motion passed unanimously by roll call vote.

Ayes: Vice Mayor Loges, Councilmember Daubresse, Councilmember Freeborne Brinton, Councilmember Fithian

Nays: None

Councilmember Freeborne Brinton asked what had happened to the second group.

Mr. Linn replied that they didn't want to bid on a franchise, but wanted to go through a grant process, and the time frame to have EV chargers installed for that group was between 2 to 3 years rather than the 6 months to 1 year under the proposed franchise.

Councilmember Daubresse asked about the legal language in the agreement that was a concern from the last Council meeting based on getting a grant in the Town's name that would then be transferred over to the company to use as funding to install the EV chargers.

Mr. Linn replied that it wouldn't be an issue with the Town since the Town won't be applying for any grants for the EV chargers for that location. Mr. Crim agreed it would not be legally enforceable.

Vice Mayor Loges asked about the terms and conditions regarding what would happen on the event of an early termination of the agreement.

Mr. Crim replied that it would require the expenses be paid back.

Vice Mayor Loges asked what happens to the parking spaces if the EV chargers are down.

Mr. Linn replied that if the chargers are down then the parking spaces will be opened to the public to use.

11. REGULAR BUSINESS

a. Request to Authorize the Town Manager to Select a Contractor for a New Town Seal and Approve a Selection Process

Mr. Linn provided a Town Seal selection overview as well as potential design ideas of other Town Seals.

Vice Mayor Loges noted that the process at crowdSPRING, LLC is a fast process, where the submissions are only open for seven (7) days. The Town will be able to contact artists and provide feedback.

Councilmember Daubresse asked what is included in the pricing for crowdSPRING, LLC.

Mr. Linn replied that crowdSPRING, LLC will provide the most value out of all the vendors looked at and will solicit designs from 20 different designers. By the January 16th Council Meeting, Council will be able to vote on a design or submit feedback on a design.

Vice Mayor Loges moved to approve the Town Manager to engage with crowdSPRING, LLC for the purposes of creating a new Town Seal for an amount not to exceed the \$1,200 previously budgeted for consulting services. Councilmember Freeborne Brinton seconded. Motion passed unanimously by voice vote.

b. Request to Approve Agreement with Visit Occoquan

Vice Mayor Loges moved to approve the Town Manager to engage and contract with Visit Occoquan to provide tourism and marketing services to the Town as detailed in the Agreement's Scope of Work. Councilmember Fithian seconded. Motion passed unanimously by voice vote.

c. Request to Accept VRSA Grant and Authorize the Purchase of a Public Safety Drone

Vice Mayor Loges moved to accept the Virginia Risk Sharing Association Risk Management Grant and to allocate and appropriate the grant funds for the purpose of purchasing and equipping a public safety unmanned aerial vehicle. Councilmember Daubresse seconded. Motion passed unanimously by voice vote.

12. DISCUSSION ITEMS

a. Discussion on Limiting Sales of Certain Products in Town

Vice Mayor Loges discussed the Town being proactive in looking at potential products to be limited for sale in the Town, so as to reduce the risk of public health and safety concerns from these products.

Mr. Crim discussed two examples from the Town of Quantico and Chesterfield County as to how other jurisdictions in Virginia have gone about restricting certain products. He also discussed the legalities of restricting products and the legal process involved.

13. CLOSED SESSION

Vice Mayor Loges moved that the Council convene in closed session to discuss the following as permitted by Virginia Code § 2.2-3711 (A)(1), a personnel matter involving: assignment, appointment, promotion, performance, demotion, salaries, discipling, or resignation of specific public officers, appointees, or employees of the Town; specifically dealing with the Town Manager / Chief of Police. And as permitted by Virginia Code § 2.2-3711 (A)(3), a matter involving: discussion or consideration of the acquisition of real property for a public purpose; specifically involving Property within Town, because discussion in an open meeting would adversely affect the City’s bargaining position or negotiating strategy. Councilmember Fithian seconded. Motion passed unanimously by voice vote.

The Council went into closed session at 9:02 p.m.

The Council came out of closed session at 9:06 p.m.

Vice Mayor Loges moved to certify that, in the closed session just concluded, nothing was discussed except the matter or matters (1) specifically identified in the motion to convene in closed session and (2) lawfully permitted to be discussed in a closed session under the provisions of the Virginia Freedom of Information Act as cited in that motion. Seconded by Councilmember Daubresse. The motion passed unanimously by roll call vote.

Ayes: Vice Mayor Loges, Councilmember Daubresse, Councilmember Freeborne Brinton,
Councilmember Fithian

Nays: None

14. BUSINESS AFTER CLOSED SESSION

Vice Mayor Loges moved to approve an annual salary increase of 5% for the Town Manager effective January 1, 2024. Councilmember Daubresse seconded. Motion passed unanimously by voice vote.

15. ADJOURNMENT

The meeting was adjourned at 9:07 p.m.

Philip Auville, Town Clerk



TOWN OF OCCOQUAN

TOWN COUNCIL MEETING

Agenda Communication

4. Consent Agenda	Meeting Date: January 16, 2024
4B: Request to Reappoint Ann Kisling to the Planning Commission	

Attachments: a. N/A

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a request to reappoint Mrs. Ann Kisling to the Planning Commission, ahead of the expiration of her current term on May 2, 2024. The reappointment will run concurrently with the remainder of the current Town Council's term of office.

Background

The Planning Commission is described in Sections 33.01 - 33.10 of the Town Code. The Commission shall consist of not less than five nor more than 15 members appointed by Town Council. Members of the Commission must be residents of the town with the adequate knowledge and experience to make decisions on questions of community growth and development and at least half the members must be owners of real property. One member of the Commission is a member of the Town Council, and one is a member of the Architectural Review Board (ARB). Each member shall be appointed to hold office for a four-year term running concurrent to that of the Town Council.

The Planning Commission currently consists of seven members: five regular members, one Town Council representative, and one ARB representative (appointed as a Planning Commissioner).

Staff Recommendation: Recommend reappointment of Ms. Ann Kisling to the Planning Commission.

Proposed/Suggested Motion:

"I move to reappoint Ms. Ann Kisling as a member of the Planning Commission for a term, effective May 3, 2024, and expiring December 31, 2026."

OR

Other action Council deems appropriate.



TOWN OF OCCOQUAN
TOWN COUNCIL MEETING
Agenda Communication

4. Consent Agenda	Meeting Date: January 16, 2024
4C: Request to Accept VTC Grant	

Attachments: a. Reimbursement Fund Agreement

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a request to have the Town Council accept the Virginia Tourism Corporation (VTC) grant and appropriate funding.

Deputy Town Manager Whitmoyer applied for and received approval for a small grant opportunity that would permit the Town to make repairs and improvements to the LOVE Sign in River Mill Park. The grant is a \$1,500 reimbursement grant.

Town Manager's Recommendation: Recommend approval.

Cost and Financing: \$ 1,500.00 (net cost of \$0 - using grant funds)

Account Number: 66840 - General Fund - Public Works - River Mill Park M&R

Proposed/Suggested Motion:

"I move to accept the grant funds from the Virginia Tourism Corporation and authorize the Town Manager to execute the Reimbursement Fund Agreement and to allocate and appropriate \$1,500 to River Mill Park Maintenance and Repairs to cover expenses to be reimbursed under the grant."

OR

Other action Council deems appropriate



**Virginia Tourism Authority
(dba Virginia Tourism Corporation)
LOVE Creation Reimbursement Fund Agreement**

LIABILITIES AND RESPONSIBILITIES OF APPROVED APPLICANT

By participating in this program, the undersigned applicant (the "Applicant") expressly agrees as follows:

- This artwork shall be designed to promote family-friendly vacation experiences in Virginia and the Virginia is for Lovers message.
- The Applicant agrees to secure any necessary permits/paperwork/local approval for the proposed artwork location.
- VTC shall have approval at its sole discretion on any changes, updates, new locations or any modification that happens to the LOVE artwork after its creation and before such changes are to occur.
- VTC is not responsible for implementation of artwork program, and disclaims any liability for any consequences thereof, including but not limited to, any accidents or injuries incurred by visitors, staff, or volunteers, as a result of interaction with the LOVE artwork. The Applicant agrees that it is liable for accidents and/or injuries caused by its participation in this program and agrees to indemnify, defend and hold harmless VTC, its officers, agents, and employees from any claims, damages and actions of any kind or nature, arising from or caused by the use of the LOVE artwork, including attorneys' fees and any other costs incurred in regard to any claim.
- The Applicant's volunteers or paid staff shall not serve or consume alcoholic beverages, use illegal drugs or illegal materials in connection with the LOVE artwork.
- The Applicant's volunteers or paid staff shall not solicit contributions or charge admission solely to access and interact with the LOVE artwork.
- The Applicant agrees to use the VTC's direction on artistic style including fonts, materials, messaging, logo usage and marketing.
- The Applicant agrees to accept responsibility for maintenance and upkeep of the LOVE creation.
- The project including design, usage, placement, marketing and messaging must be approved by VTC and, where possible, include the Virginia is for Lovers logo on the artwork. Any online references should include links to www.Virginia.org/love.
- To be reimbursed, applicants must submit copies of invoices and proof of payment for each vendor used. Applicants must also submit proof of payment for any costs related to materials. Any such reimbursements are limited to \$1,500.
- No news releases, announcements or information about the LOVE creation shall be released by Applicant without VTC's review and prior approval.

- VTC shall have the right to publicize, promote, and distribute news releases regarding the LOVE artwork, as it deems appropriate, without permission or approval of Applicant.
- The artwork shall remain in place for a minimum of a year after its placement.
- Should it become necessary or desirable for the LOVE artwork to be removed from its location site, Applicant shall first notify VTC prior to its removal. Applicant shall be responsible for the removal of the LOVE artwork and any costs associated with such removal and site restoration, if applicable.

I have read, understand, and agree to comply with the terms and conditions of this agreement.

Accepted by:

Name (*Print*): _____

Title (*Print*): _____

Organization (*Print*): _____

Signature of Representative: _____ Date _____

<u>VTC USE ONLY</u>	
Approved by: _____	Paid Date: _____
Date: _____	Invoice#: _____



TOWN OF OCCOQUAN
TOWN COUNCIL MEETING
Agenda Communication

4. Consent Agenda	Meeting Date: January 16, 2024
4D: Request to Adopt Ordinance to Amend Title III of the Town Code	

Attachments: a. Draft Ordinance

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a request to adopt an ordinance to amend certain sections of Title III of the Town Code.

The amendments include various changes to Chapter 34 of the Town Code to renumber and place the Police Department and Fire Marshal Office under Public Safety. The changes to the administration of the Town help clarify the powers and duties of public safety personnel as well as improve the Town's intergovernmental coordination and grantmaking.

Staff Recommendation: Recommend adoption of the attached ordinance.

Proposed/Suggested Motion:

"I move to adopt Ordinance O-2024-01 to amend Title III of the Town Code as presented."

OR

Other action Council deems appropriate.

ORDINANCE # 0-2024-1

AN ORDINANCE TO AMEND TITLE III OF THE TOWN CODE

BE IT ORDAINED by the Council for the Town of Occoquan, Virginia meeting in regular session this 16th day of January, 2024:

1. That the Occoquan Town Council hereby amends the existing Town Code § 32.06 and Town Code §§ 34.00 through 34.99 and replaces them with the following:

TITLE III: ADMINISTRATION

Chapter

30. GENERAL PROVISIONS

31. TOWN COUNCIL

32. TOWN OFFICERS

33. TOWN BOARDS AND COMMISSIONS

34. ~~TOWN FIRE DEPARTMENT~~ TOWN PUBLIC SAFETY

35. TAXATION

Charter reference:

Powers generally, see § 1

Statutory reference:

Counties, cities, and towns, see VA Code Title 15.2

State and Local Government Conflict of Interests Act, see VA Code §§ 2.1-639.1 et seq.

State Public Procurement Act, see VA Code §§ 11-35 et seq.

State Public Records Act, see VA Code §§ 42.1-76 et seq.

The State Freedom of Information Act, see VA Code §§ 2.2-3100 through 2.2-3131

CHAPTER 32: TOWN OFFICERS

Section

- 32.01 Duties, powers, and functions of Mayor
- 32.02 Duties, powers, and functions of Vice-Mayor
- 32.03 Duties, powers, and functions of Town Manager
- 32.04 Duties of Town Clerk
- 32.05 Duties of Town Treasurer
- 32.06 Duties of Town ~~Chief of Police~~Sergeant/Deputy Town Sergeant/police officers
- 32.07 Duties, powers, and functions of Town Engineer
- 32.08 Duties, powers, and functions of Zoning Administrator
- 32.09 Duties, powers, and functions of Building/Code Official

Charter reference:

Town officers, see §§ 3 and 4

§ 32.06 DUTIES OF TOWN CHIEF OF POLICE.

~~(A) The Town Police Department shall be responsible for the preservation of the public peace, prevention of crime, apprehension of criminals, protection of the rights of persons and property, and enforcement of the laws of the commonwealth, the ordinances of the Town of Occoquan and all rules and regulations made in accordance therewith. The Chief of Police and the other members of the Police Department shall have all the powers and duties of police officers as provided by the general laws of the commonwealth.~~

~~(B) The Chief of Police is the head of the Police Department and shall be appointed by the Town Manager and shall have such additional duties, powers, and responsibilities as the Town Council believes to be in the best interest of the Town. The Chief of Police shall appoint all members of the Police Department and assign all members of the Police Department to their respective posts, shifts, details, and duties. The Chief of Police shall be responsible for the efficiency, discipline, and good conduct of the Police Department. Disobedience to the lawful commands of the Chief of Police or violation of the rules and regulations made by the Chief of Police shall be grounds for removal or other disciplinary action as provided in such rules and regulations.~~

~~(C) The Chief of Police and police officers shall have the power to arrest without warrant and carry before the proper authority to be dealt with as the law provides, any and all persons who shall violate any provision of the code of the commonwealth, this code or other ordinances of the town.~~

~~(D) The Town shall have an auxiliary police force organized and operated under the Chief of Police. The Chief of Police shall appoint as auxiliary police officers as many persons of good character as deemed necessary, not to exceed 15, and their appointment shall be revocable at any time by the Chief of Police or the Town Manager. During the term of service, such auxiliary police shall possess all the powers, authority, and immunities of full-time law enforcement officers in accordance with Code of Virginia § 15.2-1731. Auxiliary police shall not receive compensation from the town for services rendered as auxiliary police.~~

~~(E) All officers of police force shall read, sign, and agree to abide by Police Department general orders.~~

(1998 Code, § 2-186) (Ord. O-2022-06, passed 12-6-2022) (Ord. O-2023-15, passed 9-19-2023)

CHAPTER 34: ~~TOWN FIRE DEPARTMENT~~TOWN PUBLIC SAFETY

Police Department

- 34.01 Department created; police officers and appointments
- 34.02 Oaths of office
- 34.03 General powers and duties
- 34.04 Auxiliary police force

POLICE DEPARTMENT

§ 34.01 DEPARTMENT CREATED; POLICE OFFICERS AND APPOINTMENTS.

(A) The Town shall have a Police Department that is headed up and managed by the Chief of Police, who is appointed by the Town Manager as set forth in Section 32.06.

(B) The Chief of Police may appoint a Deputy Chief of Police and shall appoint all Police Officers of the Department and assign all officers of the Department to their respective posts, shifts, details, and duties. Police Officer powers and duties shall be as set forth in this subchapter and as authorized by the VA Code.

(C) All Police Officers shall read, sign and agree to abide by the Police Department general orders.

§ 34.02 OATHS OF OFFICE.

(A) The Chief of Police, Deputy Chief of Police, Police Officers, and members of the Police Department's staff, before entering upon their duties, shall, respectively, take an oath, before any officer authorized to administer oaths, swearing or affirming faithfully to discharge the duties of their offices.

§ 34.03 GENERAL POWERS AND DUTIES.

(A) The Police Department shall be responsible for the preservation of the public peace, prevention of crime, apprehension of criminals, protection of the rights of persons and property, and enforcement of the laws of the Commonwealth, the ordinances of the Town of Occoquan and all rules and regulations made in accordance therewith.

(B) The Chief of Police and Police Officers of the Town are law enforcement officers and shall have such powers, authority, duties, and immunities as are prescribed by state law and by this subchapter.

(C) The Chief of Police and Police Officers shall have the power to arrest without warrant and carry before the proper authority to be dealt with as the law provides, any and all persons who shall violate any provision of the code of the Commonwealth, this code or other ordinances of the Town.

(D) The Chief of Police may create any unit or division within the police department determined to be beneficial to the public safety.

§ 34.04 AUXILIARY POLICE FORCE.

(A) The Town may have an auxiliary police force organized and operated under the Chief of Police.

(B) The Chief of Police shall appoint as auxiliary police officers as many persons of good character as deemed necessary, not to exceed 15, and their appointment shall be revocable at any time by the Chief of Police or the Town Manager.

(C) During the term of service, such auxiliary police shall possess all the powers, authority, and immunities

of full-time law enforcement officers in accordance with Code of Virginia § 15.2-1731.

Fire Marshal

- 34.~~101~~ Office created; deputies; appointments
- 34.~~1102~~ Oaths of office
- 34.~~1203~~ General powers and duties
- 34.~~1304~~ Fire Marshal to be summoned to scene of fire, explosion, and the like
- 34.~~1405~~ Right of entry to investigate releases of hazardous material, hazardous waste, or regulated substances
- 34.~~1506~~ Power to arrest, to procure and serve warrants, and to issue summons
- 34.~~1607~~ Police powers of Fire Marshals
- 34.17 Suppression Capabilities

~~34.99~~ ~~Penalty~~

FIRE MARSHAL OFFICE

§ 34.~~101~~ OFFICE CREATED; DEPUTIES; APPOINTMENTS.

(A) The Town shall have a Fire Marshall's Office operated by Prince William County in accordance with such resolutions or agreements as the Town Council may approve from time to time.

(B) The Town Manager shall appoint the Chief Fire Marshal (the Fire Marshal).

(C) The Deputy Fire Marshal(s) and assistant fire marshals shall be appointed by the Chief Fire Marshal, whose powers and duties shall be as set forth in this subchapter and as authorized by the VA Code. (1998 Code, § 22-1) (Ord. O-2013-04, passed 4-2-2013)(Ord. O-2023-15, passed 9-18-2023)

§ 34.~~1102~~ OATHS OF OFFICE.

The Fire Marshal, Deputy Fire Marshal, assistant fire marshals, and members of the Fire Marshal's staff, before entering upon their duties, shall, respectively, take an oath, before any officer authorized to administer oaths, faithfully to discharge the duties of their offices.

(1998 Code, § 22-1.1) (Ord. O-2013-04, passed 4-2-2013)

§ 34.~~1203~~ GENERAL POWERS AND DUTIES.

The Fire Marshal and deputies or assistants shall have such powers and duties as are prescribed by state law and by this subchapter and other ordinances of the county.

(1998 Code, § 22-1.2) (Ord. O-2013-04, passed 4-2-2013)

§ 34.~~1304~~ FIRE MARSHAL TO BE SUMMONED TO SCENE OF FIRE, EXPLOSION, AND THE LIKE.

The Fire Department officer-in-charge of any fire, explosion, or incident to which fire apparatus or equipment responds shall immediately summon the Fire Marshal to the scene to investigate the circumstances involved. Such Fire Marshal shall make an investigation, or cause to be investigated, the origin and cause of every fire and explosion occurring with the town.

(1998 Code, § 22-2) (Ord. O-2013-04, passed 4-2-2013)

§ 34.~~1405~~ RIGHT OF ENTRY TO INVESTIGATE RELEASES OF HAZARDOUS MATERIAL,

HAZARDOUS WASTE, OR REGULATED SUBSTANCES.

The Fire Marshal shall have the right to enter upon any property from which a release of any hazardous material, hazardous waste, or regulated substance, as defined in VA Code §§ 10.1-1400 or 62.1-44.34:8, has occurred or is reasonably suspected to have occurred and which has entered into the ground water, surface water, or soils of the county, city, or town in order to investigate the extent and cause of any such release. If, in undertaking such an investigation, the Fire Marshal makes an affidavit under oath that the origin or cause of any such release is undetermined and that he or she has been refused admittance to the property, or is unable to gain permission to enter the property, any magistrate of the city or county where the property is located may issue an investigation warrant to the Fire Marshal authorizing him or her to enter such property for the purpose of determining the origin and source of the release. If the Fire Marshal, after gaining access to any property pursuant to such investigation warrant, has probable cause to believe that the release was caused by any act constituting a criminal offense, he or she shall discontinue the investigation until a search warrant has been obtained or consent to conduct the search has otherwise been given.

(1998 Code, § 22-4) (Ord. O-2013-04, passed 4-2-2013)

§ 34.1506 POWER TO ARREST, TO PROCURE AND SERVE WARRANTS, AND TO ISSUE SUMMONS.

The Fire Marshal and his or her assistants appointed pursuant to VA Code § 27-36 shall have the authority to arrest, to procure and serve warrants of arrest, and to issue summons in the manner authorized by general law for violation of the fire prevention and fire safety laws and related ordinances.

(1998 Code, § 22-5) (Ord. O-2013-04, passed 4-2-2013)

§ 34.1607 POLICE POWERS OF FIRE MARSHALS.

In addition to such other duties as may be prescribed by law, the Fire Marshal and his or her assistants appointed pursuant to VA Code § 27-36 shall have the same police powers as a sheriff, police officer, or law enforcement officer. The investigation and prosecution of all offenses involving hazardous materials, fires, fire bombings, bombings, attempts, or threats to commit such offenses, false alarms relating to such offenses, possession and manufacture of explosive devices, substances, and fire bombs shall be the responsibility of the Fire Marshal or his or her designee.

(1998 Code, § 22-5.1) (Ord. O-2013-04, passed 4-2-2013)

§ 34.17 FIRE SUPPRESSION AND LIFE-SAVING CAPABILITIES.

The Town may undertake such functions, including planning, public education, response, and mitigation to fire, emergency medical services, hazardous materials, rescue, and/or other emergency incidents as deemed appropriate by the Town Manager.

Emergency Management

34.20 Created; Appointment

34.21 General Powers and Duties

34.22 Declaration of Emergencies

34.23 Emergency Powers

EMERGENCY MANAGEMENT

§ 34.20 CREATED; APPOINTMENT.

(A) In accordance with the Commonwealth of Virginia Emergency Services and Disaster Law of 2000 (Code of Virginia, § 44-146.19 et seq.) of the Code of Virginia, as amended, the Town may create an emergency management unit under the Town Police Department for collaborating closely with the Prince William County Office of Emergency Management and the Virginia Department of Emergency Management to ensure integration of the Town into the Prince William County Emergency Management organizations. Emergency management shall be headed up by a coordinator of emergency management.

(B) The Town Council may from time to time appoint or remove from appointment a coordinator of emergency management to ensure integration of the Town organization into the Prince William County emergency management organization

§ 34.21 GENERAL POWERS AND DUTIES.

(A) In collaboration with the Prince William County Office of Emergency Management and the Virginia Department of Emergency management, other public and private agencies within the Commonwealth, the coordinator of emergency management may develop or cause to be developed mutual aid arrangements for reciprocal assistance in case of an incident or disaster too great to be dealt with unassisted.

(B) The coordinator of emergency management, once appointed, shall in concert with the Prince William County Office of Emergency Management and Virginia Department of Emergency Management prepare or cause to be prepared and kept current one or more local or interjurisdictional emergency plans for the Town of Occoquan, for dealing with disasters of different types and scopes. The plan or plans shall include, but not be limited to, responsibilities of town government, and they shall establish a chain of command according to the National Incident Management System. Plans shall be closely coordinated with the Prince William County Emergency Operations Plan and other relevant guidance documents, reviewed annually, and updated when changes result from the review, with documentation.

(C) The coordinator of emergency management shall have such other powers and duties as authorized by Town Council and provided for in the Commonwealth of Virginia Emergency Services and Disaster Law of 2000 (Code of Virginia, § 44-146.13 et seq.), as amended from time to time, and any and all other applicable laws, plus all powers reasonably and necessarily implied from any express grant of authority.

§ 34.22 DECLARATION OF EMERGENCIES

(A) Declarations of Emergency are the responsibility of Prince William County. However, the Chief of Police, or coordinator of emergency management, may communicate a need or desire that Prince William County officials declare an emergency within the Town. Prior to requesting a declaration of a local emergency to Prince William County, the Chief of Police, or the coordinator of emergency management, shall attempt to obtain the consent of the Town Mayor. However, if such consent is not reasonably practical under emergent circumstances, then a declaration request shall nevertheless be transmitted as valid and of full force and authority.

(B) During limited incidents or emergencies not rising to the level of a formal Declaration of Emergency but requiring enhanced and atypical emergency steps on behalf of the Town's departments, offices, or personnel, the Chief of Police or coordinator of emergency management, may take any or all actions to respond to or mitigate a threat, natural or manmade.

§ 34.23 Emergency Powers

When a local emergency declaration has been requested from or declared by the Prince William County Office of Emergency Management on behalf of the Town of Occoquan, the Chief of Police or coordinator of emergency management may engage in any actions authorized by the Commonwealth of Virginia Emergency Services and Disaster Law of 2000 (Code of Virginia, § 44-146.13 et seq.), as amended from time to time.

§ 34.99 PENALTY.

(A) Unless otherwise specified in §§ 34.~~104~~ through 34.~~1707~~, any person, firm, or corporation who shall violate any of the sections of §§ 34.~~104~~ through 34.~~1707~~, or any provisions of the Fire Prevention Code adopted in accordance with §§ 34.~~104~~ through 34.~~1707~~, shall separately for each and every such violation and noncompliance respectively, be guilty of a violation of §§ 34.~~104~~ through 34.~~1707~~, and shall, upon conviction, be punishable as a class 1 misdemeanor.

(B) A violation of §§ 34.~~104~~ through 34.~~1707~~ shall be construed to be an infringement, breach, or failure to comply with any provision of §§ 34.~~104~~ through 34.~~1707~~ or any order made thereunder, or any act of building in violation of any detailed statement, specifications or plans submitted and approved thereunder, or any certificate or permit issued thereunder, and from which no appeal has been taken, or any failure to comply with such an order within the time fixed therein.

(C) Each day that a violation continues after a service of notice as provided for in this code shall be deemed a separate offense.

(1998 Code, § 22-27) (Ord. O-2013-04, passed 4-2-2013)

2. That this ordinance is effective upon passage.

BY ORDER OF THE TOWN COUNCIL

Meeting Date: January 16, 2024
Town Council Meeting
Ord No. O-2024-1

RE: An Ordinance to Amend Title III of the Town Code

MOTION:
SECOND:
ACTION:

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

CERTIFIED COPY _____

Town Clerk



TOWN OF OCCOQUAN

Circa 1734 • Chartered 1804 • Incorporated 1874
314 Mill Street • PO Box 195 • Occoquan, Virginia 22125
(703) 491-1918 • Fax (571) 398-5016 • info@occoquanva.gov
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TOWN COUNCIL
Earnest W. Porta, Jr., Mayor
Jenn Loges, Vice Mayor
Cindy Fithian
Eliot Perkins
Nancy Freeborne Brinton
Theo Daubresse

TOWN MANAGER
Adam C. Linn, J.D.

TO: The Honorable Mayor and Town Council

FROM: Adam C. Linn, Town Manager

DATE: January 16, 2024

SUBJECT: Administrative Report

This is a monthly report to the Town Council that provides general information on departmental activities including administration, public safety, engineering, zoning and building, public works and events.

NEW FORMAT: To start off 2024, the Administration section of the Administrative Report has a new format, designed with two main goals in mind:

1. To better align Town projects, programs, and initiatives with the Town Council's Strategic Framework; and
2. To communicate Town business more clearly to the public.

Updates are now organized into new categories and important information and dates will be bolded.

Administration

Strategic Framework Updates:

These special updates cover all projects, programs and initiatives currently underway that further the priorities of the Town Council as laid out in their FY24-25 Strategic Framework adopted at the April 18, 2023 Town Council Meeting. The updates are divided into each priority and may be funded under the capital improvements program and/or the general fund as well as by State and Local Fiscal Recovery Funding (SLFRF).

Capital Tiers

➤ **Constructing a Parking Facility:**

- Staff investigated options for constructing parking facilities within Town limits. No available options are fiscally appropriate at the current time.

➤ **Upgrading Stormwater Infrastructure:**

- Community Flood Preparedness Fund (CFPF) Grant - UPDATED: In April 2022, town staff prepared and submitted a grant application for the third round of the Virginia Community Flood Preparedness Fund administered by the Virginia Department of Conservation and Recreation (DCR). In January 2023, town staff received notification that the grant was awarded in the amount of \$84,902.50 with a total project cost of \$169,805 and a required match of 50% by the Town. The awarded grant funds a study

by Weston & Sampson that will evaluate the Town's stormwater and flood resilience. Ultimately, the grant will fund the creation of an actionable plan that, when implemented, will increase the town's overall resiliency and response to the impacts of climate change within the community and region. The contractor is currently collecting and analyzing data on existing stormwater systems (Best Management Practices or BMPs) in the Town. On July 28th, Town staff sent notice to affected property owners and received signed permission from almost all property owners. Field inspections started the week of September 25th. The field team was able to inspect and collect data on most stormwater BMPs in the Town. Minimal follow up field work was completed in late October. The contractor met with Town staff in December to review the modeling and will be working with Town staff over the next two months to finalize the deliverables, including a final report..

- Stormwater Improvements: On March 17th Town staff submitted an application to Congressperson Spanberger's office for the FY2023 Community Project Funding Program to fund remediation to the Town's stormwater system. Staff does not expect any updates on funding until Spring 2024.
- DEQ ARPA Wastewater Funds 2022 Appropriation - UPDATED: The Town received through the Department of Environmental Quality (DEQ) up to \$325,000 in ARPA funding for wastewater and stormwater remediation as a result of a funding request made by Mayor Porta in November 2021. Town staff submitted an initial program application on September 28, 2022, for part of the funding for storm water remediation through sediment removal from the Occoquan River in the areas of 101 Poplar Lane and Mill Street, Gaslight Landing (locations where stormwater has created significant sediment buildup). On November 4, 2022, Town staff submitted a revised application to include other related stormwater projects for the full \$325,000. As part of the DEQ stormwater remediation, Town also obtained an environmental endangered animal study update for the applicable area. The first component, dredging, was completed as of February 24, 2023. Staff is working with DEQ to fund other stormwater related projects with the remainder of the \$325,000 grant and has met on site with potential contractors. Staff submitted quotes to DEQ in early June and provided additional documentation in September. Staff was contacted by a DEQ representative who advised that the Governor has signed a directive streamlining the grant timeline and that the Town has provided all requirements and should expect to receive the grant documentation before January 29th and that reimbursements requires can be made with the documentation.

➤ **Completing Riverwalk:**

- Riverwalk Planning Project - UPDATED: After completion of the Riverwalk Vision Plan process and review by the Planning Commission, at the November 8th, 2023 meeting, the Town Council authorized the Mayor to create and appoint members to a committee, the Riverwalk Expansion Special Committee (RESC), that will evaluate and report on the next steps for the project. The committee met twice in 2023 and will continue to hold public meetings until its report is due to Town Council in May 2024.

➤ **Developing/Promoting Town as a Trail Junction:**

- Town staff are currently supporting the Planning Commission in its strategic planning efforts that include researching and developing a Trail Town program for Occoquan.

➤ **Promoting Connections with Regional Partners:**

- PWCDOT Crosswalk Safety Project: On May 31, 2023, Town staff met with VDOT

engineers and staff from Prince William County Department of Transportation regarding crosswalk safety of the Washington Street Crosswalk between E. Locust Street and Edge Hill Drive. Town staff, VDOT engineers and PWCDOT recommended: (1) the addition of a streetlight near the crosswalk and changing of old streetlight heads to newer LED which would enhance the visibility at dusk/ dawn for pedestrians and drivers (PWCDOT agreed to take the lead on this immediate solution); (2) a PWCDOT study to see if a speed reducing feature such as a chicane, chocker, or perhaps a mini roundabout could be installed at the adjacent intersection; and (3) the extension of the sidewalk across the undeveloped frontage and the removal of the mid-block crosswalk to be funded under the County's Safe Sidewalk grant. Dominion Electric installed new LED streetlight heads in September. Town staff is waiting to receive notice from PWCDOT on the Dominion Electric cost quote to place a new streetlight at the crosswalk.

- Occoquan Greenway (VDOT TAP Grant Project) – UPDATED: In early May 2022, Town received notification that additional funding for the Transportation Alternatives Set-Aside Program was received through the federal infrastructure bill and that the Ellicott Street Sidewalk (Occoquan Greenway Connection) project was selected. This funding is available for fiscal years 2023-2024 and will be a coordination project with the Town, PWC Transportation and Parks Departments. The project includes sidewalk installation on Union Street and part of Ellicott Street to connect the town to a planned off-road trail section of the Occoquan Greenway Trail. The project also includes a sidewalk installation along Ellicott Street, between Poplar Alley and Mill Street. The Town Council adopted a resolution of support for the project at its September 21, 2021 meeting. Surveying along McKenzie, Union, and Ellicott Streets was completed in November 2023. In December 2023, Town staff met with PWC and the engineering firm hired by PWC to review the initial drawings and conceptual designs. Town staff have submitted feedback to PWC, who is preparing to submit the conceptual designs to VDOT. Staff were advised that construction start dates will begin sometime in 2026. Updates will be available at www.occoquanva.gov/construction-updates.

➤ **Improving Town Gateways:**

- Town Signage Updates - UPDATED: In mid-December, the welcome signs on Commerce Street and Tanyard Hill Road and the wayfinder at Mamie Davis Park were installed. The remaining sign at River Mill Park is in permitting and install is expected in Spring 2024. Landscaping improvements for the signage are scheduled for Spring 2024.



➤ **Pursuing Energy Efficiency/Sustainability Enhancements:**

- 170 Mill Street EV Charging – NEW: At the December 5th, 2023, Town Council meeting, Greenspot JC, LLC was granted a franchise to install two (2) Level 2 electric vehicle (EV) charging stations at the Town parking lot at 170 Mill Street on the corner of Mill and Washington Streets. Installation will occur within the next year. Town staff will provide updates as installation progresses and as more EV charging options are explored.

➤ **Continuing Analysis and Refinement of 3-Pronged Parking Program:**

- Town staff will continue to monitor opportunities for increasing the amount of parking in town via the creation of new facilities and access to existing, underused facilities.
- Parking Enforcement Personnel – NEW: The Occoquan Police Department is currently

onboarding new parking enforcement staff to cover and expand its current enforcement of the timed parking district.

- **Implementing Public Safety Projects (BWC program, energy efficient fleet vehicles):**
 - Hybrid Fleet Update – NEW: Since Summer 2023, the Occoquan Police Department has purchased and placed into service two (2) Ford Intercept Hybrid SUVs.
 - Body Worn Camera Expansion – NEW: In Fall 2023, the Occoquan Police Department expanded its use of body worn cameras (BWC) and executed a new contract with Axon Enterprise, Inc. so that all patrol officers are equipped with BWC and have received training on their proper use.
- **Improving Town Properties (Mill House Museum, River Mill Park, Furnace Branch Park, Tanyard Hill Park):**
 - River Mill Park Upgrades – NEW: In 2023, the Town completed electrical upgrades to the park, including a new outlet in the western end of the park, and updated the bathroom doors. Staff are currently working to upgrade the water heater and improve the adequacy and efficiency of the plumbing system at the bathhouse and resolve drainage issues in the park.
 - Annex Storage Enclosure – NEW: In December, the old storage enclosure at the Town Annex (Public Safety and Public Works) was replaced with a new storage enclosure (a new shed and fencing) to house new and existing Public Safety and Public Works equipment, including new fire suppression equipment for the Occoquan Police Department.

Operating Tiers

- **Personnel Recruitment, Retention, and Succession Planning**
 - New Town Treasurer – NEW: As of December 2023, the Town has recruited a new Town Treasurer, Asma Rupani. Mrs. Rupani has over 20 years of experience in accounting, bookkeeping, and finance management as well as experience in municipal government accounting and collections. Mrs. Rupani is working with staff on expanding annual audits for business licenses and meals tax reporting.
 - Events Personnel Planning – NEW: Town staff are currently engaging in a months-long planning process to assess and reorganize the Town’s Events Office in order to best meet the Town’s present and future events needs and goals.
- **Tourism-led Economic Development Programming**
 - Visit Occoquan Partnership – NEW: At the December 5th, 2023 Town Council meeting, the Town Council approved an agreement with Visit Occoquan, the marketing and tourism non-profit that is succeeding the Occoquan Business partners as the hub for Occoquan’s business community. The agreement is the foundation of future events, marketing, and business support coordination between the Town and Visit Occoquan.
- **Enhancing Revenue from Town Events Programming**
 - Town staff are currently evaluating the past events season and assessing possible opportunities for revenue enhancement as the FY2025 Annual Budget and CY2025 Events Calendar are finalized.
- **Monitoring Technology Improvements for Productivity Enhancement**
 - Online Payment System – NEW: Over the past year, Town staff have added the Town’s

first online payment option to the Town website. In addition to in-person, over the phone, and via the mail, residents and visitors are now able to make a range of payments online at: <https://www.occoquanva.gov/make-a-payment/>.

Additionally, **businesses are now able to pay for their annual business license online.** For more information go to <https://www.occoquanva.gov/business/doing-business-in-occoquan/>.

- New Town Hall POS – NEW: In 2023, Town staff replaced Town Hall’s old card reader with a tablet-based Point-of-Sale (POS) system for processing card and contactless payments in person. The tablet-based system also allows staff and visitors to file forms online and use a range of applications to better deliver services to the public.
- New Town Intranet – NEW: Town staff are currently in the planning phase for creating an intranet for Town staff that will replace the existing shared physical drive system with a cloud-based, collaborative intranet, utilizing existing Microsoft 365 products. Implementation of a new SharePoint-based system is anticipated by Spring 2024.

➤ **Business Support and Development Programming**

- Signage Education and Code Updates: Town Council approved amendments to the sign code at its June 6, 2023, meeting. The changes limit businesses and residents to one, unpermitted A-frame sign amongst other changes. The full ordinance with the changes is available at www.occoquanva.gov/business/sign-permits. Town staff is currently updating signage education literature to reflect those changes. To review your current signage and ask any questions please email signpermits@occoquanva.gov.
- Continuance of Quarterly Business Meetings – NEW: Although the Occoquan Business Partners (OBP) dissolved in 2023, Visit Occoquan and the Town of Occoquan will continue to host quarterly Town and Business Partnership Meetings. The first meeting of 2024 was held at Town Hall on January 9th and the next will be in early April. Subscribe for updates and find more information on meetings at: <https://www.visitoccoquanva.com/ocqhub>.

➤ **Development of Capital Asset Maintenance Program**

- Staff have been in communication with Prince William County on maintenance programs and are currently in the research and planning phase for this priority.

➤ **Development of a Business Recruitment Program**

- Staff have been in communication with Visit Occoquan and are currently in the research and planning phase for this priority. In 2023, the Planning Commission completed preliminary strategic planning related to Economic Development and Business Recruitment.

Capital and Maintenance Project Updates:

These are updates on existing and planned capital projects that are part of the Town’s Capital Improvements Program (CIP) and additional to the Town Council’s Strategic Framework priorities. More project updates are available at www.occoquanva.gov/construction-updates.

- Mill Street Water Issue: Town staff reinstalled the temporary pipe to direct water from the pipe at 426/430 Mill Street to the Ellicott Street stormwater inlet. The recrowning work completed by VDOT contractors in June along the section of Mill Street near the Ellicott Street intersection did not adequately address the longtime water flow issues in this area. As a result, water is continuing to flow across Mill Street instead of traveling along the curb line to

the Ellicott Street inlet. Town staff is actively reviewing better temporary solutions as well as permanent solutions. Updates will be available at www.occoquanva.gov/construction-updates.

- **Mill Street and Ellicott Street Intersections:** Town staff received a request to place signage at the intersection on Mill St. and Ellicott St. advising the eastbound traffic that oncoming traffic does not stop. Staff created a request with VDOT and met with VDOT traffic engineers. After discussion, VDOT decided to place a dashed double yellow line in the intersection showing the lane of travel for eastbound traffic. The line was installed the week of November 27th. After evaluating the impact of the improvement, VDOT will consider other changes such as adding a stop sign to westbound traffic or removing all stop signs.

Development Project Updates:

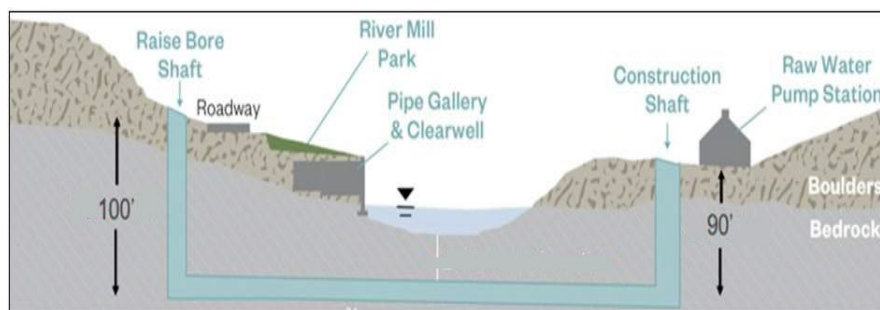
These are updates on private development projects in the Town of Occoquan. More information can be found in the Engineering Section.

- **The Mill at Occoquan:** The Mill at Occoquan project's revised site plan has been submitted and second round comments have been sent to the applicant. Approval of the floodplain study was provided by FEMA on November 4, 2022. The developer is currently preparing for the demolition permitting process.
- **406 McKenzie Drive Subdivision – NEW:** Owners of 406 Mackenzie Drive have submitted a subdivision application with the Town to divide the property into multiple parcels. Comments on the application have been provided to the owners.

Other News and Updates:

These are updates on any other noteworthy projects, programs, or initiatives being carried out in and around the town, including updates on deadlines and administrative projects.

- **Fairfax Water Construction – UPDATED:** The boring project under the Occoquan River has been completed. The installation of new pipes and connections have started. Completion of the project is expected by summer of 2024. To stay up to date on construction, please sign up for AlertOccoquan at www.occoquanva.gov/living-here/alertoccoquan. Below is a rendering of the project:



- **SHIELD and New Online Public Safety Resources:** Occoquan Police Department (OPD) and Town staff have collaborated to update the Public Safety section of the Town website and launch a new SHIELD platform to help OPD link and connect with the community. For more information go to www.occoquanva.gov/government/public-safety.
- **Development of New Town Seal – UPDATED:** The Town Council at the September 5, 2023, Town Council meeting directed staff to research the creation of a new design for the Town Seal. At the December 5th, 2023 Town Council meeting, Town Council authorized the Town Manager to engage with crowdSPRING, LLC for the purposes of creating a new Town Seal. Staff are currently engaged in the design solicitation process and will bring proposals forward

to Town Council at the January meeting.

- 2024 Business Licenses (BPOL) – NEW: **Business licenses for 2024 are due by March 1, 2024.** New this year, both the application and the payment will be due on March 1st. The code was changed at the April 4th, 2023, Town Council meeting by Ordinance #O-2023-05. For more information and to pay online visit: <https://www.occoquanva.gov/business/doing-business-in-occoquan/>.

Treasurer Report - Supplemental Information

The November 2023 Financial Report is included in the Town Council agenda packet. Highlights from the current report are below, as well as additional information regarding current delinquencies.

BPOL Tax Delinquencies		
Business Name	Years of Delinquency	Date of Last Notice/Status
HAVANA BOUTIQUE*	2	7/7/2023

*Business closed as of August 2023

Transient Occupancy Tax Delinquencies		
Business Owner	Months of Delinquency	Date of Last Notice/Status

Meals Tax Delinquencies		
Business Name	Months of Delinquency	Date of Last Notice/ Status
BABBANME LLC	5	11/1/23
BLACK MAGIC	3	11/1/23
MILL STREET DRAFT GARDEN	2	11/1/23

Real Estate Delinquencies			
Property Owner	Years of Delinquency	Date of Last Notice	Notes
GRANNY'S COTTAGE INC	7	12/1/2022	
HOUGHTON RONALD W ETAL	5	12/1/2022	

Meals Tax by Fiscal Year			
Month	FY22	FY23	FY24
July	27,749	28,956	30,936
August	25,668	27,894	31,014
September	24,585	25,730	26,989
October	24,952	24,180	24,819
November	17,803	19,372	20,005

Engineering

FEMA Flood Insurance Rate Map (FIRM) - no change from last report: Multiple appeals by residents in Prince William County will delay adoption until spring 2024, assuming no additional appeals. Town residents can use the new map since it is the “best available data” even though not yet officially adopted by FEMA. Following resolution of any other comments FEMA will issue a Letter of Final Determination, with an effective date. May require update of ordinance.

Rivertown Overlook Project - no change from last report: Land Disturbance Permit issued - construction complete. Erosion inspections recommended to cease. Awaiting submission of as-built plans and request for bond reduction/release.

Mill at Occoquan - no change from last report: Site plan submitted June 4, 2022, with Town and VDOT comments provided to Applicant’s engineer on July 19, 2022. Revised site plan submitted on May 25, 2023. All agency and Town comments returned to Applicant’s engineer by June 26, 2023. Approval not recommended at this time.

State Local Fiscal Recovery Funds (SLFRF):

- **Playground Structure in River Mill Park - no change from last report:** Met with Town Manager and Fairfax Water on June 21, 2022, to begin discussions on engineering design for potential future installation of a playground structure in River Mill Park. Town Manager working to establish playground type and fixtures to determine impact on FCWA infrastructure. Previous structural calculations for stage reviewed with option to use outside consultant under consideration. Sketch plan will be required.
- **Community Flood Preparedness Fund (CFPF) Flood Protection Study - no change from last report:** Resiliency Plan grant consultant coordination of tasks including storm as-builts and infrastructure evaluation. Permission letters to enter property to gather as-built storm information received from property owners. Field crews on site week of 9/25/2023.

FCWA River Crossing Construction - no change from last report: Project underway. Blasting completed as of end of October.

Ellicott Sidewalk Extension Project - update from last report - Contacted by Prince William County to notify Town some initial work proceeding. Meeting on 12/14/23 with PWC Park Authority and VDOT consultant AMT. Discussed project parameters and reinforced need for “Occoquan brick” if possible. Evaluating project limits and possible need for right of way acquisition. Future meeting with VDOT in mid-January.

Site Plans/Plats Under Review or Being Discussed with Owner/Tenant:

Address	Plan Number	Use	Status
Mill at Occoquan	SP2022-001	Mixed Use project	First submission 6/4/22, comments provided 7/19/22; second submission 5/25/23, comments provided 6/26/23
105 Poplar Lane	Not assigned	Single family detached	Modifications to house and lot for final Occupancy Permit
406 McKenzie Drive	SUB2023-036	Subdivide existing lot into two parcels	Comment letter sent to applicant on Nov. 27, 2023. Met Applicant on 12/21/23 with future meeting attended by engineer to be scheduled
109 Poplar Lane	Not Assigned	Driveway reduction	No submission to date - questions posed by owner

Zoning

IMPORTANT NOTICE: On June 6, 2023, Town Council amended the Zoning Code to grant the Zoning Administrator the authority to make modifications from the Code with respect to certain physical requirements on lots. As such, a new list of zoning modification requests has been added to this section of the report. Residents can learn more about zoning modifications at www.occoquanva.gov/government/zoning-land-development-and-building.

A. The following is a list of **zoning reviews** from December 1 to December 31, 2023:

	Zoning Application #	Property Address	Activity
1	TZP2023-044	402 Mill Street	Interior Structural Repairs
2	TZP2023-045	109 Poplar Lane	Dock Install
3	IAP2023-0007	102 Washington Sq Ct	Replace Gas Furnace
4	TZP2023-046	131 Washington St	Replace Gas Furnace and AC Coil

B. The following is a list of **zoning modification requests** from December 1 to December 31, 2023:

	Zoning Application #	Property Address	Activity
1			

C. The following is a list of **new violation letters** from December 1 to December 31, 2023:

	Property Address	Violation #	Violation	Town Action
1				

D. The following is a list of **active/previous violations** from December 1 to December 31, 2023:

	Property Address	Violation #	Violation	Town Action
1	302 Poplar Alley	OZV-2023-01	Signage	New NOV sent on 8/22/23; Meeting with Zoning Administrator on 9/28/23; owner given 45 days, until 11/13/23 to respond to Town and abate violations; no abatement or response by 11/13/23; email and call giving final opportunity sent on 11/20/23; no response as of 11/30/23; Referred to Town Attorney on 12/4/23

Building and Property Maintenance

Building: The Building Official monthly permit report as well as the building code violation reports provided by Prince William County are attached.

For more information on building permits and building code violations go to <https://www.pwcva.gov/departments/building-development-division>.

Property Maintenance: The Property Maintenance monthly report provided by Prince William County is attached.

Starting in July 2023, Prince William County now provides property maintenance enforcement for the Town of Occoquan. All complaints for property issues, excluding signage, yard, and landscaping concerns, should be filed with the Prince William County Neighborhood Services at www.pwcva.gov/departments/neighborhood-services.

Public Safety

Mission:

The mission of the Occoquan Police Department (OPD) is to: protect the lives and property of our residents, visitors, and businesses; to reduce the incidence and fear of crime; and to enhance the public safety of our historic waterfront community. To that end, we will hire and maintain a professional staff who through education, mentoring, and community policing will maintain a supportive partnership between our community and this Department. We will respect the rights and dignity of all people and always remain approachable and professional.



Monthly Departmental Goals:

- Goal 1: Provide for the public safety of the persons and property of the residents, businesses, and visitors of the Town of Occoquan.
- Goal 2: Promote a professional and accountable police department.
- Goal 3: Promote safe pedestrian and vehicular traffic within the Town of Occoquan.
- Goal 4: Prepare for and respond to all threats and hazards facing the Town of Occoquan.

OPD Division Reports:

Professional Standards Division

The Professional Standards Division (PSD) is responsible for internal affair investigations, criminal investigations, and background investigations. Additionally, the OPD Training Unit is housed within the PSD and is responsible for identifying training needs, designing, and implementing training for OPD Officers.

The OPD did not receive any complaints against officers within the Department during the month of December. PSD will be developing statistical information for the end of year report regarding complaints in 2023.

Field Operations Division

The Field Operations Division (FOD) is responsible for day-to-day operations throughout the Town.

Officers engaged in foot patrols throughout the residential district, historic district, and the Town Riverwalk.

Officers provided public safety support for the Christmas Artisan Market including the escort of Santa by way of watercraft.

Officers continued to use DMV Grant enforcement funds for impaired driving, pedestrian safety, and speed to reduce crashes and promote safe vehicular and pedestrian traffic movement within the Town as well as in support of safer roads within Fairfax and Prince William Counties. During the month of December two important National Highway Traffic Safety Administration (NHTSA) campaigns occurred around the holidays. The OPD staffed these campaigns, ensuring the roadways were safer during these times and reduced crashes within and around the Town.

Special Operations Division

The Special Operations Division (SOD) consists of OPD Officers who have a dual role within the FOD. The SOD consists of Auxiliary Patrol Officers, the Homeland Security and Emergency Management (HSEM) Unit, Marine Patrol Unit, Bicycle Patrol Unit and UTV Patrol Unit.

SOD Officers deployed for the Holiday Artisan Market enhancing visibility to the public and employing technology and specialized equipment to keep everyone safe.

SOD Officers assigned to the HSEM Unit completed security assessments, planning, and resource deployment in preparation of the Artisan Market. Additionally, SOD Officers assigned to the HSEM unit began its annual review of the Town's emergency plans.

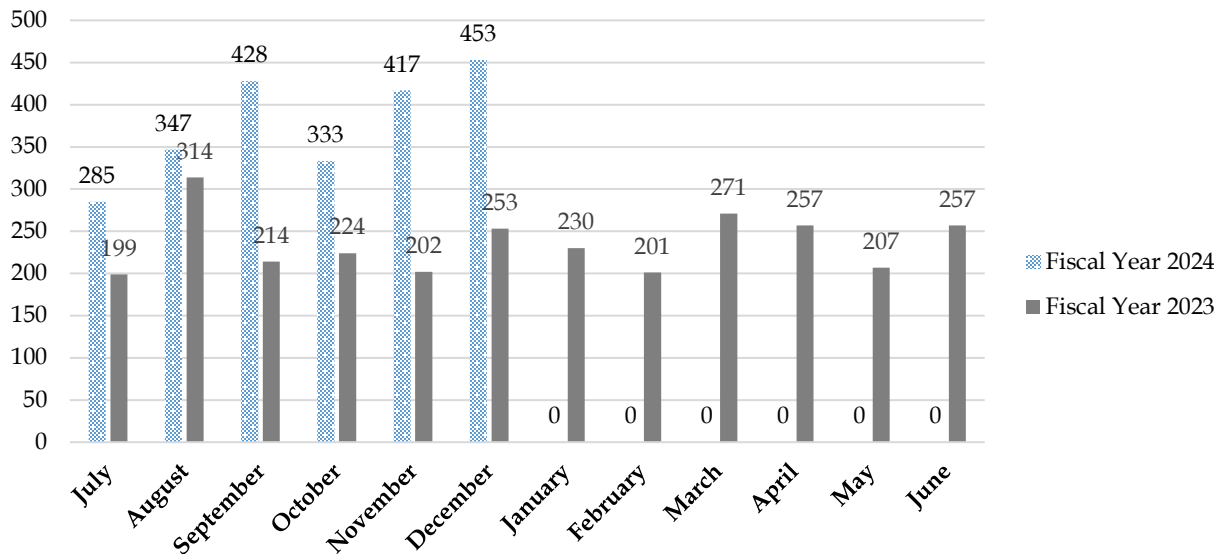
The OPD continued to participate in the monthly Northern Virginia Emergency Response (NVERS) UAS, High Threat Response, and Emergency Managers committees to include the Northern Virginia Regional Intelligence Center monthly briefing.

Patrol and Enforcement Activities:

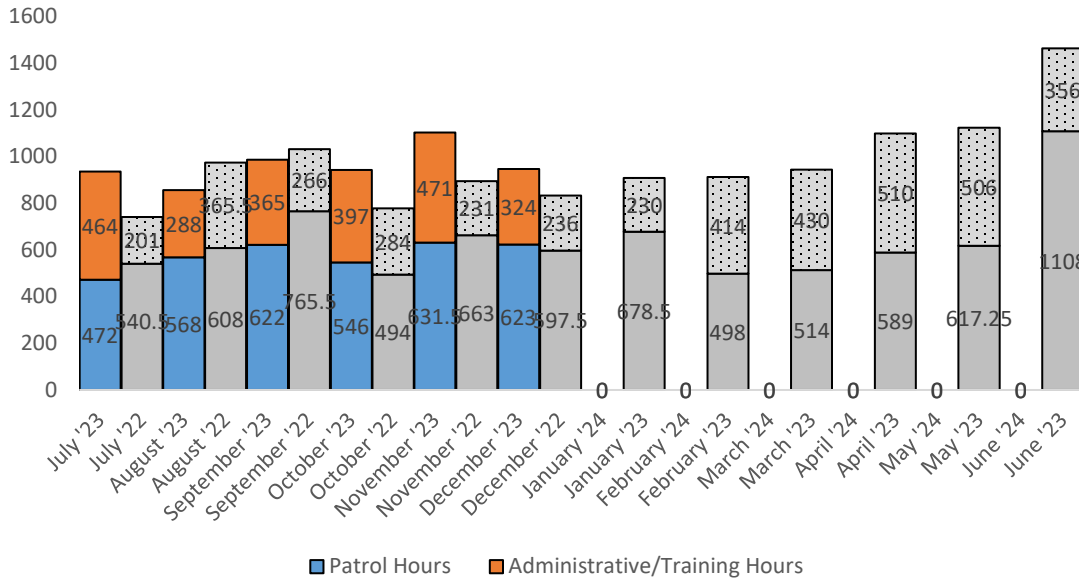
For the month of December, Police had 114 calls for service, with 11 disorderly calls, 9 suspicious person/vehicle/circumstance calls, 6 medical/mental health calls, 6 disabled vehicles/motorist assist calls, 6 vehicle crash calls, 5 alarm calls, 4 trespassing calls, 4 roadway obstruction calls, 3 attempted suicide calls, 3 noise complaint calls, 3 parking complaint calls, 2 overdose/drug calls, 2 welfare check calls, 2 missing persons calls, 1 hit and run call, 1 larceny call, 1 destruction of property/vandalism call, 1 traffic control call, 1 warrant service call, 1 fleeing & eluding call, 1 death notification call, multiple service/assist calls, and made 1 custodial arrest, issued 453 traffic summonses, 57 parking violations, and 108 warnings.

Officers also engaged in 67 business checks and 52 park checks during the month of December.

TRAFFIC SUMMONSES FYTD (GRAPH)



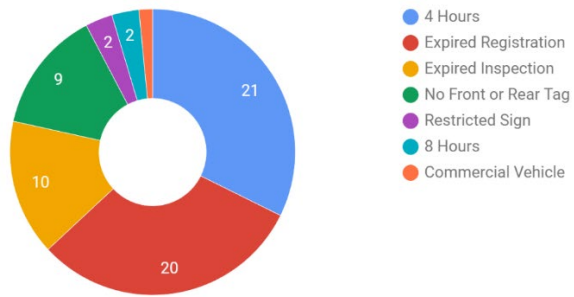
PATROL/ADMINISTRATIVE/TRAINING HOURS FYTD (GRAPH)



PARKING ENFORCEMENT (CHART/GRAPH)

Month	Parking Tickets	Warning
July	32	2
August	87	2
September	113	6
October	20	3
November	40	1
December	57	8

Occoquan VA - Tickets By Violation (Dec. 2023)

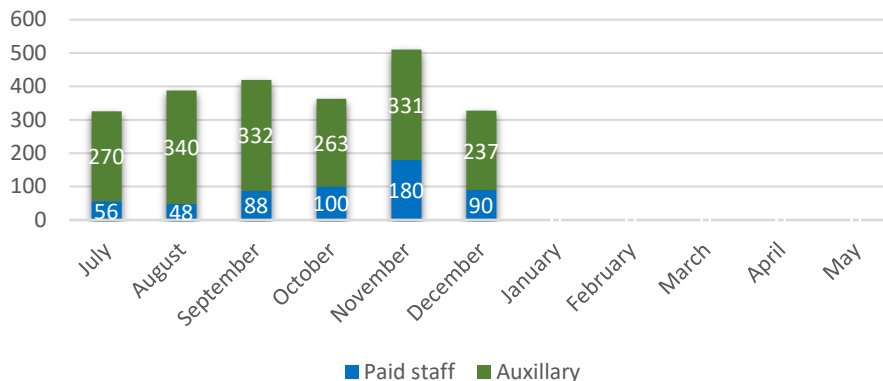


Data as of 1/3/2024, 12:00:00 AM



Volunteer in Police Service

For Fiscal Year 2024, our auxiliary police officers and paid police staff donated a total of 2,335 uncompensated hours to the Town. Below is a list of volunteer hours (uncompensated time) provided by our auxiliary police officers and paid police staff.



Special Operations Statistics

Marine Patrol					
Month	Hours on Patrol	Training Hours	Stops	Interactions	Calls for Service
July	16	24	3	15	4
August	18	0	4	26	1
September	0	0	0	0	0
October	4	8	0	0	1
November	2	0	0	0	0
December	1	0	0	0	2
FY Total	41	32	7	41	8
UAS Operations					
Month	Operational Hours	Training Hours		Call Outs	Calls for Service
July	1	8		1	1
August	4	48		0	2
September	0	32		0	0
October	8	0		0	1
November	0	0		0	0
December	0	0		0	0
FY Total	13	88		1	4
UTV Patrol					
Month	Hours on Patrol	Training Hours	Stops	Special Events	Calls for Service
July	0	0	0	0	0
August	0	0	0	0	0
September	0	18	0	0	0
October	8	0	0	4	0
November	32	0	0	6	1
December	42	0	0	1	1
FY Total	82	18	0	10	2

Public Works

Routine Activities

The Public Works Department engages in the following regular maintenance activities:

Activity	Weekday	Sat/Sun	Weekly	Monthly	Notes
Trash Collection/Check	X	X			Weekend checks during high traffic seasons
Street Sweeping			X		Sweeping Season: April - October
Check/Repair Gaslights	X				Review and schedule repairs as needed
Check/Replace Doggie Bags			X		
Check/Clear Storm drains			X		Weekly + Storm Prep
Check Public Restrooms	X	X			Weekend checks during high traffic seasons
Contractor Cleaning - RMP			X		Contractor cleans Fridays and Mondays
Check Tanyard Hill Park			X		Review and schedule repairs as needed
Check Mamie Davis Park and Riverwalk	X				Review and schedule repairs as needed
Check/Clean Kayak Ramp				X	Monthly to quarterly cleaning
Check River Mill Park	X				Review and schedule repairs as needed
Clean/Maintain RMP Light Poles				X	
Check Furnace Branch Park			X		Review and schedule repairs as needed
Minor Brick Sidewalk Check/Repairs			X		Review and schedule repairs as needed
Maintain Town Buildings			X		Review and schedule repairs as needed
Maintain Town Equipment			X		Vehicle and small engine repair, seasonal and as needed
Clean Town Vehicle			X		Ensure cleanliness and care of town vehicle
Maintain Annex/PW Facility	X				External and Internal clean up and organization
Maintain Events Building at RMP				X	Monthly to quarterly
Check/Maintain Dumpster and storage area				X	
Water Flowers	X				Seasonal
Graffiti Check/Removal	X				
Litter Check/Removal	X				
Install/Repair Event Banners as Needed				X	Seasonal
Maintain Temporary Pipe on Mill Street			X		Until no longer needed

Public Works Highlights (December 2023)

- Installed new gateway signage and a new wayfinder at Mamie Davis Park
- Supported the Artisan Market and HolidayFest

Special Public Works Projects

Projects In-Progress: 12 Projects Completed: 4

Below is an updated list of maintenance activities with statuses updated as of October 31, 2023:

Project	Status	Completion Date	Notes
Building Maintenance			
Repair and Paint Town Hall Eaves	Not started		FY24
Craft Show and Events Support			
Artisan Market Prep	Completed	12/01/2023	
Artisan Market Support	Completed	12/04/2023	
Landscaping			
Plant liriopie along Mill St buffer in front of 402 Mill	Not started		FY24
Seed and aerate town parks	Not started		FY24
Hardscaping stairs at LOVE sign	In progress		FY24; materials shortage
Park Maintenance			
Create Brace for Mill Stone	Not started		2024
RMP Plumbing and Bathroom Upgrades	In progress		Winter 2023-2024
Install LED Lighting on Footbridge	In progress		FY24
River Mill Park Signage Update	In progress		In PWC permitting
Mamie Davis Park Signage Update	Completed	12/15/2023	
Special Projects			
Backup Generator Project	Not started		Paused
Transfer box set up at Annex	Not started		Paused - OPD Joint Project
Poplar Lot Reorganization and River Road Improvements	In progress		Winter 2023-2024
Public Works Inventory	In progress		Creating log sheet and adding PW locations
Town Gateway Updates	Completed	12/15/2023	
Streets, Sidewalks, and Parking			
Replace Benches at Mill House Museum	In progress		Winter 2023-2024

Project	Status	Completion Date	Notes
Repair and Readjust Wheel Stops Under 123 Bridge	In progress		December 2023
Seasonal Brick Repair and Replacement	In progress		Winter 2023-2024
Replace toppers on gaslights	In progress		December 2023
Remove stickers from town signs	In progress		December 2023
Remove debris from RMP manhole	In progress		December 2023

Brick Installation and Maintenance Projects

Below is the status of the replacement and maintenance of sidewalk bricks:

Location	Status	Notes
Brick Repairs	In progress	Minor fixes to loose or broken bricks has commenced, starting on the 400 block of Mill Street

Events and Community Development

2024 Events Calendar

Below are the dates for all Town and Visit Occoquan events for the 2024 calendar year:

Feb 16	Firelight Night	Aug 9	Trivia
		Aug 11	Trivia Rain Date
Mar 26-30	The Peep Show		
		Aug 17	Music On Mill Concert
Apr 6	Foto Clean Up		
		Sep 13	Trivia
May 10	Trivia	Sep 15	Trivia Rain Date
May 12	Trivia Rain Date		
		Sep 28-29	Fall Arts & Crafts Show
May 18	Music On Mill Concert		
		Oct 11	Trivia
June 1-2	Riverfest	Oct 13	Trivia Rain Date
June 1	Boat Parade		
June 2	Duck Splash	Oct 25-26	Spirits & Spirits
		Oct 25	Murder Mystery
June 14	Trivia	Oct 26	Costume Parade
June 16	Trivia Rain Date	Oct 26	Haunted Maze & Spirit
		Garden	
June 15	Music On Mill Concert		
		Nov 23	Tree Lighting & Firepits
July 12	Trivia		
July 14	Trivia Rain Date	Nov 29-Dec 1	#Shopsmall Weekend
July 20	Music On Mill Concert	Dec 7-8	Holiday Artisan Market

TOWN OF OCCOQUAN
FINANCIAL STATEMENTS
AS OF 11/30/2023

	As of 7/1/23 Unaudited	Unaudited Income/ (Loss) YTD FY24	As of 11/30/2023 Unaudited
Nonspendable:			
Mamie Davis Fund	\$ 100,000	\$ -	\$ 100,000
Prepaid Items	\$ -	\$ -	\$ -
Restricted:			
E-Summons Fund	\$ 38,148	\$ 5,442	\$ 43,590
Assigned:			
Events Fund	\$ 87,674	\$ 4,128	\$ 91,802
CIP Fund	\$ 26,843	\$ (8,726)	\$ 18,117
Public Safety Grant Fund	\$ 41,496	\$ 5,689	\$ 47,186
Mamie Davis Park Fund	\$ 6,498	\$ 63	\$ 6,561
PEG Fund	\$ 1,955	\$ -	\$ 1,955
Subtotal Assigned:	\$ 164,466	\$ 1,154	\$ 165,620
Unassigned:			
Operating Reserves	\$ 200,000	\$ -	\$ 200,000
Other Unassigned	\$ 17,950	\$ 167,858	\$ 185,807
Subtotal Unassigned:	\$ 217,950	\$ 167,858	\$ 385,807
Total Fund Balance:	\$ 520,563	\$ 174,454	\$ 695,017

Additional Information:

SLFRF Balance:	\$ 658,340	\$ (123,669)	\$ 534,671
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Town of Occoquan

Budget vs. Actuals

July - November 2023

	Actual	Annual Budget	Over Budget	% of Budget
Income				
40000 TAXES				
40010 Real Estate	218,587	288,769	(70,182)	75.70%
40020 Meals Tax	132,283	357,641	(225,358)	36.99%
40030 Sales Tax	19,413	40,000	(20,587)	48.53%
40040 Utility Tax	15,452	31,000	(15,548)	49.85%
40050 Communications Tax	12,631	33,000	(20,369)	38.27%
40060 Transient Occupancy Tax	17,205	21,000	(3,795)	81.93%
Total 40000 TAXES	415,571	771,410	(355,839)	53.87%
41000 FEES/LICENSES				
41010 Vehicle License	7,867	11,000	(3,133)	71.52%
41020 Business Licenses	16,207	79,140	(62,933)	20.48%
41030 Late Fees	509	1,500	(991)	33.93%
41040 FINES (PUBLIC SAFETY)	157,359	349,830	(192,471)	44.98%
41100 Administrative Fees	3,016	8,500	(5,484)	35.48%
41120 Service Revenue - Eng	2,235	14,000	(11,765)	15.96%
41130 Service Revenue - Legal		10,000	(10,000)	0.00%
41140 Service Revenue - Other		500	(500)	0.00%
41160 Convenience Fees	415	-	415	
Total 41000 FEES/LICENSES	188,043	477,470	(289,427)	39.38%
42000 GRANTS				
42010 LITTER	2,085	1,329	756	156.88%
42020 HB 599	6,847	26,821	(19,974)	25.53%
42021 NHSTA (DMV)		15,375	(15,375)	0.00%
Total 42021 NHSTA (DMV)	3,757	15,375	(11,618)	24.44%
42030 SLFRF	-	-	-	
42040 PEG	-	-	-	
42103 Virginia Dept of Fire Programs	-	-	-	
Total 42000 GRANTS	12,689	43,525	(30,836)	29.15%
43000 RENTALS				
43020 River Mill Park	1,750	3,000	(1,250)	58.33%
43030 Mamie Davis Park Rental	1,500	1,500	-	100.00%
43040 200 Mill Street Lease	(417)	7,613	(8,030)	-5.48%
Total 43000 RENTALS	2,833	12,113	(9,280)	23.39%
44000 OTHER				
44010 General Fund Interest	10,435	10,200	235	102.30%
44040 Bricks Revenue	-	300	(300)	0.00%
44060 Other	7,369	1,000	6,369	736.90%
Total 44000 OTHER	17,804	11,500	6,304	154.81%
Total Income	636,939	1,316,018	(679,079)	48.40%

Gross Profit	636,939	1,316,018	(679,079)	48.40%
Expenses				
Total 60000 PERSONNEL SERVICES	244,484	734,673	(490,189)	33.28%
Total 60400 PROFESSIONAL SERVICES	57,981	174,325	(116,344)	33.26%
Total 60800 INFORMATION TECH SERV	14,968	40,092	(25,124)	37.33%
Total 61200 MATERIALS AND SUPPLIES	13,799	31,125	(17,326)	44.33%
Total 61600 OPERATIONAL SERVICES	3,784	10,172	(6,388)	37.20%
Total 62000 CONTRACTS	45,540	122,135	(76,595)	37.29%
Total 62400 INSURANCE	20,286	40,300	(20,014)	50.34%
Total 62800 PUBLIC INFORMATION	1,661	4,036	(2,375)	41.16%
Total 63200 ADVERTISING	251	7,640	(7,389)	3.28%
Total 63600 TRAINING AND TRAVEL	9,706	16,510	(6,804)	58.79%
Total 64000 VEHICLES AND EQUIPMENT	24,807	30,050	(5,243)	82.55%
Total 64400 SEASONAL	8,370	11,700	(3,330)	71.54%
64700 FACILITIES EXPENSE				
Total 64800 TOWN HALL	3,521	12,624	(9,103)	27.89%
Total 65200 MILL HOUSE MUSEUM	66	6,500	(6,434)	1.01%
Total 65600 200 MILL ST	-	-	-	
Total 66000 ANNEX / MAINTENANCE YARD	2,724	3,190	(466)	85.39%
Total 66400 MILL ST STORAGE FACILITY	-	-	-	
Total 66800 RIVER MILL PARK & FACIL	7,001	19,318	(12,317)	36.24%
Total 67200* MAMIE DAVIS PARK & RIVERWALK	972	3,350	(2,378)	29.01%
Total 67600 TANYARD HILL ROAD PARK	-	2,500	(2,500)	0.00%
Total 67800 OCCOQUAN RIVER	-	-	-	
Total 68000 FURNACE BRANCH PARK	-	-	-	
Total 68400* STREETS AND SIDEWALKS	-	2,800	(2,800)	0.00%
Total 68800 HISTORIC DISTRICT	3,299	20,600	(17,301)	16.01%
Total 64700 FACILITIES EXPENSE	17,582	70,882	(53,300)	24.80%
Total Expenses	463,219	1,293,640	(830,421)	35.81%
Net Operating Income	173,720	22,378	151,342	
Net Income	173,720	22,378	151,342	

CIP FUND

	Actual	Annual Budget	over Budget	% of Budget
Income				
42000 GRANTS	35,905	1,455,060	(1,419,155)	2.47%
42030 SLFRF	123,669	538,079	(414,410)	22.98%
Total 42000 GRANTS	159,573	1,993,139	(1,833,566)	8.01%
44000 OTHER				
44060 Other	22,726	-	22,726	
Total 44000 OTHER	22,726	-	22,726	
Total Income	182,299	1,993,139	(1,810,840)	9.15%
Gross Profit	182,299	1,993,139	(1,810,840)	9.15%
Expenses				
Total Expenses	-	-	-	
Net Operating Income	182,299	1,993,139	(1,810,840)	9.15%

Other Expenses

70000 CIP EXPENSE			-	
70001 Streetscape	27,770	45,000	(17,230)	61.71%
70003 Street Improvements	-	10,000	(10,000)	0.00%
70004 Sidewalk Improvements	-	-	-	
70005 Building Improvements	11,661	68,000	(56,339)	17.15%
70006 Stormwater Management	122,088	1,806,073	(1,683,985)	6.76%
70014 Timed Parking Equipment	-	5,500	(5,500)	0.00%
72006 Riverwalk Improvements	-	26,204	(26,204)	0.00%
74001 Vehicles & Equipment	28,551	49,000	(20,449)	58.27%
74003 Body Armor	936	4,725	(3,789)	19.81%
74005 Police Radios	193	15,000	(14,807)	1.29%
Total 70000 CIP EXPENSE	191,199	2,029,502	(1,838,303)	9.42%
Total Other Expenses	191,199	2,029,502	(1,838,303)	9.42%
Net Other Income	(191,199)	(2,029,502)	1,838,303	9.42%
Net Income	(8,900)	(36,363)	27,463	24.48%

E SUMMONS FUND

	Actual	Annual Budget	over Budget	% of Budget
Income				
41000 FEES/LICENSES				
41040 FINES (PUBLIC SAFETY)				
41170 E-Summons	5,962	11,500	(5,538)	51.84%
Total 41040 FINES (PUBLIC SAFETY)	5,962	11,500	(5,538)	51.84%
Total 41000 FEES/LICENSES	5,962	11,500	(5,538)	51.84%
Total Income	5,962	11,500	(5,538)	51.84%
Gross Profit	5,962	11,500	(5,538)	51.84%
Expenses				
60800 INFORMATION TECH SERV				
60860 Hardware/Software & Maintenance	520	4,300	(3,780)	12.09%
Total 60800 INFORMATION TECH SERV	520	4,300	(3,780)	12.09%
61200 MATERIALS AND SUPPLIES				
61220 Operational supplies	-	1,200	(1,200)	0.00%
Total 61200 MATERIALS AND SUPPLIES	-	1,200	(1,200)	0.00%
Total Expenses	520	5,500	(4,980)	9.45%
Net Operating Income	5,442	6,000	(558)	90.70%
Net Income	5,442	6,000	(558)	90.70%

EVENTS FUND

	Actual	Annual Budget	over Budget	% of Budget
Income				
41000 FEES/LICENSES				
41160 Convenience Fees	2,944	5,875	(2,931)	50.12%
Total 41000 FEES/LICENSES	2,944	5,875	(2,931)	50.12%
42000 GRANTS	-	6,000	(6,000)	0.00%

44000 OTHER				
44020 Events Fund Interest	11	1,200	(1,189)	0.92%
44035 Bricks Interest		-	-	
44040 Bricks Revenue	974	1,275	(301)	76.37%
Total 44000 OTHER	985	2,475	(1,490)	39.79%
47000 EVENTS REVENUE	292	-	292	
47010 Sponsorships	7,908	42,500	(34,592)	18.61%
47020 Booth Rentals	61,635	160,375	(98,740)	38.43%
47021 Ticket Sales	9,087			
47022 HolidayFest		600	(600)	0.00%
47023 River Mill Park	2,670	11,000	(8,330)	24.27%
Total 47021 Ticket Sales	11,757	11,600	157	101.35%
47030 Shuttle Fees	45	60,500	(60,455)	0.07%
47040 Parking Space Sales	3,050	8,900	(5,850)	34.27%
47060 Merchandise	60	3,000	(2,940)	2.00%
47100 Cost Share Reimbursement	774	-	774	
Total 47000 EVENTS REVENUE	85,521	286,875	(201,354)	29.81%
Total Income	89,450	301,225	(211,775)	29.70%
Gross Profit	89,450	301,225	(211,775)	29.70%
Expenses				
Total 60000 PERSONNEL SERVICES	21,028	84,531	(63,503)	24.88%
Total 60400 PROFESSIONAL SERVICES	9,339	17,600	(8,261)	53.07%
Total 60800 INFORMATION TECH SERV	586	1,200	(614)	48.82%
Total 61200 MATERIALS AND SUPPLIES	7,937	18,025	(10,088)	44.03%
61630 Postal Services	292	-	292	
Total 62000 CONTRACTS	21,670	75,125	(53,455)	28.84%
Total 63200 ADVERTISING	14,549	24,875	(10,326)	58.49%
64700 FACILITIES EXPENSE				
Total 66800 RIVER MILL PARK & FACIL	370	600	(231)	61.58%
Total 64700 FACILITIES EXPENSE	370	600	(231)	61.58%
69200 SPECIAL EVENTS				
69210 HolidayFest	2,301	2,675	(374)	86.03%
69240 Annual Tree Lighting	182			
69220 Volunteer TY / Town Party	-	1,575	(1,575)	0.00%
69250 River Mill Park Events	901	4,850	(3,949)	18.59%
69290 Other Special Events	5,986	3,225	2,761	185.60%
Total 69200 SPECIAL EVENTS	9,371	12,325	(2,954)	76.03%
Total Expenses	85,141	234,281	(149,140)	36.34%
Net Operating Income	4,308	66,944	(62,636)	6.44%
Net Income	4,308	66,944	(62,636)	6.44%

MAMIE DAVIS PARK

	Actual	Annual Budget	over Budget	% of Budget
Income				
44000 OTHER				
44030 Mamie Davis Park Interest	63	500	(437)	0

Total 44000 OTHER	63	500	(437)	0
Total Income	63	500	(437)	0
Gross Profit	63	500	(437)	0
Expenses				
Total Expenses	-	-	-	
Net Operating Income	63	500	(437)	0
Other Expenses				
70000 CIP EXPENSE				
72005 Mamie Davis Park Renovations		-	-	
Total 70000 CIP EXPENSE	-	-	-	
Total Other Expenses	-	-	-	
Net Other Income	-	-	-	
Net Income	63	500	(437)	0
TOTAL NET INCOME (LOSS) ALL FUNDS	174,634	59,459	115,175	3

Town of Occoquan
Balance Sheet Comparison
As of November 30, 2023

	Total	
	As of Nov 30, 2023	As of Nov 30, 2022 (PP)
ASSETS		
Current Assets		
Bank Accounts		
10001 Petty Cash - Operating	100.00	100.00
10010 Petty Cash - Events	-	-
10022 Checking Account 0058	101,793.12	65,511.81
10024 Money Market 4220	175,186.39	135,410.15
10029 Checking Account 3126	13,039.33	32,391.92
10033 Events Fund - Paypal	-	10,255.44
10034 VIP - Investment Pool	-	-
25-0001 VIP 1-3 Year Bond Fund 0001	-	-
25-0002 VIP 1-3 Year Bond Fund 0002	-	-
25-5001 VIP NAV Liquidity Pool 5001	414,658.15	931,598.26
Total 10034 VIP - Investment Pool	\$ 414,658.15	\$ 931,598.26
10082 Mamie Davis Savings 4201	2,175.75	7,172.18
10083 Mamie Davis CD	100,000.00	100,000.00
10091 Bricks - PayPal	-	194.08
10094 Money Market 5997 (deleted)	-	15,574.92
10095 Bricks MM 2125 (deleted)	-	12,311.15
Total Bank Accounts	\$ 806,952.74	\$ 1,310,519.91
Accounts Receivable		
10180 Accounts Receivable	388,870.06	55,949.25
Total Accounts Receivable	\$ 388,870.06	\$ 55,949.25
Other Current Assets		
10190 Real Estate Receivable	-	-
11000 Prepaid Expenses	-	-
14990 Undeposited Funds	136,780.31	2,767.40
Total Other Current Assets	\$ 136,780.31	\$ 2,767.40
Total Current Assets	\$ 1,332,603.11	\$ 1,369,236.56
TOTAL ASSETS	\$ 1,332,603.11	\$ 1,369,236.56
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 Accounts Payable	87,722.92	36,089.65
Total Accounts Payable	\$ 87,722.92	\$ 36,089.65
Credit Cards		
22000 Credit Cards		
22010 ExxonMobil	1,852.55	1,610.13

22020 Home Depot	666.93	-
22030 Lowe's Proservices	2,810.75	503.29
22040 United Bank Credit Cards	7,397.46	8,376.41
Total 22000 Credit Cards	\$ 12,727.69	\$ 10,489.83
Total Credit Cards	\$ 12,727.69	\$ 10,489.83
Other Current Liabilities		
20935 Performance Bond	1,187.50	35,988.55
20940 Unearned Craft Show Rev		
20941 Show	-	-
20942 Parking Fee	-	-
Total 20940 Unearned Craft Show Rev	\$ 0.00	\$ 0.00
20960 Unearned Other Revenue		
20970 Unearned Rental	250.00	300.00
20973 Unearned SLFRF Revenue	534,670.90	910,076.30
Total 20960 Unearned Other Revenue	\$ 534,920.90	\$ 910,376.30
20980 Unearned R.E. Tax	558.25	770.64
21100 Unearned Fire Dept Grant	1,366.67	-
21200 Payroll Liabilities	-	84.54
21210 Simple IRA	-	-
21230 VRS Employee Contributions	(897.95)	(635.17)
Total 21200 Payroll Liabilities	-\$ 897.95	-\$ 550.63
Total Other Current Liabilities	\$ 537,135.37	\$ 946,584.86
Total Current Liabilities	\$ 637,585.98	\$ 993,164.34
Total Liabilities	\$ 637,585.98	\$ 993,164.34
Equity		
30000 Nonspendable		
30001 Inventory	-	-
30005 PrePaid Items	-	-
Total 30000 Nonspendable	\$ 0.00	\$ 0.00
31000 Restricted		
31100 Mamie Davis (Endowment)	100,000.00	100,000.00
31200 E Summons Fund	38,147.70	24,058.63
Total 31000 Restricted	\$ 138,147.70	\$ 124,058.63
31400 Assigned		
30030 Events Fund	87,673.54	25,000.00
30040 CIP Fund	26,843.04	101,000.00
31045 Financing Proceeds	-	-
31050 Public Safety Grant Fund	41,496.37	14,283.44
31060 Mamie Davis Park Fund	6,497.85	11,491.65
31070 Public Education Grant Fund	1,955.20	1,775.50
31080 Public Art Fund	-	-
Total 31400 Assigned	\$ 164,466.00	\$ 153,550.59
31500 Unassigned		
30010 Operating Reserve	200,000.00	187,860.82
30020 Unrestricted Net Assets	17,949.65	-
Total 31500 Unassigned	\$ 217,949.65	\$ 187,860.82
32000 Retained Earnings	-	(89,397.82)

Net Income		174,453.78	
Total Equity	\$	695,017.13	\$ 376,072.22
TOTAL LIABILITIES AND EQUITY	\$	1,332,603.11	\$ 1,369,236.56

Wednesday, Jan 03, 2024 10:07:37 AM GMT-8 - Accrual Basis

**Town of Occoquan - Permit Report
December 2023**

Permit Number	Main Address	Description	Permit Type	Permit Status	Permit Workclass	Issue Date	Finalize Date
BLD2024-00722	114 COMMERCE ST	Replace/repair, roofing, rafters and two walls, install replacement windows, add door and install garage doors. Rewire garage - separate permit	Building	Issued	R - Alteration/Repair	10/05/2023	
ELE2024-00652	114 COMMERCE ST	rewire garage, with lights, wall outlets, power for two garage doors, exterior lights. Sub panel	Electrical	Issued	R - Alteration/Repair	10/17/2023	
BLD2023-07208	126 COMMERCE ST	Ballywhack Cafe: New Tenant, no new walls, no demo, minor electrical and plumbing connections	Building	Issued	C - Tenant Layout	09/26/2023	
ELE2024-01336	126 COMMERCE ST	Ballywhack Cafe: New Tenant, no new walls, no demo, minor electrical and plumbing connections	Electrical	Finalized	C - Tenant Layout	10/03/2023	11/08/2023
MEC2024-00142	126 COMMERCE ST	Ballywhack Cafe: New Tenant, no new walls, no demo, minor electrical and plumbing connections	Mechanical	Finalized	C - Tenant Layout	10/13/2023	11/06/2023
PLB2024-00151	126 COMMERCE ST	Ballywhack Cafe: New Tenant, no new walls, no demo, minor electrical and plumbing connections	Plumbing	Finalized	C - Tenant Layout	09/29/2023	11/08/2023
BLD2024-01108	301 COMMERCE ST	Adding new Free Standing Deck on top of existing coffee and food service shop	Building	Pending	C - Addition		
BLD2022-02702	312 COMMERCE ST	150 lf floor joist ,390 lf floor joist replacement , 48 lf sil plate, 375 sf sub floor replacement , 3 intellijacks	Building	Issued	R - Alteration/Repair	02/02/2022	
PLB2023-00018	312 COMMERCE ST	This is to install a sump pump in connection with a foundation drainage system installation by JES	Plumbing	Issued	R - Alteration/Repair	01/06/2023	
PLB2023-00018	312 COMMERCE ST	This is to install a sump pump in connection with a foundation drainage system installation by JES	Plumbing	Issued	R - Alteration/Repair	01/06/2023	
BLD2023-03348	201 MILL ST	Installing additional bracing to egress stairway	Building	Issued	C - Alteration/Repair	03/24/2023	
BLD2024-00448	205 MILL ST	Erecting way finding signs for the Town of Occoquan	Building	Finalized	C - Sign	09/22/2023	12/18/2023
BLD2021-06635	450 MILL ST	TLO FOR THE COTTAGE	Building	Issued	C - Tenant Layout	05/03/2022	
ELE2022-00482	450 MILL ST	TLO FOR POPPS	Electrical	Issued	C - Tenant Layout	12/22/2023	
MEC2021-02381	450 MILL ST	THE COTTAGE - TLO	Mechanical	Pending	C - Tenant Layout		
PLB2022-00959	450 MILL ST	THE COTTAGE - TLO	Plumbing	Issued	C - Tenant Layout	11/08/2023	
BLD2024-03071	458 MILL ST	Install Freestanding Post & Panel Sign	Building	Pending	C - Sign		

BLD2024-02864	1402 OCCOQUAN HEIGHTS CT	Installation of solar panels on existing residential roof. 5.46 kW. Addition of 1 0-30A circuit.	Building	Issued	R - Alteration/Repair	12/18/2023	
ELE2024-02971	1402 OCCOQUAN HEIGHTS CT	Installation of solar panels on existing residential roof. 5.46 kW. Addition of 1 0-30A circuit.	Electrical	Issued	R - Alteration/Repair	12/18/2023	
BLD2024-00407	1425 OCCOQUAN HEIGHTS CT	Installation of solar panels on existing residential roof. 10 kW. Addition of [2] 0-30A circuits.	Building	Pending	R - Alteration/Repair		
ELE2024-00664	1425 OCCOQUAN HEIGHTS CT	Installation of solar panels on existing residential roof. 10 kW. Addition of [2] 0-30A circuits.	Electrical	Pending	R - Alteration/Repair		
ELE2023-05482	103 POPLAR LN	Install 60amp disconnect and two pole circuit breaker 60amp. Run wire associate	Electrical	Issued	R - Swimming Pool	04/14/2023	
BLD2022-00079	109 POPLAR LN	CUSTOM SFD	Building	Issued	R - New Single Family Dwelling	03/01/2022	
BLD2024-02988	109 POPLAR LN	This project is for the construction of a 58'X6' open pile residential dock with 14'X10' "L" head platform, and 4 mooring piles.	Building	Pending	R - Accessory Structure		
ELE2024-00242	109 POPLAR LN	New underground electrical service of 400amps	Electrical	Issued	R - New Single Family Dwelling	07/19/2023	
GAS2024-00465	109 POPLAR LN	New gas installation	Gas	Issued	R - New Single Family Dwelling	10/04/2023	
MEC2023-02547	109 POPLAR LN	NEW PREFAB FIREPLACE	Mechanical	Issued	R - New Single Family Dwelling	06/28/2023	
MEC2024-00433	109 POPLAR LN	NEW HVAC	Mechanical	Issued	R - New Single Family Dwelling	09/01/2023	
PLB2023-01320	109 POPLAR LN	NEW FIXTURES	Plumbing	Issued	R - New Single Family Dwelling	12/16/2022	
PLB2024-00433	109 POPLAR LN	reconnect sanitary sewer and water service	Plumbing	Issued	R - New Single Family Dwelling	08/24/2023	
BLD2024-03230	113 POPLAR LN	STRUCTURAL - INTERIOR A/R TO BASEMENT & 1FL: ADDING ROOMS & DOORS, ADJUSTING CEILING HEIGHT, REPLACE EXISTING BEAM WITH STEEL, REPLACING WINDOWS. WET BAR IN BASMENT.	Building	Pending	R - Alteration/Repair		
GAS2024-00297	1608 SEBRING CT	DIRECT REPLACEMENT GAS FURNACE	Gas	Issued	R - Alteration/Repair	09/20/2023	
BLD2024-00930	104 VISTA KNOLL DR	Installation of solar panels on existing residential roof. 6 kW. Addition of [2] 0-30A circuits.	Building	Issued	R - Alteration/Repair	12/05/2023	

ELE2024-01160	104 VISTA KNOLL DR	Installation of solar panels on existing residential roof. 6 kW. Addition of [2] 0-30A circuits.	Electrical	Issued	R - Alteration/Repair	12/05/2023	
BLD2024-00658	110 VISTA KNOLL DR	Installation of solar panels on existing residential roof. 8 kW. Addition of 2 0-30A circuits.	Building	Finalized	R - Alteration/Repair	09/29/2023	10/31/2023
ELE2024-01719	110 VISTA KNOLL DR	Installation of solar panels on existing residential roof. 8 kW. Addition of 2 0-30A circuits.	Electrical	Finalized	R - Alteration/Repair	09/29/2023	12/19/2023
ELE2024-01719	110 VISTA KNOLL DR	Installation of solar panels on existing residential roof. 8 kW. Addition of 2 0-30A circuits.	Electrical	Finalized	R - Alteration/Repair	09/29/2023	12/19/2023
BLD2022-02442	206 WASHINGTON ST	Change of Use of an existing residential space to an office. Demo and new construction of existing space to follow update ADA requirements. Mixed use.	Building	Issued	C - Tenant Layout	06/17/2022	
ELE2022-03991	206 WASHINGTON ST	Change of Use of an existing residential space to an office. Demo and new construction of existing space to follow update ADA requirements. Mixed use.	Electrical	Issued	C - Tenant Layout	11/28/2022	
MEC2022-01565	206 WASHINGTON ST	Change of Use of an existing residential space to an office. Demo and new construction of existing space to follow update ADA requirements. Mixed use.	Mechanical	Issued	C - Tenant Layout	11/28/2022	
BLD2023-03631	109 WASHINGTON SQUARE CT	Installation of new, roof-mounted Solar photovoltaic electric system - 8.51kW	Building	Finalized	R - Alteration/Repair	07/27/2023	11/13/2023
ELE2023-04914	109 WASHINGTON SQUARE CT	Installation of new, roof-mounted Solar photovoltaic electric system - 8.51kW	Electrical	Finalized	R - Alteration/Repair	08/02/2023	12/20/2023
ELE2023-04914	109 WASHINGTON SQUARE CT	Installation of new, roof-mounted Solar photovoltaic electric system - 8.51kW	Electrical	Finalized	R - Alteration/Repair	08/02/2023	12/20/2023

Development Project

END OF REPORT

Town of Occoquan - Open BCE Case(s)

<u>CASE NUMBER</u>	<u>SITE ADDRESS</u>	<u>DESCRIPTION</u>	<u>CASE STATUS</u>	<u>DATE OPENED</u>	<u>ASSIGNED TO</u>	<u>ASSIGNED TO EMAIL</u>
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END OF REPORT

Town Attorney Report

To be provided.



TOWN OF OCCOQUAN
TOWN COUNCIL MEETING
Agenda Communication

9. Regular Business	Meeting Date: January 16, 2024
9A: Request to Approve a New Town Seal	

Attachments: a. Staff Recommended Designs

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a request to approve a new Town Seal or in the alternative to provide design changes for a new Town Seal.

Town staff and Vice Mayor Loges have been working over the past month to create and manage the new Town Seal design project within crowdSPRING, LLC. From January 4th through January 11th, the team corresponded with multiple designers to craft Town Seal designs based on (a) historical accuracy, (b) representativeness of Town elements, (c) aesthetic beauty, and (d) practicality/professionalism. Attached to this cover are three (3) proposed designs that Town staff believe best meet the needs and preferences of the Town Council.

Town Council may select a design to award or make minimal changes to solicit a revised design.

Background:

At the September 5th Town Council Meeting, staff were directed to create a competition to solicit a new design for the Town Seal. After internal discussions and consultation with the Town Attorney, at the November 8th Town Council Meeting, staff instead recommended that the Town hire a contractor to create a new Town Seal. At the December 5th Town Council Meeting, the Town Council selected crowdSPRING, LLC as a means of soliciting a new Town Seal.

Town Staff Recommendation: Staff do not have a recommendation.

Proposed/Suggested Motion:

“I move to select Option #[INSERT NUMBER] and adopt it as the Town Seal of Occoquan.”

OR

Other action Council deems appropriate.

TOWN SEAL DESIGNS



#20 - Color



#20 - Monochrome



#3 - Color



#3 - Monochrome



#21 - Color (Gold)



#21 - Monochrome



#24 - Color



#24 - Monochrome



TOWN OF OCCOQUAN TOWN COUNCIL MEETING

Agenda Communication

10. Discussion Items	Meeting Date: January 16, 2024
10A: HolidayFest Recap and Look Ahead	

Attachments:

- a. HolidayFest Report
- b. 2024 Events Calendar

Submitted by: Julie Little
Events Director

Explanation and Summary:

This is a discussion item to review the 2023 HolidayFest activities and provide an overview of the 2024 Events Calendar. Both items are attached.

HOLIDAYFEST 2023

Annual Tree Lighting and Fire Pits, November 18

HolidayFest kicked off the Saturday before Thanksgiving once again this year with the much-awaited annual Tree Lighting ceremony. Mayor Porta welcomed what may have been the largest crowd in recent memory, including several local dignitaries. The atmosphere was filled with much anticipation and cheer as members of the New Dominion Choraliers sang some classic carols for everyone to enjoy. Finally, the big moment arrived, and the switch was flipped, illuminating the tree and casting a warm glow over the entire crowd.



Tree Lighting 2023

Folks then headed to the cul-de-sac toward the festive fire pits where they could enjoy a roasted marshmallow or s'more. A small pop-up market ran the length of the west side of Mill Street for crowds to do some shopping as well. The atmosphere was lively and welcoming, with families and friends gathering to celebrate the season together.



Firepits in the cul-de-sac

#ShopSmall Weekend, November 24-26

#ShopSmall Weekend in Occoquan developed from the traditional Small Business Saturday in other locales and encouraged people to support Occoquan businesses over Thanksgiving weekend.

Santa Arrives, December 2

Santa arrived via boat on December 2, escorted by Mayor Porta once again this year. The huge crowd at the Town Dock was thrilled to see Santa disembark, waving and greeting waiting families. Santa paraded down Mill Street with his entourage to open the Holiday Market on Saturday, then continued to River Mill Park to entertain the standing-room-only crowd.



Santa Arrives

Holiday Artisan Market, December 2-3

In an effort to recap some lost revenue from the canceled Fall Arts & Crafts Show in September, the Artisan Market footprint doubled to 109 artists and makers this year.



Artisan Market extends to Mill Street

Vendors sold everything from handcrafted jewelry to baked goods, hot coffee, cocoa, and other seasonal treats. Shoppers were delighted by the unique and high-quality offerings.

In addition to the abundance of festive shopping available, a plethora of market activities catered to all age groups. Visit Occoquan volunteers recommended made-in-Occoquan merchandise while also acting as Information Booth assistance for the event. Santa entertained the crowds both days in the park and holiday craft activities were available to families as well.

Friendly alpacas were on hand to pet and feed. Members of Woodbridge Senior High School Choir came to carol on Saturday and the RKS Music Club from Rockedge Elementary performed for the crowds too. Festive cheer permeated throughout the event with the town decorations and lighting adding to the holiday charm.



WSHS Choir

Despite chilly temps, wet conditions, lots of mud in the park (from rain and runoff over the weekend), and possibly due in part to a canceled fall show, crowds were much larger than expected. Satellite parking and free shuttle service were available to patrons both days of the market; demand was higher than anticipated. Many in-town businesses reported greater than expected sales during market weekend.

Overall, thanks to the hard work from Town staff and plenty of helpful volunteers, HolidayFest was a wonderful celebration of the holidays in Occoquan, bringing the community together to share in the joy and magic of the season.

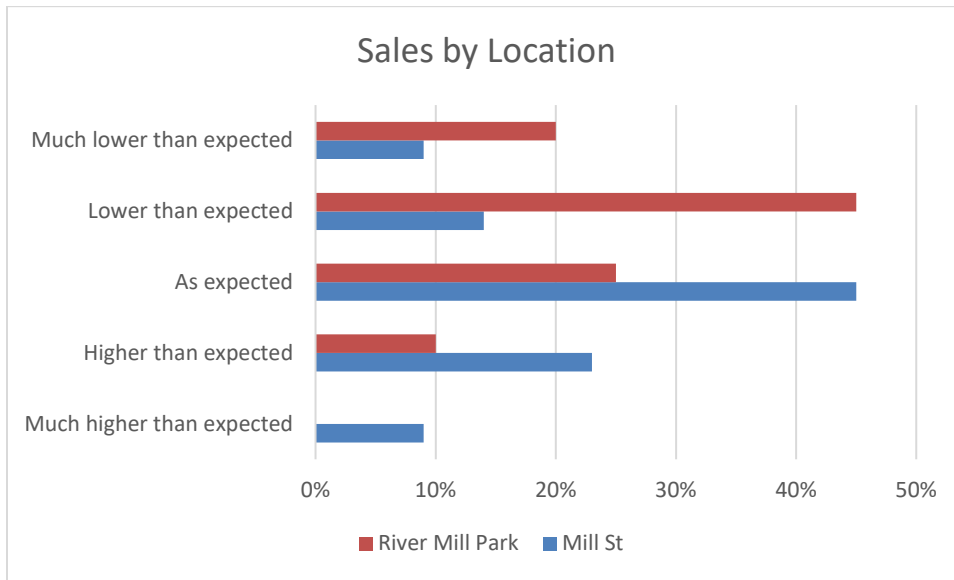
HOLIDAYFEST EXPENSES AND REVENUES VS LY

FY 24 HOLIDAYFEST		FY2022 Actuals	FY2023 Actuals	% to LY
Expenditure				
	On-call Labor		175	
	Total Material and Supplies	1,030	4,735	360%
	Equipment Rental	1,752	11,411	551%
	Entertainment	1,475	962	-35%
Expenses Total		4,257	17,283	306%
Revenue				
	Booth Rentals	8,750	21,950	151%
	Sponsorships	-	2,500	2500%
	Merchandise Sales	-	293	293%
Revenue Total		8,750	24,743	183%
Net Revenue		4,493	7,460	66%

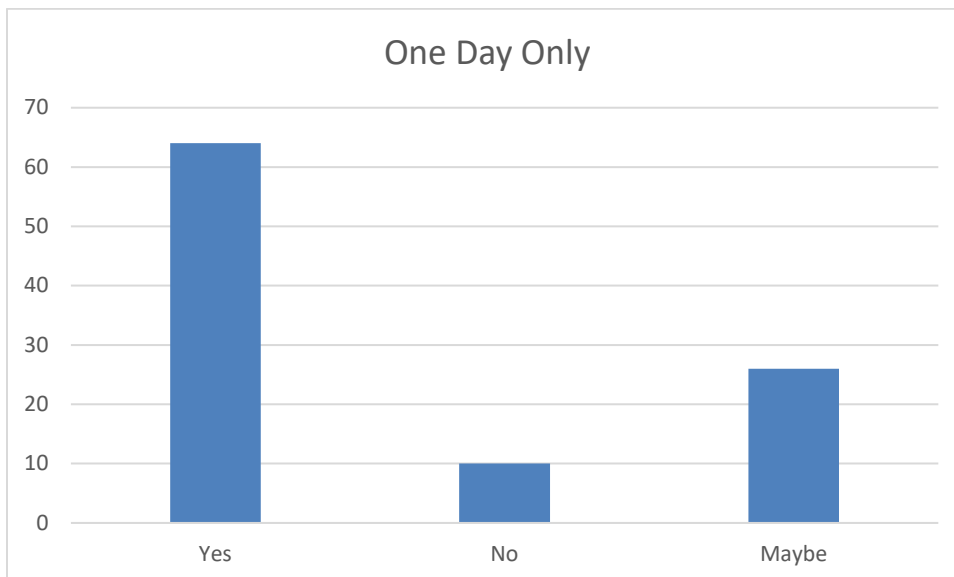
HOLIDAYFEST VENDOR FEEDBACK

All vendors were given the opportunity to give feedback about their experience in Occoquan during the Holiday Artisan Market. Thirty-eight percent of vendors responded. The highlights are below:

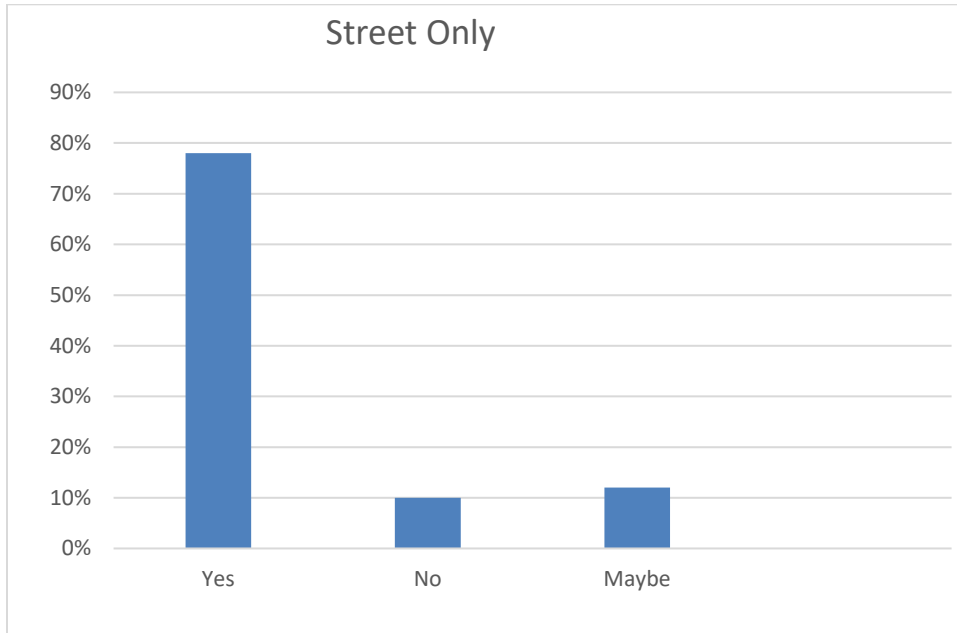
Q: Where were you located (Mill Street or River Mill Park) and how were your sales?



Q: Would you consider attending this event if it were one-day only?



Q: Would you consider attending this event if vendors were in the street only?



Q: Name one improvement to this show you would like to see:

A:

- Earlier stop on Saturday
- Add volunteers at the close of the show
- The load out procedures were too confusing
- Street only / mud was bad / more hay

Q: Name one thing you loved about this show:

A:

- Friendly crowds / good energy
- Foot traffic /attendance
- Variety in schedule of events
- Staff and volunteers / vendor support
- Variety of vendors

EVENTS 2024

Date	Name	Publishing Deadline
FEB 16	FIRELIGHT NIGHT	
MAR 26-30	THE PEEP SHOW	1/30/2024
APR 6	FOTO CLEAN UP	
MAY 10	TRIVIA	
MAY 12	TRIVIA RAIN DATE	
MAY 18	MUSIC ON MILL CONCERT	
JUNE 1-2	RIVERFEST	3/15/2024
JUNE 1	BOAT PARADE	
JUNE 1	DUCK SPLASH	
JUNE 14	TRIVIA	
JUNE 16	TRIVIA RAIN DATE	
JUNE 15	MUSIC ON MILL CONCERT	
JULY 12	TRIVIA	
JULY 14	TRIVIA RAIN DATE	
JULY 20	MUSIC ON MILL CONCERT	
AUG 9	TRIVIA	
AUG 11	TRIVIA RAIN DATE	
AUG 17	MUSIC ON MILL CONCERT	
SEP 13	TRIVIA	
SEP 15	TRIVIA RAIN DATE	
SEP 28-29	FALL ARTS & CRAFTS SHOW	7/15/2024
OCT 11	TRIVIA	
OCT 13	TRIVIA RAIN DATE	
OCT 25-26	SPIRITS & SPIRITS	8/15/2024
OCT 25	MURDER MYSTERY	
OCT 26	COSTUME PARADE	
OCT 26	HAUNTED MAZE & SPIRIT GARDEN	
NOV 23	TREE LIGHTING & FIREPITS	9/15/2024
NOV 29-DEC 1	#SHOPSMALL WEEKEND	
DEC 7-8	HOLIDAY ARTISAN MARKET	9/30/2024



TOWN OF OCCOQUAN TOWN COUNCIL MEETING

Agenda Communication

10. Discussion Items	Meeting Date: January 16, 2024
10B: Discussion on SLFRF Funding	

Attachments: a. SLFRF Funding Q&A

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a discussion item to review the Town's State and Local Fiscal Recovery Funds (SLFRF) funding ahead of the appropriation deadline on December 31st, 2024.

Attached is a Q&A on SLFRF Funding by the U.S. Department of the Treasury.

Coronavirus State and Local Fiscal Recovery Funds

Final Rule: Frequently Asked Questions

Update (November 2023): The 2022 final rule went into effect on April 1, 2022, and Treasury has since released additional supporting documents for recipients. Such documents include the Overview of the Final Rule, these Final Rule FAQs, FAQ Supplement for NEUs, an FAQ Issued by the IRS, and the Affordable Housing How-To Guide. Recipients are encouraged to consult these documents.

In August 2023, Treasury released the 2023 interim final rule to address the new eligible uses added to the SLFRF program by the Consolidated Appropriations Act, 2023. Treasury anticipates issuing FAQs for the 2023 interim final rule at a later date. Recipients may find helpful the [Overview of the 2023 Interim Final Rule](#), which provides a summary of major provisions of the 2023 interim final rule for informational purposes. The Consolidated Appropriations Act, 2023 did not alter how recipients may use SLFRF funds for existing eligible uses described in the 2022 final rule, summarized in the Overview of the 2022 Final rule, and discussed further in this document. Recipients may continue to use SLFRF funds in accordance with the 2022 final rule.

In November 2023, Treasury also issued an Obligation Interim Final Rule to address recipients' questions regarding the definition of "obligation" and provide related guidance and clarifications. Treasury released an Obligation Interim Final Rule Quick Reference Guide, which provides a summary to assist recipients and stakeholders.

The FAQs in this document pertain to the 2022 final rule.

This document contains answers to frequently asked questions regarding the Final Rule of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF, or Fiscal Recovery Funds). The final rule became effective on April 1, 2022. Treasury intends to update this document periodically in response to questions received from stakeholders. Recipients and stakeholders should consult the [final rule](#) for additional information, as this document does not describe all relevant requirements that apply to the SLFRF program. Recipients also may find helpful the [Overview of the Final Rule](#), which provides a summary of major provisions of the final rule for informational purposes.

- For overall information about the program, including information on requesting funding, please see <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments>
- For general questions about SLFRF, please email SLFRF@treasury.gov.

Answers to frequently asked questions on distribution of funds to non-entitlement units of local government (NEUs) can be found in this [FAQ supplement](#).

Answers to frequently asked questions on the taxability and reporting of payments from SLFRF can be found in this [FAQ issued by the IRS](#).

The FAQs in this document are applicable to the final rule, although readers will notice that many

have been incorporated from the FAQs that were available in connection with the interim final rule, because they remain applicable. Answers to frequently asked questions that are unique to the interim final rule remain available at [Interim Final Rule: Frequently Asked Questions](#). A categorization is provided on the following page to assist in identifying the FAQs that remain largely the same as in the FAQ document associated with the interim final rule and the FAQs that are new or have been updated in conformity with the final rule.

Throughout these FAQs, Treasury may refer readers to relevant sections of the Overview of the Final Rule. The Overview of the Final Rule provides a summary of major provisions of the final rule for informational purposes and is intended as a brief, simplified user guide to the final rule provisions. The descriptions provided in the Overview summarize key provisions of the final rule but are non-exhaustive, do not describe all terms and conditions associated with the use of SLFRF funds, and do not describe all requirements that may apply to this funding. Any SLFRF funds received are also subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which incorporate the provisions of the final rule and the guidance that implements this program.

FAQ Categorization

Version	Date	Category	FAQ #
1.0	April 27, 2022	FAQs retained with slight modifications from the Interim Final Rule: Frequently Asked Questions document (please note that FAQ numbering has changed between the two documents)	#1.1 – #1.2, #1.4 – 1.7, #2.10, #2.12 – #2.13, #3.8 – #3.13, #4.3, #4.5, #6.10 – #6.11, #6.14, #8.1, #8.3, #10.1 – #10.2, #11.1 – 11.3, #11.6 – 11.12, #12.1 – 12.2
1.0	April 27, 2022	New or Substantially Updated FAQs	#1.3, #1.8, #2.1 – #2.9, #2.11, #2.14 – #2.24, #3.1 – 3.7, #3.14, #4.1 – #4.2, #4.4, #4.6, #4.7 – #4.10, #5.1 – #5.4, #6.1 – #6.9, #6.12 – #6.13, #6.15 – #6.16, #8.2, #11.4 – #11.5, Section 13
2.0	July 27, 2022	Updated FAQs	#2.14, #3.1, #4.9
2.0	July 27, 2022	New FAQs	#6.17 - #6.20, #13.13 - #13.17
2.1	April 10, 2023	New FAQ	#4.11

1. Eligibility and Allocations

1.1. Which governments are eligible for funds?

The following governments are eligible:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities
- Non-entitlement units, or smaller local governments

1.2. Which governments receive funds directly from Treasury?

Treasury distributes funds directly to each eligible state, territory, metropolitan city, county, or Tribal government. Smaller local governments that are classified as non-entitlement units receive funds through their applicable state government.

1.3. Are special-purpose units of government eligible to receive funds?

Special-purpose units of local government are not eligible to receive an award as a recipient under the SLFRF program; however, a state, territory, local, or Tribal government may transfer funds to a special-purpose unit of government to carry out a program or project on its behalf as a subrecipient. Special-purpose districts perform specific functions in the community, such as fire, water, sewer or mosquito abatement districts. A recipient can also provide funds to an entity that is special-purpose government for the purpose of directly benefitting the entity as a result of the entity experiencing a public health impact or negative economic impact of the pandemic.

1.4. How are funds being allocated to Tribal governments, and how will Tribal governments find out their allocation amounts?

\$20 billion of Fiscal Recovery Funds was reserved for Tribal governments. The American Rescue Plan Act specified that \$1 billion would be allocated evenly to all eligible Tribal governments. The remaining \$19 billion was to be distributed using an allocation methodology determined by Treasury, which was based on enrollment and employment.

There were two payments to Tribal governments. Each Tribal government's first payment included (i) an amount in respect of the \$1 billion allocation that was to be divided equally among eligible Tribal governments and (ii) each Tribal government's pro rata share of the Enrollment Allocation. Tribal governments were notified of their allocation amount and delivery of payment 4-5 days after completing request for funds in the Treasury Submission Portal. The deadline to make the initial request for funds was June 21, 2021.

The second payment included a Tribal government's pro rata share of the Employment Allocation. There was a \$1,000,000 minimum employment allocation for Tribal governments. In late June 2021, Tribal governments received an email notification to re-enter the Treasury Submission Portal to confirm or amend their 2019 employment numbers that were submitted to Treasury for the CARES Act's Coronavirus Relief Fund. To receive an Employment Allocation, including the minimum employment allocation, Tribal governments must have confirmed employment numbers by July 23, 2021. Treasury calculated employment allocations for those Tribal governments that confirmed or submitted amended employment numbers by the deadline. In August, Treasury communicated to Tribal governments the amount of their portion of the Employment Allocation and the anticipated date for the second payment.

1.5. My county is a unit of general local government with population under 50,000. Will my county receive funds directly from Treasury?

Yes. All counties that are units of general local government receive funds directly from Treasury and should apply via the [online portal](#). The list of county allocations is available [here](#).

1.6. My local government expected to be classified as a non-entitlement unit. Instead, it was classified as a metropolitan city. Why?

The American Rescue Plan Act (ARPA) defines, for purposes of the Coronavirus Local Fiscal Recovery Fund (CLFRF), metropolitan cities to include those that are currently metropolitan cities under the Community Development Block Grant (CDBG) program but also those cities that relinquish or defer their status as a metropolitan city for purposes of the CDBG program. This would include, by way of example, cities that are principal cities of their metropolitan statistical area, even if their population is less than 50,000. In other words, a city that is eligible to be a metropolitan city under the CDBG program is eligible as a metropolitan city under the CLFRF, regardless of how that city has elected to participate in the CDBG program.

Unofficial allocation estimates produced by other organizations may have classified certain local governments as non-entitlement units of local government. However, based on the statutory definitions, some of these local governments should have been classified as metropolitan cities.

1.7. In order to receive and use funds, must a recipient government maintain a declaration of emergency relating to COVID-19?

No. Neither the statute establishing the SLFRF nor the final rule requires recipients to maintain a local declaration of emergency relating to COVID-19.

1.8. Can nonprofit or private organizations receive funds? If so, how?

Yes. Under section 602(c)(3) of the Social Security Act, a State, territory, or Tribal

government may transfer funds to a “private nonprofit organization . . . , a Tribal organization . . . , a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.” Similarly, section 603(c)(3) authorizes a local government to transfer funds to the same entities (other than Tribal organizations). The interim final rule clarified that the lists of transferees in sections 602(c)(3) and 603(c)(3) are not exclusive, and the final rule clarified that recipients may transfer funds to any entity to carry out, as a subrecipient, an eligible activity on behalf of the SLFRF recipient (transferor), as long as they comply with the SLFRF Award Terms and Conditions and other applicable requirements. A transferee receiving a transfer from a recipient under sections 602(c)(3) and 603(c)(3) will be considered a subrecipient and will be expected to comply with all subrecipient reporting requirements.

Additionally, a recipient can provide funds to an entity, including a nonprofit organization, for the purpose of directly benefitting the entity as a result of the entity experiencing a public health impact or negative economic impact of the pandemic. In this instance, these entities will be considered beneficiaries, not subrecipients, and will not be expected to comply with subrecipient reporting requirements. Beneficiary reporting requirements will apply.

The ARPA does not authorize Treasury to provide SLFRF funds directly to nonprofit or private organizations. Thus, a nonprofit or private organization should seek funds from SLFRF recipient(s) in their jurisdiction (e.g., a State, local, territorial, or Tribal government).

2. Eligible Uses – Responding to the Public Health Emergency / Negative Economic Impacts

2.1. If a use of funds is not explicitly permitted in the final rule as a response to the public health emergency and its negative economic impacts, does that mean it is prohibited?

No. The final rule provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. The final rule also presumes that some populations experienced pandemic impacts and are eligible for responsive services. Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

2.2. What types of services are eligible as responses to the negative economic impacts of the pandemic?

Eligible uses to respond to the negative economic impacts of the pandemic include assistance to households and communities; assistance to small businesses and nonprofits; aid to impacted industries; and uses to support public sector capacity and workforce. For

an overview of the eligible uses within each of these subcategories, please see pages 12-13 and 16-34 of the [Overview of the Final Rule](#). The eligible uses within this category include programs and services to respond to impacts of the pandemic on households and communities, such as:

- Cash assistance
- Food assistance (e.g., child nutrition programs, including school meals) & food banks
- Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- Programs or services to support long-term housing security, including development of affordable housing and permanent supportive housing

They also include uses to bolster public sector capacity and workforce, such as:

- Payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee's time spent responding to COVID-19.
- Payroll and covered benefits for additional public sector workers up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

These tools can allow recipients not only to bring back laid-off workers, but to address critical shortages of teachers, instructional aides, transportation workers, behavioral health workers, and other key government personnel, by funding positions at competitive wages and improving job quality in these sectors (see FAQs [#2.15](#), [#2.16](#), [#2.17](#)).

Recipients also have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses. For more information on identifying eligible uses beyond those enumerated, please see pages 32-34 of the Overview of the Final Rule.

2.3. What types of COVID-19 response, mitigation, and prevention activities are eligible?

Please see pages 12-14 of the [Overview of the Final Rule](#) for a non-exhaustive list of enumerated eligible uses relating to COVID-19 mitigation and prevention, as well as information about how to design other responses that are not included in the list.

2.4. May recipients use funds to respond to the public health emergency and its negative economic impacts by providing direct cash transfers to households?

Yes. Cash transfers, like all eligible uses in the public health and negative economic impacts category, must respond to the negative economic impacts of the pandemic on a household or class of households. Recipients may presume that low- and moderate-income households (as defined in the final rule), as well as households that experienced unemployment, food insecurity, or housing insecurity, experienced a negative economic impact due to the pandemic. Recipients may also identify other households or classes of households that experienced a negative economic impact of the pandemic and provide cash assistance that is reasonably proportional to, and not grossly in excess of, the amount needed to address the negative economic impact. For example, in the ARPA, Congress authorized Economic Impact Payments to households at certain income levels, identifying and responding to a negative economic impact of the pandemic on these households.

Treasury has reiterated in the final rule that responses to negative economic impacts should be reasonably proportional to the impact that they are intended to address. Uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. Reasonably proportional refers to the scale of the response compared to the scale of the harm. It also refers to the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to provide assistance in a very small amount to a group that experienced severe harm and in a much larger amount to a group that experienced relatively little harm. Please also see questions 7-10 from the [IRS-issued FAQ](#) on SLFRF relating to the taxability of cash transfers.

2.5. May recipients use funds to respond to the public health emergency and its negative economic impacts by replenishing unemployment funds?

Recipients may only use SLFRF funds for contributions to unemployment insurance trust funds and repayment of the principal amount due on advances received under Title XII of the Social Security Act up to an amount equal to (i) the difference between the balance in the recipient's unemployment insurance trust fund as of January 27, 2020 and the balance of such account as of May 17, 2021, plus (ii) the principal amount outstanding as of May 17, 2021 on any advances received under Title XII of the Social Security Act between January 27, 2020 and May 17, 2021. Further, recipients may use SLFRF funds for the payment of any interest due on such Title XII advances.

Additionally, a recipient that deposits SLFRF funds into its unemployment insurance trust fund to fully restore the pre-pandemic balance may not draw down that balance and deposit more SLFRF funds, back up to the pre-pandemic balance. Through December 31, 2024, recipients that deposit SLFRF funds into an unemployment insurance trust fund, or use SLFRF funds to repay principal on Title XII advances, may not take action to reduce benefits available to unemployed workers by changing the computation method governing regular unemployment compensation in a way that results in a reduction of average weekly benefit amounts or the number of weeks of benefits

payable (i.e., maximum benefit entitlement).

2.6. May funds be used to reimburse recipients for costs incurred by state, local and Tribal governments in responding to the public health emergency and its negative economic impacts prior to passage of the American Rescue Plan?

Use of SLFRF is generally forward looking. The final rule permits funds to be used to cover costs incurred beginning on March 3, 2021.

2.7. May recipients use funds for general economic development?

Generally, no. General economic development – activities that do not respond to negative economic impacts of the pandemic but rather seek to more generally enhance the jurisdiction’s business climate – would generally not be eligible under this eligible use category.

To identify an eligible use of funds under the public health and negative economic impacts category, a recipient must identify a beneficiary or class of beneficiaries that experienced a harm or impact due to the pandemic, and eligible uses of funds must be reasonably designed to respond to the harm, benefit the beneficiaries that experienced it, and be related and reasonably proportional to that harm or impact. For example, job training and other supports – like childcare, transportation, and subsidized employment – for unemployed workers may be used to address negative economic impacts of the public health emergency and be eligible.

2.8. How can recipients use funds to assist the travel, tourism, and hospitality industries? May recipients use funds to assist impacted industries other than travel, tourism, and hospitality?

Please see pages 24-25 of the [Overview of the Final Rule](#).

2.9. How does the final rule help address the disparate impact of COVID-19 on certain populations and geographies?

In recognition of the long-standing disparities in health and economic outcomes in underserved communities that have amplified and exacerbated the impacts of the pandemic, the final rule identifies certain populations as “disproportionately impacted” by the pandemic and enumerates a broad range of services and programs to address health disparities, to build stronger communities through investments in neighborhoods, to address educational disparities, to provide rental assistance vouchers or assistance relocating to areas of greater economic opportunity, and other eligible uses to respond to negative economic impacts in disproportionately impacted communities.

Specifically, Treasury will presume that certain populations were disproportionately impacted by the pandemic and therefore automatically eligible to receive responsive services. See page 19 of the [Overview of the Final Rule](#) for a full list of the

populations presumed disproportionately impacted by the pandemic. Recipients may also provide responsive services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately impacted communities, recipients should be able to support their determination for how the pandemic disproportionately impacted the populations, households, or geographic areas to be served.

Treasury has provided a non-exhaustive list of eligible responses to serve disproportionately impacted communities on page 20 of the [Overview of the Final Rule](#). Note that these are an enhanced set of responses available in addition to responses available to respond to impacts of the pandemic on households and communities (including those listed on page 18 of the Overview).

2.10. May recipients use funds to pay for vaccine incentive programs (e.g., cash or in-kind transfers, lottery programs, or other incentives for individuals who get vaccinated)?

Yes. Under the final rule, recipients may use SLFRF funds to respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs.

Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit.

2.11. How can recipients use funds to support workers returning to work?

Under the final rule, recipients may use SLFRF funds under the public health and negative economic impacts eligible use category to provide assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, cash and other incentives for newly employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses, and development of job and workforce training centers.

2.12. What staff are included in “public safety, public health, health care, human services, and similar employees”? Would this include, for example, 911 operators, morgue staff, medical examiner staff, or EMS staff?

As discussed in the final rule, funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, for the portion of the employee’s time that is dedicated to responding to the COVID-19 public health emergency.

Public safety employees would include police officers (including state police officers),

sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians, medical examiner or morgue staff) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel. Note that this category encompasses both public health and health care employees; both are treated as public health employees for the purposes of this eligible use category. Human services staff include employees providing or administering social services; public benefits; child welfare services; and child, elder, or family care, as well as others.

2.13. May recipients use funds to establish a public jobs program?

Yes. Under the public health and negative economic impacts eligible use category, the final rule permits a broad range of services to unemployed or underemployed workers and other individuals that suffered negative economic impacts from the pandemic. That can include public jobs programs, subsidized employment, combined education and on-the-job training programs, or job training to accelerate rehiring or address negative economic or public health impacts experienced due to a worker’s occupation or level of training. The broad range of permitted services can also include other employment supports, such as childcare assistance or assistance with transportation to and from a jobsite or interview.

2.14. Can funds be used for investments in affordable housing?

Yes. Under the final rule, “Development, repair, and operation of affordable housing and services or programs to increase long-term housing security” is an enumerated eligible use to respond to impacts of the pandemic on households and communities. Treasury continues to strongly encourage the use of SLFRF for affordable housing and has updated this FAQ to promote clarity and administrability in the use of these funds.

Affordable housing projects must be responsive and proportional to the harm identified. This standard may be met by affordable housing development projects—which may involve large expenditures and capital investments—if the developments increase the supply of long-term affordable housing for households that experienced associated pandemic impacts under the final rule.

Presumptively Eligible Uses

For purposes of this standard, if a project fits within either of the below presumptions, Treasury will presume that a project is eligible. As discussed more below, Treasury will presume that the following affordable housing investments are eligible uses of SLFRF funds as responses to the negative economic impacts of the pandemic: (1) projects that would be eligible for funding under an expanded list of federal housing programs and (2) projects for the development, repair, or operation of affordable rental housing with certain income and affordability requirements. Recipients’ affordable housing projects may use

either of these presumptions to qualify as a presumptively eligible use. If a recipient uses one presumption for an affordable housing project, the recipient may still use a different presumption for another affordable housing project.

Presumption 1: Treasury will presume that any project that is eligible to be funded under any of the following federal housing programs is an eligible use of SLFRF funds as a response to the negative economic impacts of the pandemic:

- The National Housing Trust Fund (HTF, administered by HUD);
- The Home Investment Partnerships Program (HOME, administered by HUD);
- The Low-Income Housing Tax Credit (administered by Treasury);
- The Public Housing Capital Fund (administered by HUD);
- Section 202 Supportive Housing for the Elderly Program and Section 811 Supportive Housing for Persons with Disabilities Program (administered by HUD);
- Project-Based Rental Assistance (PBRA) (administered by HUD); and
- Multifamily Preservation & Revitalization program (administered by USDA).

In previous guidance, presumptive eligibility for affordable housing projects was limited to HOME and HTF. Treasury has updated this list by adding additional programs in an effort to increase administrability and clarity in the use of SLFRF funds for affordable housing purposes. This update is also expected to decrease the transaction costs associated with layering SLFRF funds with existing projects. Note that these programs use different income limits than the definitions of low- and moderate-income adopted by Treasury. Given the severity of the affordable housing shortage, and the ways in which the pandemic has exacerbated the need for affordable, high-quality dwelling units, Treasury has determined that the households served by these federal housing programs have been impacted by the pandemic and its negative economic impacts and that development of affordable housing consistent with these programs is a related and reasonably proportional response to those impacts. Additionally, affordable housing projects provided by a Tribal government are eligible uses of SLFRF funds if they would be eligible for funding under the Indian Housing Block Grant program, the Indian Community Development Block Grant program, or the Bureau of Indian Affairs Housing Improvement Program.

To the extent that a recipient chooses to use SLFRF funds to invest in affordable housing projects in alignment with these federal housing programs, the investment agreement must require the covered project or units to adhere to all applicable local codes, and comply, at a minimum, with the applicable federal housing program's requirements related to:

- Resident income restrictions;
- The period of affordability and related covenant requirements for assisted units;
- Tenant protections; and
- Housing quality standards.

Presumption 2: Treasury will presume that an investment in the development, repair, or

operation of any affordable rental housing unit is an eligible use of SLFRF funds to respond to the negative economic impacts of the pandemic if the unit has a limited maximum income of 65% area median income (AMI), as imposed through a covenant, land use restriction agreement, or other enforceable legal requirement for a period of at least 20 years. A jurisdiction may establish a longer period of affordability at its discretion. This presumption is available even if the project does not align with the federal housing programs specified in Presumption 1.

Under this presumption, recipients may use SLFRF funds as part of the financing for a mixed-income housing project if the total financing made up of SLFRF funds does not exceed the total development costs attributable to affordable housing units limited to households at or below 65% AMI for the affordability period. For example, if 25% of a project's units are reserved for families at or below 65% AMI for the affordability period, and 20% of the total development costs of the project are attributable to such reserved units, then SLFRF funds may be used to pay for up to 20% of the total development costs.

The income limit and 20-year affordability covenant does not need to apply to specific units, but rather it may specify a number of units within the development, in which case the covenant should also specify the bedroom size mix.

Using 65% AMI as the income limit aligns to the AMI component of Treasury's definition of moderate-income households, which is one population that Treasury presumes impacted by the pandemic or its negative economic impacts. Because of the highly localized nature of housing costs and the broad use of AMI in affordable housing development, repair, and operation, Presumption 2 requires funded units to be at or below 65% AMI but does not incorporate the 300% FPL level that is also used to define moderate-income households under the final rule.

Recipients are strongly encouraged to prioritize SLFRF investments for affordable housing in close proximity to, or with strong transit linkages to, centers of employment and/or institutions that provide high quality education or childcare, health care, services and healthy foods.

Additional Eligible Uses:

Note that other affordable housing projects, beyond those eligible under the presumptions described above, may also be eligible uses of SLFRF funds under the final rule if they are related and are reasonably proportional to addressing the negative economic impacts of the pandemic and otherwise meet the final rule's requirements. As an example, in certain rental markets, data indicates that there are gaps in financing for units serving households between 50% and 80% AMI and/or significantly higher than average housing costs relative to AMI that have led communities in this income threshold to be impacted by the pandemic. In such cases, it may be reasonably proportional to address the negative economic impacts of the pandemic by funding units (e.g., up to 80% AMI) that do not fall into the presumptively eligible categories listed above.

To further support sustainable and durable homeownership, recipients may consider

offering down payment assistance, such as through contributions to a homeowner's equity at origination or that establish a post-closing mortgage reserve account on behalf of the borrower that may be utilized to make a missed or partial mortgage payment at any point during the life of the loan (e.g., if the borrower faces financial stress). Homeownership assistance that would be eligible under the Community Development Block Grant (at 24 CFR 507.201(n)) is also an eligible use of SLFRF funds.

2.15. Can I use funds to raise public sector wages and hire public sector workers?

Yes. Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, including reasonable increases in compensation, and paying for ancillary administrative costs related to hiring, support, and retention.

Under the set of eligible uses for public-sector rehiring, recipients may fill vacancies and add additional employees using SLFRF funds (see pages 4385-4387 of the final rule and pages 27-28 of the [Overview of the Final Rule](#)). Recipients have two options to restore pre-pandemic employment, depending on the recipient's needs. First, if the recipient simply wants to hire back employees for pre-pandemic positions, recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020 but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.

Second, if the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions, recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Filling these roles may require recipients to increase wages and improve benefits above and beyond what they currently offer, especially in roles with historically low wages and acute staffing needs. This compensation would be an eligible use of SLFRF funds.

SLFRF funds also may be used to provide worker retention incentives, including reasonable increases in compensation to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, as long as other requirements are met.

2.16. How can funds be used to improve job quality and address labor supply challenges in the education and childcare sectors?

SLFRF funds can pay for the full salary and benefits of many school and childcare staff, including increased wages needed to recruit and retain excellent staff, and to fund premium pay, bonuses, training, and other worker supports. Some examples of potential uses of funds related to supporting the education and childcare sectors are provided below:

- Under the public health and negative economic impacts eligible use category, SLFRF funds can be used broadly for re-hiring public sector staff, such as school staff, to restore the public sector, including payroll and covered benefits for new or re-hired public employees (see [FAQ #2.15](#))
 - Even where the recipient, such as the municipality, does not have budgetary authority over a school district, it may choose to sub-award SLFRF funds to districts and other government entities for these purposes (see [FAQ #2.17](#)).
- SLFRF can fund premium pay for essential workers, including school personnel and childcare providers working in person in both the public and private sector, to compensate them for their service during the pandemic (see pages 35-36 of the [Overview of the Final Rule](#) and [section 5 of the FAQs](#)).
- Under the public health and negative economic impacts eligible use category, SLFRF can fund supports for unemployed and underemployed workers, including hiring bonuses, training, and other labor supports, regardless of sector (see [FAQ #2.11](#)).
 - Under this provision, recipients can help childcare providers and school districts by strengthening pipelines into these sectors, including by using SLFRF funds to train potential workers to fill in-demand roles in childcare and education, including as school bus drivers, school nutrition staff, paraprofessionals, and other staff.
- Childcare subsidies and other supports for childcare programs – public or private – that serve low- and moderate-income families, are broadly eligible uses of SLFRF funding under the public health and negative economic impacts eligible use category (see [FAQ #2.25](#)). These subsidies can support improvements to wages and job quality that make childcare employment an attractive career.
- Recipients can also provide assistance to small businesses under the public health and negative economic impacts eligible use category – which many state and local governments can use to help childcare small businesses expand their business, raise wages for workers, and complete training and other technical assistance to support high-quality care, given the impacts these businesses have faced over the course of the pandemic (see pages 21-22 of the [Overview](#)).

2.17. How can recipients use funds to invest in their public sector workforce when the recipient government is not the direct employer, as is the case with some transit agencies and local educational agencies?

Under the increased flexibility of the final rule, SLFRF funds may be used to support a broader set of uses to restore and support public sector employment as a response to the pandemic and its negative economic impacts (see [FAQ #2.15](#)).

Treasury acknowledges that funding models for public sector workers vary drastically across jurisdictions, and the direct employer of a public sector worker may be an entity separate from the SLFRF recipient government, like an independent transit agency or local educational agency (LEA), rather than the recipient government itself. Recipients may still use SLFRF funds to hire workers in these sectors under such circumstances.

Using the calculation detailed on page 4386 of the final rule and pages 27-28 of the [Overview of the Final Rule](#), a recipient may calculate at an entity level the actual number of FTEs for the entity and the adjusted pre-pandemic baseline for the entity. The difference between the actual number of FTEs and the adjusted pre-pandemic baseline represents the number of FTEs that can be hired using SLFRF funds.

A recipient may then transfer funds to the entity, which would act as a subrecipient and cover payroll, covered benefits, and other costs associated with hiring up to this number of FTEs. A recipient may, in addition, “transfer” the FTEs it may hire based on its own calculation to the entity. A recipient may not, however, perform the calculation on the behalf of an entity, and then “transfer” to itself, or to any other entity, any of the FTEs able to be hired by the entity.

As an illustrative example, consider a recipient county government that would like to fund the salary and benefits costs for hiring teachers in a school district.

The school district has 2000 budgeted FTEs on January 27, 2020. The school district’s pre-pandemic baseline is 2000 FTEs; its adjusted pre-pandemic baseline is $2000 * 1.075 = 2150$ FTEs. The county’s pre-pandemic baseline is 1000 FTEs; its adjusted pre-pandemic baseline is $1000 * 1.075 = 1075$ FTEs. Now, assume that on March 3, 2021, the school district had 1800 budgeted FTEs in total, and the county had 1000 budgeted FTEs.

The county would be able to transfer funds to the school district to hire up to 350 FTEs with SLFRF funds (that is, $2150 - 1800 = 350$ FTEs), and additionally, “transfer” up to 75 FTEs to the school district (that is, $1075 - 1000 = 75$ FTEs). If the county decided to “transfer” all of its 75 FTEs to the school district, then the school district could hire up to $350 + 75 = 425$ FTEs using funds from the county. However, the county may not directly hire any more than 75 FTEs under this public sector hiring provision, and may not use any of the funds for the 350 FTEs able to be hired by the school district to fund any of the county’s FTE positions.

This public sector rehiring provision is a powerful tool for addressing staffing needs and shortages across government.

2.18. Can I use SLFRF funds to provide childcare to households?

Yes. Childcare and early learning services, home visiting programs, services for child welfare involved families and foster youth are an enumerated use eligible to respond to impacts of the pandemic on households and communities. These eligible uses can include new or expanded services, increasing access to services, efforts to bolster, support, or preserve existing providers and services, and similar activities. Further, improvements to or new construction of childcare, daycare, and early learning facilities are eligible capital expenditures, subject to the other eligibility standards for capital expenditures.

2.19. How can funds be used for “installation and improvement of ventilation systems in congregate settings, health care settings, or other public facilities” like commercial buildings, office buildings, schools, nursing homes, multi-family residential buildings, and restaurants?

As a general matter, ventilation improvements, including updates to HVAC systems, improved air filtration, and increased outdoor air flow, can help reduce the concentration and risk of exposure to aerosols, and thus infection with COVID-19.¹ The [National COVID-19 Preparedness Plan](#) specifies that improving ventilation and air filtration is a key component of keeping schools and businesses safely open. Although improvements to ventilation and air cleaning cannot on their own eliminate the risk of airborne transmission of the SARS-CoV-2 virus, the Environmental Protection Agency (EPA) has recommended taking steps to improve [indoor air quality](#) (IAQ) including optimizing fresh air ventilation, enhancing air filtration and cleaning, and managing the way air flows as components of a larger approach that may include individual actions and layered prevention strategies.

Under the SLFRF program, funds for installation and improvement of ventilation systems can be used for projects that respond to the pandemic’s public health impacts and provide longer-term benefits, including the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of HVAC systems to improve indoor air quality in facilities. Projects can include assessing current HVAC systems, updating HVAC systems, updating air filters, installing functional windows for improved ventilation, repairing windows and doors, installing in-room air cleaning devices, and other projects for improving indoor air quality. For a more extensive guide of how to effectively use funds for ventilation improvements, Treasury recommends reviewing EPA’s [Clean Air in Buildings Challenge](#), a call to action and a set of guiding principles and best practices to assist building owners and operators with improving IAQ in buildings, as well as EPA’s resource page on “[Ventilation and Coronavirus \(COVID-19\)](#).” For a guide on federal programs and resources to support school infrastructure, including ventilation improvements, Treasury recommends consulting the “[White House Toolkit: Federal](#)

¹ <https://www.cdc.gov/coronavirus/2019-ncov/community/ventilation.html>;
<https://www.epa.gov/coronavirus/indoor-air-and-coronavirus-covid-19>.

[Resources for Addressing School Infrastructure Needs.](#)” Further, Treasury recommends that recipients engage with public health and infection prevention professionals to develop and support an effective COVID-19 mitigation strategy. Finally, Treasury recommends that recipients ensure that the inspection, testing, commissioning, maintenance, repair, replacement, and upgrading of ventilation systems is performed by a skilled, trained, and certified workforce.

Recipients that undertake ventilation system investments under the public health and negative economic impacts eligible use category should review capital expenditure requirements in the final rule and note that capital expenditures must be related and reasonably proportional to the pandemic impact identified.

2.20. In what types of buildings can recipients use funds to install and improve of ventilation systems?

In addition to directly installing and improving ventilation systems in congregate settings, health care settings, or other public facilities, recipients may grant or loan funds to businesses, non-profits, and other entities that may benefit from COVID-19 mitigation measures.

In making these investments, Treasury recommends that recipients consult with public health and infection prevention professionals and that recipients ensure work is performed by a workforce that is skilled, trained, and certified in ventilation systems work. Many buildings would benefit from ventilation improvements, including settings where risk of infection is higher, such as when people are indoors for prolonged periods of time, are in crowded environments, or are performing activities that increase emission of respiratory fluids (such as speaking loudly, singing, or exercising).² This includes commercial buildings, office buildings, dense worksites, schools, nursing homes and other long-term care facilities, multi-family residential buildings, restaurants, correctional facilities, transportation hubs, and public transit vehicles, among other locations. Recipients are encouraged to consider congregate settings and other key locations as priorities for installation and improvement of ventilation systems. Please note that use of funds is not limited to government-owned public facilities and funds may be distributed by recipients to private businesses, non-profits, and others for COVID-19 mitigation and prevention, as the final rule clarifies that recipients may identify the general public as the impacted population for COVID-19 prevention and mitigation services. Recipients should review capital expenditure requirements for the public health and negative economic impacts eligible use category in the final rule before undertaking investments in ventilation systems.

For more information on ventilation system upgrades for school settings, Treasury recommends consulting:

- Creating Healthy Indoor Air Quality in Schools: <https://www.epa.gov/iaq-schools>
- Efficient and Healthy Schools campaign: <https://efficienthealthyschools.lbl.gov/>

² <https://www.epa.gov/coronavirus/indoor-air-and-coronavirus-covid-19>.

- Efficient and Healthy Schools website: <https://www.energy.gov/eere/buildings/efficient-and-healthy-schools>

For more information on ventilation system upgrades for office and other commercial building settings, Treasury recommends consulting:

- Enhancing Health with Indoor Air: <https://sftool.gov/learn/about/626/enhancing-health-indoor-air>
- Sustainable Response to COVID-19: <https://sftool.gov/learn/about/625/sustainable-response-covid-19>
- Better Buildings Resource Center: Building Operations during COVID-19 <https://betterbuildingssolutioncenter.energy.gov/covid19>

For more information on ventilation system upgrades for residential settings, Treasury recommends consulting:

- Improving Ventilation in Your Home: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/Improving-Ventilation-Home.html>
- Ventilation in Buildings: <https://www.cdc.gov/coronavirus/2019-ncov/community/ventilation.html>

2.21. Can SLFRF funds be used to support public school facility improvements, upgrades, and new construction – such as those that make buildings more energy efficient, increase their use of renewable energy, address capacity constraints, and respond to health and safety concerns?

Yes. There are numerous ways in which SLFRF funds may be used to support public school facility improvements and upgrades.

First, as part of the public health and negative economic impacts (PH-NEI) eligible use category, SLFRF funds may be used address educational disparities in disproportionately impacted communities,³ which may include funding improvements or new construction of schools and other educational facilities or equipment. Recipients may consider energy efficiency improvements as part of their facility investments, and may also use funds for pre-project development costs, such as assessment of building conditions, energy audits, feasibility studies, HVAC commissioning and testing, and lead testing, that are tied to or reasonably expected to lead to an eligible investment in school facilities to address educational disparities in disproportionately impacted communities. Recipients should review and comply with the requirements applicable to capital expenditures under the public health and negative economic impacts eligible use category as outlined in the final rule.⁴

³ Please see FAQ 2.9 for more on disproportionately impacted communities, and the [Overview of the Final Rule](#) (p.19) for a list of presumed disproportionately impacted communities. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

⁴ Please see the [Overview of the Final Rule](#) (p. 30-31) for a summary of capital expenditure requirements for the public health and negative economic impacts eligible use category.

Second, as part of the PH-NEI eligible use category, recipients may use funds for adaptations to schools for the purpose of mitigating the spread of COVID-19, including for ventilation improvements. Similar to the above, recipients should ensure compliance with the capital expenditure requirements for the eligible use category.

Third, as part of the water and sewer infrastructure eligible use category, recipients may invest in certain projects to support lead remediation, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities. Recipients can also invest in certain green water infrastructure projects. Eligible water and sewer projects are generally aligned with those allowable under the EPA's Drinking Water and Clean Water State Revolving Funds, and Treasury has added additional eligible projects as part of the final rule. Recipients should review and comply with the specific requirements provided for in the water and sewer infrastructure eligible use category as outlined in the final rule.

Fourth, as part of the revenue loss eligible use category, which is the broadest eligible use category that is capped by either the \$10 million standard allowance (up to a recipient's award size) or a recipient's calculated revenue loss, recipients may use SLFRF funds on government services. These government services include any service traditionally provided by a government unless Treasury has stated otherwise. Eligible government services that may be covered under the revenue loss eligible use category include maintenance, improvement, or new construction of public school facilities, including those that address over-crowding and capacity constraints, support energy efficiency, and respond to health and safety concerns, among other purposes.

Under the SLFRF program, recipients must obligate all funds by December 31, 2024 and expend funds by December 31, 2026. Recipients may transfer funds to other entities, including local educational agencies, to carry out as a subrecipient an eligible use of funds by the recipient, as long as they comply with program requirements. Recipients should note that the Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for certain SLFRF-funded construction projects undertaken by the District of Columbia. The National Environmental Policy Act (NEPA) does not apply to Treasury's administration of the SLFRF program, although projects supported with SLFRF funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

2.22. Would investments in improving outdoor spaces (e.g., parks) be an eligible use of funds as a response to the public health emergency and/or its negative economic impacts?

There are multiple ways that investments in improving outdoor spaces could qualify as eligible uses; several are highlighted below, though there may be other ways that a specific investment in outdoor spaces would meet eligible use criteria.

First, in recognition of the disproportionate negative economic impacts on certain communities and populations, the final rule includes enumerated eligible uses in disproportionately impacted communities for developing neighborhood features that

promote improved health and safety outcomes, such as parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, projects that increase access to healthy foods, streetlights, neighborhood cleanup, and other projects to revitalize public spaces.

Second, recipients may provide assistance to disproportionately impacted small businesses. The final rule included rehabilitation of commercial properties, storefront improvements, and façade improvements as enumerated eligible assistance to these small businesses.

Third, recipients can assist small businesses, nonprofits, or other entities to create or enhance outdoor spaces to mitigate the spread of COVID-19 (e.g., restaurant patios).

Recipients pursuing many of these uses should also note the eligibility standards for capital expenditures in the final rule, which are summarized on pages 30-31 of the [Overview of the Final Rule](#).

2.23. Would expenses to address a COVID-related backlog in court cases be an eligible use of funds as a response to the public health emergency?

Yes. The final rule maintains that SLFRF funds may be used to address administrative needs of recipient governments that were caused or exacerbated by the pandemic. Please see pages 4388-4389 of the final rule. During the COVID-19 public health emergency, many courts were unable to operate safely during the pandemic and, as a result, now face significant backlogs. Court backlogs resulting from the inability of courts to safely operate during the COVID-19 pandemic decreased the government's ability to administer services. Therefore, steps to reduce these backlogs, such as implementing COVID-19 safety measures to facilitate court operations, hiring additional court staff or attorneys to increase speed of case resolution, and other expenses to expedite case resolution are eligible uses.

2.24. Can funds be used for eviction prevention efforts or housing stability services?

Yes. Treasury provided a non-exhaustive list of eligible services in the final rule: Rent, rental arrears, utility costs or arrears (e.g., electricity, gas, water and sewer, trash removal, and energy costs, such as fuel oil), reasonable accrued late fees (if not included in rental or utility arrears), mortgage payment assistance, financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default, mortgage principal reduction, facilitating mortgage interest rate reductions, counseling to prevent foreclosure or displacement, relocation expenses following eviction or foreclosure (e.g., rental security deposits, application or screening fees).

Treasury also clarified that assistance to households for delinquent property taxes, for example to prevent tax foreclosures on homes, was permissible under the interim final

rule and continues to be so under the final rule. In addition, Treasury also clarified that recipients may administer utility assistance or address arrears on behalf of households through direct or bulk payments to utility providers to facilitate utility assistance to multiple consumers at once, so long as the payments offset customer balances and therefore provide assistance to households. The public health and negative economic impacts eligible use category also includes emergency assistance for individuals experiencing homelessness, either individual-level assistance (e.g., rapid rehousing services) or assistance for groups of individuals (e.g., master leases of hotels, motels, or similar facilities to expand available shelter). Please see page 4360 of the final rule for further relevant clarifications.

3. Eligible Uses – Revenue Loss

3.1. Does a recipient need to calculate or provide proof of its revenue loss to use funds for government services?

Recipients may elect a “standard allowance” of up to \$10 million to spend on government services through the period of performance. The standard allowance is available to all recipients and offers a simple, convenient way to determine revenue loss, instead of using the full formula specified in the final rule. Recipients must make a one-time, irrevocable election to either take the standard allowance or calculate revenue loss. Recipients were able to indicate this choice in their Project and Expenditure Reports due April 30, 2022, and recipients may update their revenue loss election, as appropriate, in future reporting cycles through the April 2023 reporting period. Upon update, any prior revenue loss election will be superseded. For example, if a recipient previously elected to calculate revenue loss in their Project and Expenditure Report due April 30, 2022 and this recipient would like to update their election, Treasury’s reporting portal will allow the recipient to supersede their prior election in future reporting cycles and instead take the standard allowance. Similarly, recipients who previously elected the standard allowance and would like to supersede their prior election and instead calculate revenue loss may also update their revenue loss election in future reporting cycles. Recipients continue to be required to employ a consistent methodology across the period of performance (i.e., choose either the standard allowance or the full formula) and may not elect one approach for certain reporting years and the other approach for different reporting years. Recipients who elect the standard allowance do not have to produce any further demonstration or calculation of revenue loss.

Electing the standard allowance does not increase or decrease a recipient’s total allocation. For example, a recipient with an allocation of \$6 million would be allowed to claim no more than \$6 million as revenue loss to use for government services, and a recipient with an allocation of \$12 million would be allowed to claim the full \$10 million standard allowance and use the remaining allocation towards other eligible use categories. Recipients who elect to calculate revenue loss by formula must do so as articulated in the final rule and described in the [Overview of the Final Rule](#) and [FAQ #3.6](#).

3.2. Can revenue loss funds be used for a purpose that is not explicitly listed as an

example of a government service in the Overview of the Final Rule or Final Rule?

Yes. Government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise. Common examples are listed on page 11 of the [Overview of the Final Rule](#) and page 4408 of the final rule, but these lists are not exhaustive. In addition to the common examples described in the final rule, many recipients and stakeholders have asked if using funds for activities like payroll for specific public sector staff, renovations to particular government facilities, and equipment to facilitate and improve government services such as health services, waste disposal, road building and maintenance, and water and sewer services would be eligible as government services. Treasury is clarifying here that under the final rule, payroll for government employees, contracts, grants, supplies and equipment, rent, and the many other costs that governments typically bear to provide services are costs that could comprise the costs of government services, and are eligible uses of funds.

Revenue loss is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section in the Overview of the Final Rule and Final Rule and apply to all eligible use categories, apply to government services as well. Note also that every use that is eligible under other eligible use categories is also eligible under revenue loss, because those eligible uses are also services provided by recipient governments, and Treasury encourages recipients to use their funds for investments that serve the needs of their communities and build a stronger and more equitable recovery.

3.3. Can revenue loss funds be used for a project eligible under other eligible use categories, such as addressing the public health and negative economic impacts of the pandemic, providing premium pay, or investing in water, sewer, or broadband infrastructure?

Yes. The revenue loss eligible use category allows recipients to expend funds with flexibility and streamlined reporting requirements, including on expenditures that would not be eligible under other eligible use categories, like general infrastructure repairs. Recipients may also use revenue loss funds to carry out investments that would be eligible under other eligible use categories, because those eligible uses are also services provided by recipient governments. Treasury encourages the use of government services funds on uses enumerated in these categories, including but not limited to affordable housing, childcare investments, supporting public sector workers, job training and workforce development, and investments in public health.

3.4. How is revenue defined for the purpose of the revenue loss calculation formula?

The final rule adopts a definition of “General Revenue” that is based on, but not identical, to the Census Bureau’s concept of “General Revenue from Own Sources” in the Annual Survey of State and Local Government Finances.

General Revenue means money that is received from tax revenue, current charges, and miscellaneous general revenue, excluding refunds and other correcting transactions and proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and intergovernmental transfers from the Federal Government, including transfers made pursuant to section 9901 of the American Rescue Plan Act. General Revenue also includes revenue from liquor stores that are owned and operated by state and local governments. General Revenue does not include revenues from utilities, except recipients may choose to include revenue from utilities that are part of their own government as General Revenue provided the recipient does so consistently over the remainder of the period of performance. Revenue from Tribal business enterprises must be included in General Revenue.

Please see the appendix for a diagram of the final rule’s definition of General Revenue within the Census Bureau’s revenue classification structure.

3.5. Will revenue be calculated on an entity-wide basis or on a source-by-source basis (e.g. property tax, income tax, sales tax, etc.)?

Recipients should calculate revenue on an entity-wide basis. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID-19 public health emergency on a recipient’s revenue, rather than relying on financial reporting prepared by each recipient, which vary in methodology used and which generally aggregate revenue by purpose rather than by source.

Recipients should classify revenue sources as they would if responding to the U.S. Census Bureau’s Annual Survey of State and Local Government Finances. According to the Census Bureau’s [Government Finance and Employment Classification manual](#), the following is an example of current charges that would be included in a state or local government’s General Revenue from own sources: “Gross revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities.”

Please refer to the appendix for further details on the definition of General Revenue.

3.6. For recipients not electing the \$10 million standard allowance, what is the formula for calculating the reduction in revenue?

Recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. To calculate revenue loss at each of these dates, recipients must follow a four-step process:

a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the base year revenue.

b. Estimate counterfactual revenue, which is equal to the following formula, where n is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{n/12}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

c. Identify actual general revenue, which equals revenues collected over the twelve months immediately preceding the calculation date. Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added to or subtracted from the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022. Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.

d. Revenue loss for the calculation date is equal to counterfactual revenue minus actual revenue (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section. Recipients should see the final rule for the full description of the requirements to reflect the effect of tax cuts and tax increases on actual revenue.

3.7. Are recipients expected to demonstrate that reduction in revenue is due to the COVID-19 public health emergency?

Under the final rule, any diminution in actual revenue calculated using the formula above would be presumed to have been “due to” the COVID-19 public health emergency, in the case of both the standard allowance and the formula, which, as discussed above adjusts for certain tax policy changes.

3.8. May recipients use pre-pandemic projections as a basis to estimate the reduction in revenue?

No. Treasury is disallowing the use of projections to ensure consistency and comparability across recipients and to streamline verification. However, in estimating the revenue shortfall using the formula above, recipients may incorporate their average annual revenue growth rate in the three full fiscal years prior to the public health emergency.

3.9. In calculating revenue loss, are recipients required to use audited financials?

Where audited data is not available, recipients are not required to obtain audited data. Treasury expects all information submitted to be complete and accurate.

3.10. In calculating revenue loss, should recipients use their own data, or Census data?

Recipients should use their own data sources to calculate General Revenue, and do not need to rely on published revenue data from the Census Bureau. Treasury acknowledges that due to differences in timing, data sources, and definitions, recipients' self-reported General Revenue figures may differ somewhat from those published by the Census Bureau.

3.11. Should recipients calculate revenue loss on a cash basis or an accrual basis?

Recipients may calculate revenue loss on a cash, accrual, or modified accrual basis, provided that recipients are consistent in their choice of methodology for all inputs of the revenue loss calculation throughout the period of performance and until reporting is no longer required.

3.12. In identifying intergovernmental revenue for the purpose of calculating General Revenue, should recipients exclude all federal funding, or just federal funding related to the COVID-19 response? How should local governments treat federal funds that are passed through states or other entities, or federal funds that are intermingled with other funds?

In calculating General Revenue, recipients should exclude all intergovernmental transfers from the federal government. This includes, but is not limited to, federal transfers made via a state to a locality pursuant to the Coronavirus Relief Fund or Fiscal Recovery Funds. To the extent federal funds are passed through states or other entities or intermingled with other funds, recipients should attempt to identify and exclude the federal portion of those funds from the calculation of General Revenue on a best-efforts basis.

3.13. What entities constitute a government for the purpose of calculating revenue

loss?

In determining whether a particular entity is part of a recipient's government for purposes of measuring a recipient's General Revenue, recipients should identify all the entities included in their government and the General Revenue attributable to these entities on a best-efforts basis. Recipients are encouraged to consider how their administrative structure is organized under state and local statutes. In cases in which the autonomy of certain authorities, commissions, boards, districts, or other entities is not readily distinguishable from the recipient's government, recipients may adopt the Census Bureau's criteria for judging whether an entity is independent from, or a constituent of, a given government. Recipients may not include independent entities in calculating General Revenue. For an entity to be independent, it generally meets all four of the following conditions:

- The entity is an organized entity and possesses corporate powers, such as perpetual succession, the right to sue and be sued, having a name, the ability to make contracts, and the ability to acquire and dispose of property.
- The entity has governmental character, meaning that it provides public services, or wields authority through a popularly elected governing body or officers appointed by public officials. A high degree of responsibility to the public, demonstrated by public reporting requirements or by accessibility of records for public inspection, also evidences governmental character.
- The entity has substantial fiscal independence, meaning it can determine its budget without review and modification by other governments. For instance, the entity can determine its own taxes, charges, and debt issuance without another government's supervision.
- The entity has substantial administrative independence, meaning it has a popularly elected governing body, or has a governing body representing two or more governments, or, in the event its governing body is appointed by another government, the entity performs functions that are essentially different from those of, and are not subject to specification by, its creating government.

If an entity does not meet all four of these conditions, a recipient may classify the entity as part of the recipient's government and include the portion of General Revenue that corresponds to the entity.

To further assist recipients in applying the foregoing criteria, recipients may refer to the Census Bureau's [*Individual State Descriptions: 2017 Census of Governments*](#) publication, which lists specific entities and classes of entities classified as either independent (defined by Census as "special purpose governments") or constituent (defined by Census as "dependent agencies") on a state-by-state basis. Recipients should note that the Census Bureau's lists are not exhaustive and that Census classifications are based on an analysis of state and local statutes as of 2017 and subject to the Census

Bureau's judgment. Though not included in the Census Bureau's publication, state colleges and universities are generally classified as dependent agencies of state governments by the Census Bureau.

If an entity is determined to be part of the recipient's government, the recipient must also determine whether the entity's revenue is covered by the final rule's definition of General Revenue. For example, some cash flows may be outside the definition of General Revenue. In addition, note that the definition of general revenue includes Tribal enterprises in the case of Tribal governments. Refer to [FAQ #3.4](#) and the Appendix for the components included in General Revenue.

3.14. How should recipients that receive multiple allocations (e.g., a city and a county consolidated government) calculate their revenue loss?

If a government entity receives a combined award (e.g., in its capacity both as an NEU and as a Unit of General Local Government (UGLG) within a non-UGLG county), it must determine its revenue loss only once as the combined entity. The government entity may not, for example, elect the standard allowance once as an NEU and once as an UGLG (i.e., it would only be able to claim up to a total of \$10 million standard allowance against all of its awards). Similarly, if the government entity elects to calculate its revenue according to the formula set out in the final rule, it must do so on a combined basis.

In the case of an award to an UGLG within a non-UGLG county under section 603(b)(3)(B)(ii) of the Social Security Act, the UGLG is considered the prime recipient of this award. Therefore, the prime recipient in this circumstance may treat these transferred funds as its own award for purposes of the revenue loss determination.

For example, if an NEU receives \$2 million in its NEU distribution, and then receives an additional \$13 million as an UGLG within a non-UGLG county, and the NEU elects the standard allowance of \$10 million in revenue loss, the NEU would be able to spend up to a total of \$10 million on government services under revenue loss against its awards, and would be able to spend the remaining \$5 million in other expenditure categories.

4. Eligible Uses – General

4.1. How do I know if a specific use is eligible?

The best way to begin evaluation of whether a specific use is an eligible use of SLFRF funds is to consider which of the four eligible use categories the use may fall into.

As a reminder, there are four eligible use categories, ordered below from the broadest and most flexible to the most specific. The [Overview of the Final Rule](#) serves as a summary of the major provisions of each category.

- Replace lost public sector revenue, using this funding to provide government services up to the amount of revenue loss due to the pandemic. (pages 9-11 of the

Overview)

- Support the COVID-19 public health and economic response by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector. (pages 12-34 of the Overview)
- Provide premium pay for eligible workers performing essential work, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors. (pages 35-36 of the Overview)
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet. (pages 37-40 of the Overview)

The SLFRF program provides substantial flexibility for each jurisdiction to meet local needs within these eligible use categories. In general, recipients should think about what services they are trying to provide, and for which groups or populations, and assess whether this use of funds would fit within the parameters of the eligible use category as outlined in the Overview and the final rule. Recipients also should be mindful that various forms of assistance have been made available during the pandemic (e.g., Economic Injury Disaster Loans through the U.S. Small Business Administration), and certain restrictions on duplications of benefits may apply.

Revenue loss eligible use category

If a use does not appear to be eligible under the water, sewer, and broadband infrastructure, premium pay, or public health and negative economic impacts eligible use categories, then recipients should consider using funds under the revenue loss eligible use category. The revenue loss eligible use category provides recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue due to the pandemic.

All recipients may elect a “standard allowance” of up to \$10 million to spend on government services through the period of performance (see [FAQ #3.1](#)), or elect to calculate their revenue loss under the formula provided in the final rule. Under this eligible use category, government services generally include any service traditionally provided by a government, unless Treasury has stated otherwise (see [FAQ #3.2](#)). While recipients can refer to common examples on page 11 of the Overview of the Final Rule and page 4408 of the final rule, these lists are not exhaustive. Every use that is eligible under other eligible use categories is also eligible under revenue loss.

Public health and negative economic impacts eligible use category

To assess the eligibility of a use under the public health and negative economic impacts

eligible use category, recipients may refer initially to the non-exhaustive lists of enumerated uses that respond to pandemic impacts, and the lists of populations presumed to have experienced pandemic impacts and be eligible for responsive services. These lists appear in the Overview and the final rule organized by sub-categories around the types of assistance a recipient may provide. Recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact. Then, recipients should refer to the relevant section for more details on each sub-category of eligible responses.

If a recipient intends to provide enumerated uses of funds to populations presumed eligible, then the use of funds is clearly consistent with the final rule. However, if the intended expenditure does not match an enumerated use serving a presumed eligible population, that does not necessarily mean it is ineligible. Recipients can consider using the broad flexibility available in this eligible use category to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

Premium pay eligible use category

To assess whether a use falls under the premium pay eligible use category, recipients can follow the steps outlined on p. 35-36 of the Overview, and refer to the FAQs in [section 5](#).

Water, sewer, and broadband infrastructure eligible use category

To assess whether a use falls under the water, sewer, and broadband infrastructure category, recipients can consult p. 37-40 of the Overview, and refer to the FAQs in [section 6](#).

Recipients should also note the restrictions on use, which are applicable across all eligible use categories, and summarized on p. 41-42 of the Overview.

When assessing whether a specific use is eligible, recipients are not required to submit planned expenditures for prior approval by Treasury, and Treasury is not pre-approving proposed expenditures or calculations of revenue loss. Recipients should review the final rule and the Overview of the Final Rule, and consult with counsel as needed, to evaluate whether a particular expenditure is an eligible use of funds.

4.2. May recipients use funds to invest in traditional infrastructure projects other than water, sewer, and broadband projects (e.g. roads, bridges)?

As discussed in [FAQ #3.2](#), recipients have broad flexibility to use revenue loss funds to provide government services, which generally include any service traditionally provided by a government. These services may include, but are not limited to, maintenance of

infrastructure or pay-go spending for building of new infrastructure, including roads.

Under the public health and negative economic impacts eligible use category, a general infrastructure project typically would not be considered an eligible response unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing).

4.3. May recipients use funds to pay interest or principal on outstanding debt?

No. The final rule maintains the restriction on the use of funds for debt service for the reasons described on page 4430 of the final rule and clarifies that this restriction applies to all eligible use categories.

This applies to paying interest or principal on any outstanding debt instrument, including, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt.

4.4. Are governments required to submit proposed expenditures to Treasury for approval?

No. Recipients are not required to submit planned expenditures for prior approval by Treasury. Recipients are subject to the requirements and guidelines for eligible uses contained in the final rule. For more information on compliance and reporting, please see the SLFRF Compliance and Reporting Guidance.

4.5. Do restrictions on using funds to cover costs incurred beginning on March 3, 2021 apply to costs incurred by the recipient (e.g., a State, local, territorial, or Tribal government) or to costs incurred by households, businesses, and individuals benefiting from assistance provided using funds?

The final rule permits funds to be used to cover costs incurred beginning on March 3, 2021. This limitation applies to costs incurred by the recipient (i.e., the state, local, territorial, or Tribal government receiving funds). Recipients may use SLFRF funds to provide assistance to households, businesses, and individuals within the eligible use categories described in the final rule for economic harms experienced by those households, businesses, and individuals prior to March 3, 2021. For example,

- Public Health/Negative Economic Impacts – Recipients may use SLFRF funds to provide assistance to households – such as rent, mortgage, or utility assistance – for economic harms experienced or costs incurred by the household prior to March 3, 2021 (e.g., rental arrears from preceding months), provided that the cost of providing assistance to the household was not incurred by the recipient prior to March 3, 2021.

- Premium Pay – As discussed further in [FAQ #5.2](#), recipients may provide premium pay retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021. Employers may not simply reimburse themselves for pay already received by the employee.
- Revenue Loss – The final rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue due to the pandemic. If the recipient has elected to calculate lost revenue, the calculation begins with the recipient’s revenue in the last full fiscal year prior to the COVID-19 public health emergency. However, use of funds for government services must be forward looking for costs incurred by the recipient after March 3, 2021.
- Investments in Water, Sewer, and Broadband – Recipients may use SLFRF funds to make necessary investments in water, sewer, and broadband. See [FAQ Section 6](#). Recipients may use funds to cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the funds were incurred after March 3, 2021.

4.6. May recipients use funds to satisfy non-federal matching requirements?

Generally, yes, if using funds available under the revenue loss eligible use category, and no, if using funds under any other eligible use category, except as discussed further below.

Funds available under the revenue loss eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state’s Medicaid and Children’s Health Insurance Programs (CHIP) because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

If a recipient seeks to use SLFRF funds to satisfy match or cost-share requirements for a federal grant program, it should first confirm with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 CFR 200.306(b) would limit the use of SLFRF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the SLFRF funds for the match or cost-share requirement.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further

details if they seek to utilize SLFRF funds as a match for these projects.

4.7. May recipients pool funds for regional projects?

Yes, provided that the project is itself an eligible use of SLFRF funds for each recipient that is contributing to the pool of funds and that recipients are able to track the use of funds in line with the reporting and compliance requirements of the SLFRF. In general, when pooling funds for regional projects, recipients may expend funds directly on the project or transfer funds to another government or other entity that is undertaking the project on behalf of multiple recipients. To the extent recipients undertake regional projects via transfer to another organization or government, recipients would need to comply with the rules on transfers specified in the final rule supplementary information. A recipient may transfer funds to a government outside its boundaries (e.g., county transfers to a neighboring county, or an NEU transferring its funds to a County), provided that the transferor can document that the transfer constitutes an eligible expense of the transferor government and that its jurisdiction receives a benefit proportionate to the amount transferred.

4.8. May recipients fund a project with both ARPA funds and other sources of funding (e.g., blending, braiding, or other pairing funding sources), including in conjunction with financing provided through a debt issuance?

Generally, yes, provided that the costs are eligible costs under each source program and are compliant with all other related statutory and regulatory requirements and policies, including restrictions on use of funds.

The recipient must comply with applicable reporting requirements for all sources of funds supporting the SLFRF projects.

Recipients may source funding for a project in multiple ways, including, but not limited to, the following:

- Using funds available under the revenue loss eligible use category for non-federal match (see [FAQ #4.6](#))
- Pooling funds for a joint project with another SLFRF recipient (see [FAQ #4.7](#))
- Transferring funds to a subrecipient to finance a project that also uses other sources of funding
- Blending or braiding SLFRF funds with other sources of government funding, including debt issuance, to pursue a project

Localities may also transfer their funds to the state through section 603(c)(4) of the Social Security Act, which will decrease the locality's award and increase the state award amounts.

Note that using a recipient blending and braiding funds in conjunction with other sources of funding is distinct from using funds for non-federal match. In the case of non-federal match, the recipient would be using SLFRF funds to satisfy cost-sharing or matching requirements in order to qualify for another source of federal funding, while blending and braiding refers to using multiple sources of funding for complementary purposes.

If the entirety of a project is funded with SLFRF funds, then the entire project must be an eligible use. The use of funds would be subject to the deadline on obligating funds no later than December 31, 2024 and expending funds no later than December 31, 2026. If a project is only partially funded with SLFRF funds, then the portion of the project funded must be an eligible use and the SLFRF funds must also be obligated by December 31, 2024 and expended by December 31, 2026. In either case, recipients must be able to, at a minimum, determine and report to Treasury on the amount of SLFRF funds obligated and expended and when such funds were obligated and expended.

SLFRF funds may not be used to fund the entirety of a project that is partially, although not entirely, an eligible use under Treasury’s final rule. However, SLFRF funds may be used for a smaller component project that does constitute an eligible use, while using other funds for the remaining portions of the larger planned project that does not constitute an eligible use. In this case, the “project” for SLFRF purposes under this program would be only the eligible use component of the larger project. For example, a recipient government may use SLFRF funds to subsidize the production of affordable housing units as a response to the pandemic and its negative economic impacts and use other funds to build other parts of a larger development that contains these affordable units.

4.9. May funds be used to make loans or other extensions of credit (“loans”) to support an eligible use?

Yes. SLFRF funds may be used to make loans, provided that the loan supports an activity that is an eligible use of funds, the SLFRF funds used to make the loan are obligated by December 31, 2024 and expended by December 31, 2026, and the cost of the loan is tracked and reported in accordance with the points below. For example, a recipient may, consistent with the requirements of the interim final rule and final rule, use funds to finance the construction of affordable housing, or to finance a necessary investment in water, sewer or broadband.

Funds must be used to cover “costs incurred” by the recipient between March 3, 2021, and December 31, 2024, and funds must be expended by December 31, 2026. Accordingly, recipients must be able to determine the amount of funds used to make a loan.

- For loans that mature or are forgiven on or before December 31, 2026, the recipient must account for the use of funds on a cash flow basis, consistent with the approach to loans taken in the Coronavirus Relief Fund.
 - Recipients may use SLFRF funds to fund the principal of the loan and in that

case must track repayment of principal and interest (i.e., “program income,” as defined under 2 CFR 200).

- When the loan is made, recipients must report the principal of the loan as an expense.
- Repayment of principal may be re-used only for eligible uses and subject to restrictions on timing of use of funds. Interest payments received prior to the end of the period of performance will be considered an addition to the total award and may be used for any purpose that is an eligible use of funds. Recipients are not subject to restrictions under 2 CFR 200.307(e)(1) with respect to such payments.
- For loans with maturities longer than December 31, 2026, the recipient may use funds for only the projected cost of the loan.
 - Recipients can project the cost of the loan by estimating the subsidy cost. The subsidy cost is the estimated present value of the cash flows from the recipient (excluding administrative expenses) less the estimated present value of the cash flows to the recipient resulting from a loan, discounted at the recipient’s cost of funding and discounted to the time when the loan is disbursed. The cash flows are the contractual cash flows adjusted for expected deviations from the contract terms (delinquencies, defaults, prepayments, and other factors). A recipient’s cost of funding can be determined based on the interest rates of securities with a similar maturity to the cash flow being discounted that were either (i) recently issued by the recipient or (ii) recently issued by a unit of state, local, or Tribal government similar to the recipient.
 - Alternatively, recipients may treat the cost of the loan as equal to the expected credit losses over the life of the loan based on the Current Expected Credit Loss (CECL) standard. Recipients may measure projected losses either once, at the time the loan is extended, or annually over the period of performance.
 - Under either approach for measuring the amount of funds used to make loans with maturities longer than December 31, 2026, recipients would not be subject to restrictions under 2 CFR 200.307(e)(1) and need not separately track repayment of principal or interest.
 - Additionally, recipients may use funds for eligible administrative expenses incurred in the period of performance, which include the reasonable administrative expenses associated with a loan made in whole, or in part, with funds. See section IV.E of the final rule.
- Contributions to Revolving Loan Funds. A recipient may contribute funds to a revolving loan fund if the loaned SLFRF funds are restricted to financing eligible

uses under the public health emergency/negative economic impacts, premium pay, and necessary water, sewer and broadband categories (or under the government services category if the contribution to the revolving fund is made using revenue loss funds). The funds contributed using SLFRF funds must be limited to the projected cost of loans made over the life of the revolving loan fund, following the approach described above for loans with maturities longer than December 31, 2026.

- Loans funded with SLFRF funds under the revenue loss eligible use category. Notwithstanding the above, if a recipient uses revenue loss funds to fund a loan, whether or not the maturity of the loan is after December 31, 2026, the loaned funds may be considered to be expended at the point of disbursement to the borrower, and repayments on such loans are not subject to program income rules. Similarly, any contribution of revenue loss funds to a revolving loan fund may also follow the approach of loans funded under the revenue loss eligible use category.

- Loans to fund investments in affordable housing projects. Notwithstanding the above requirements for loans with maturities beyond December 31, 2026, Treasury has determined that SLFRF funds may be used to finance certain loans that finance affordable housing investments, as it is typical for state and local governments to finance such investments through loans and because the features of these loans significantly mitigate concerns about funds being deployed for purposes of recycling funds, potentially for ineligible uses, following the SLFRF program’s expenditure deadline. Specifically, under the “public health and negative economic impacts” eligible use category, recipients may use SLFRF funds to make loans to finance affordable housing projects, funding the full principal amount of the loan, if the loan and project meet the following requirements:
 - The loan has a term of not less than 20 years;
 - The affordable housing project being financed has an affordability period of not less than 20 years after the project or assisted units are available for occupancy after having received the SLFRF investment; and
 - For loans to finance projects expected to be eligible for the low-income housing credit (LIHTC) under section 42 of the Internal Revenue Code of 1986 (the Code),
 - the project owner must agree, as a condition for accepting such a loan, to waive any right to request a qualified contract (as defined in section 42(h)(6)(F) of the Code); and
 - the project owner must agree to repay any loaned funds to the entity that originated the loan at the time the project becomes non-compliant, including if such project ceases to satisfy the requirements to be a qualified low-income housing project (as defined in section 42(g) of the Code) or a qualified residential rental project (as defined in section 142(d) of the Code), or if such project fails to comply with any of the requirements of the extended low-income housing commitment that

are described in section 42(h)(6)(B)(i)-(iv) of the Code.

Loans that fund investments in affordable housing projects under the public health and negative economic impacts eligible use category and meet the above criteria may be considered to be expended at the point of disbursement to the borrower, and repayments on such loans are not subject to program income rules. Loan modifications are permitted if the modifications do not result in repayment of all or substantially all funds to the lender prior to the end of the affordability period. To reduce administrative complexity, the start date of the 20-year affordability covenant may conform to the start date of other covenants on the same project or units that are required by another source of federal or state funding associated with the project or units.

4.10. May funds be used for outreach to increase uptake of federal assistance like the Child Tax Credit or federal programs like SNAP?

Yes. Eligible uses to address negative economic impacts include “assistance accessing or applying for public benefits or services.” This can include benefits navigators or marketing efforts to increase consumer uptake of federal tax credits, benefits, or assistance programs that respond to negative economic impacts of the pandemic.” Of note, per the final rule, allowable uses of funds for evaluations may also include other types of program evaluations focused on program improvement and evidence building.

4.11 How does the end of the COVID-19 National Emergency, declared by the President in 2020, have an impact on the SLFRF program?

On March 29, 2023, Congress voted to terminate the National Emergency concerning COVID-19 that President Trump had declared in 2020 pursuant to the National Emergencies Act. This termination is effective as of April 10, 2023. The SLFRF final rule defines “COVID-19 public health emergency” by including reference to this National Emergency declaration, providing that the COVID-19 public health emergency is the “period beginning on January 27, 2020 and lasting until the termination of the national emergency concerning the COVID-19 outbreak declared pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.)”⁵

Following the termination of the National Emergency, recipients generally will be able to continue to make investments using their SLFRF funds without changes, with the exception of projects in the premium pay eligible use category, as discussed below. Specifically:

- *Premium Pay*: The SLFRF statute and final rule provide that recipients can use SLFRF funds to provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency, as defined in the final rule as the period ending when the COVID-19 National Emergency ends (i.e., until termination of the National Emergency described above). Accordingly, recipients

⁵ 31 CFR 35.3.

may not use SLFRF funds to provide premium pay to essential workers for work conducted after the end of the National Emergency, which ended on April 10, 2023. Recipients may continue to use SLFRF funds to provide premium pay to essential workers for work conducted before the termination of the National Emergency. Recipients also may continue to use SLFRF funds to support workers through the public health and negative economic impacts eligible use category, discussed below.

- *Public Health and Negative Economic Impacts:* SLFRF recipients may continue to use funds to respond to the public health impacts or negative economic impacts of the COVID-19 pandemic. This eligible use does not require recipients' responses to be provided during the National Emergency. Under this eligible use category, recipients may continue to use SLFRF funds to support and expand the workforce, including by helping impacted workers enter in-demand careers, such as in health care and child care. Recipients may also use SLFRF funds to build public sector capacity, including hiring public sector workers and providing retention incentives.
- *Revenue Loss:* The end of the National Emergency does not impact how recipients calculate revenue loss according to the formula articulated in the final rule. The end of the National Emergency also does not have an impact on how recipients claim up to \$10 million in revenue loss under the standard allowance.
- *Water/Sewer/Broadband:* The end of the National Emergency does not have an impact on how recipients may use SLFRF funds under the water, sewer, and broadband infrastructure eligible use category.

In addition, the Biden-Harris Administration has stated that it intends to end the COVID-19 Public Health Emergency declared by the Secretary of the Department of Health and Human Services (HHS) pursuant to the Public Health Service Act (42 U.S.C. 247d) on May 11, 2023. The end of this HHS COVID-19 Public Health Emergency declaration by the HHS Secretary will not have an impact on recipients' ability to spend funds under the SLFRF program.

5. Eligible Uses – Premium Pay

5.1. What criteria should recipients use in identifying workers to receive premium pay?

SLFRF may be used to provide premium pay to eligible workers performing essential work during the pandemic or to provide grants to eligible employers that have eligible workers who perform essential work. Premium pay may be awarded to eligible workers up to \$13 per hour. Premium pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives. Premium pay may not exceed \$25,000 for any single worker during the program.

Premium pay must be responsive to eligible workers performing essential work during the pandemic, and like the interim final rule, the final rule emphasizes the need for recipients to prioritize premium pay for lower-income workers. Premium pay that would go to a

worker whose total pay is above 150% of the greater of the state or county average annual wage for all occupations (with or without the premium) requires specific justification for how it responds to the needs of these workers unless that worker is not exempt from the Fair Labor Standards Act overtime provisions.

For a detailed description of what constitutes an eligible worker and essential work as well other premium pay requirements, please see pages 35-36 of the [Overview of the Final Rule](#).

5.2. May recipients provide premium pay retroactively for work already performed?

Yes. Treasury encourages recipients to consider providing premium pay retroactively for work performed during the pandemic, recognizing that many essential workers have not yet received additional compensation for their service during the pandemic. SLFRF funds may not be used to reimburse a recipient or eligible employer grantee for premium pay or hazard pay already received by the employee. To make retroactive premium payments funded with SLFRF funds, a recipient or eligible employer grantee must make a new cash outlay for the premium payments and the payments must be in addition to any wages or remuneration the eligible worker already received.

5.3. Can SLFRF be used to pay for benefits and taxes associated with premium pay wages?

Premium pay is taxable as wage income, and therefore, employers are encouraged to treat the premium pay earned by the employee just as they would other wage income and withhold from the additional pay any required taxes. For further guidance, please see the [FAQ published by the IRS on SLFRF](#).

5.4. Does non-base compensation, such as overtime, count toward the 150% pay threshold? Is the 150% threshold calculated based off of income only from the awarding employer or from an employee's total yearly compensation?

Yes, non-base compensation, including overtime and bonuses, counts toward the 150% pay threshold; however, the 150% pay threshold does *not* take into account other sources of income earned by an employee (e.g., income from a second job). For an hourly employee, or an employee that does not have a year's worth of earnings, an employer should extrapolate the hourly wage at an annual rate by multiplying the hourly rate by forty hours per week and then by fifty-two weeks per year.

6. Eligible Uses – Water, Sewer, and Broadband Infrastructure

6.1. What types of water and sewer projects are eligible uses of funds?

Eligible water and sewer projects are outlined on pages 37-38 of the [Overview of the Final Rule](#). Under the interim final rule, SLFRF funds could be used to fund projects that would be eligible under EPA's Clean Water State Revolving Fund or Drinking Water State

Revolving Fund. With broadened eligibility under the final rule, SLFRF funds may also be used to fund additional types of projects — such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined on page 38 of the Overview.

6.2. May recipients use funds as a non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?

Per [FAQ #4.6](#), SLFRF funds available for the provision of government services, up to the amount of the recipient’s reduction in revenue due to the public health emergency (the revenue loss eligible use category), may be used to meet the non-federal cost-share or matching requirements of other federal programs, including the CWSRF and DWSRF programs administered by the EPA. Per [FAQ #4.9](#), loans funded under the revenue loss eligible use category may be deemed expended at the point of disbursement. Thus, recipients using SLFRF funds available under revenue loss for non-federal matching requirements for the DWSRF or CWSRF may consider funds expended at the point the recipient makes the deposit into the State Revolving Funds. Recipients using SLFRF funds available under revenue loss should log projects under expenditure category 6.2.

As further noted in FAQ #4.6, SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. Recipients using funds under the eligible use category for water and sewer infrastructure may not use funds as a state match for the CWSRF and DWSRF.

6.3. Does the National Environmental Policy Act (NEPA) apply to projects funded with SLFRF funds?

NEPA does not apply to Treasury’s administration of the funds, including funds expended under the revenue loss, public health and negative economic impacts, and water, sewer, and broadband infrastructure eligible use categories. Projects supported with payments from the funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs or have certain federal licensing or registration requirements.

6.4. What types of broadband projects are eligible uses of funds?

Recipients are required to design projects that, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds where practicable. More details on eligible broadband projects, including eligible areas for investment and the affordability requirement, are outlined on pages 39-40 of the [Overview of the Final Rule](#).

6.5. For broadband investments, may recipients use funds for related programs such as cybersecurity or digital literacy training?

Yes. In the final rule, Treasury maintained the enumerated eligible use for assistance to households for internet access and digital literacy programs. Recipients may use funds to provide assistance to households facing negative economic impacts due to the pandemic, including digital literacy training and other programs that promote access to the Internet.

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software. Under the final rule, recipients may also invest in general cybersecurity upgrades, unrelated to broadband infrastructure, under the revenue loss eligible use category.

6.6. Do I need pre-approval for my water, sewer, or broadband project?

See [FAQ #4.4](#). Generally, recipients are not required to submit planned expenditures for prior approval by Treasury and recipients are subject to the requirements and guidelines for eligible uses contained in the final rule.

While recipients must ensure that water and sewer infrastructure projects pursued are eligible under the final rule, recipients are not required to obtain project pre-approval from Treasury or any other federal agency when using SLFRF funds for necessary water and sewer infrastructure projects unless otherwise required by federal law. For projects that are being pursued under the eligibility categories provided through the DWSRF or CWSRF programs, project eligibilities are based on federal project categories and definitions for the programs and not on each state's eligibility or definitions. While reference in the final rule to the DWSRF, CWSRF, or other federal water programs is provided to assist recipients in understanding the types of water and sewer infrastructure projects eligible to be funded with SLFRF, recipients do not need to apply for funding from the applicable state programs or through any federal water program. Similarly, besides eligible project categories, the final rule does not incorporate other program requirements or guidance that attach to the DWSRF, CWSRF, or other federal water programs. However, as noted above, recipients should be aware of other federal or state laws or regulations that may apply to construction projects or water and sewer projects, independent of SLFRF funding conditions, and that may require preapproval from another federal or state agency.

6.7. For broadband infrastructure investments, what are eligible areas of investment?

Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service, but are broadly able to invest in projects designed to provide service to locations with an identified need for additional broadband investment. For more details, see page 39 of the [Overview of the Final Rule](#).

6.8. May recipients use payments from the SLFRF for “middle mile” broadband projects?

Yes. Under the final rule, recipients may use payments from the SLFRF for “middle-mile projects,” but Treasury encourages recipients to focus on projects that will achieve last-

mile connections—whether by focusing on funding last-mile projects or by ensuring that funded middle-mile projects have potential or partnered last-mile networks that could or would leverage the middle-mile network.

6.9. For broadband infrastructure investments, what does the requirement to “reliably” meet or exceed a broadband speed threshold mean?

See page 39 of the [Overview of the Final Rule](#), as well as pages 4419-4420 of the final rule.

6.10. May recipients use funds for pre-project development for eligible water, sewer, and broadband projects?

Yes. To determine whether funds can be used on pre-project development for an eligible water or sewer project, recipients should consult whether the pre-project development use or cost is eligible under the Drinking Water and Clean Water State Revolving Funds (DWSRF and CWSRF, respectively). Generally, the CWSRF and DWSRF often allow for pre-project development costs that are tied to an eligible project, as well as those that are reasonably expected to lead to a project. For example, the DWSRF [allows](#) for planning and evaluations uses, as well as numerous pre-project development costs, including costs associated with obtaining project authorization, planning and design, and project start-up like training and warranty for equipment. Likewise, the CWSRF [allows](#) for broad pre-project development, including planning and assessment activities, such as cost and effectiveness analyses, water/energy audits and conservation plans, and capital improvement plans.

Similarly, pre-project development uses and costs for broadband projects should be tied to an eligible broadband project or reasonably expected to lead to such a project. For example, pre-project costs associated with planning and engineering for an eligible broadband infrastructure build-out is considered an eligible use of funds, as well as technical assistance and evaluations that would reasonably be expected to lead to commencement of an eligible project (e.g., broadband mapping for the purposes of finding an eligible area for investment).

All funds must be obligated by recipients within the statutory period between March 3, 2021 and December 31, 2024, and expended to cover such obligations by December 31, 2026.

6.11. May funds be used to support energy or electrification infrastructure that would be used to power new water treatment plants and wastewater systems?

The EPA’s [Overview of Clean Water State Revolving Fund Eligibilities](#) describes eligible energy-related projects. This includes a “[p]ro rata share of capital costs of offsite clean energy facilities that provide power to a treatment works.” Thus, SLFRF funds may be used to finance the generation and delivery of clean power to a wastewater system or a water treatment plant on a pro-rata basis. If the wastewater system or water treatment plant

is the sole user of the clean energy, the full cost would be considered an eligible use of funds. If the clean energy provider provides power to other entities, only the proportionate share used by the water treatment plant or wastewater system would be an eligible use of funds.

6.12. How should states and local governments assess whether a stormwater management project, such as a culvert replacement, is an eligible project?

Pages 37-38 of the [Overview of the Final Rule](#) describe the overall approach that recipients must take to evaluate the eligibility of water or sewer projects. With broadened eligibility under the final rule, a wide range of culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure are eligible projects, as outlined further in the final rule.

6.13. May recipients use funds for road repairs and upgrades that occur in connection with an eligible water or sewer project?

Yes, recipients may use SLFRF funds for road repairs and upgrades directly related to an eligible water or sewer project. For example, a recipient could use funds to repair or repave a road following eligible sewer repair work beneath it. However, use of funds for general infrastructure projects is subject to the limitations described in [FAQ #8.1](#). Water and sewer infrastructure projects are often a single component of a broader transportation infrastructure project, for example, the implementation of stormwater infrastructure to meet Clean Water Act established water quality standards. In this example, the components of the infrastructure project that interact directly with the stormwater infrastructure project may be funded by SLFRF funds.

6.14. May funds be used to build or upgrade broadband connections to schools or libraries?

As outlined in the final rule, recipients may use SLFRF funds to invest in broadband infrastructure that, where practicable, is designed to deliver service that reliably meets or exceeds symmetrical upload and download speeds of 100 Mbps to households or businesses with an identified need for additional broadband investment. “Businesses” in this context refers broadly to include non-residential users of broadband, including private businesses and institutions that serve the public, such as schools, libraries, healthcare facilities, and public safety organizations.

6.15. Are eligible water, sewer, and broadband infrastructure projects, eligible capital expenditures under the public health and negative economic impacts eligible use category, and eligible projects under the revenue loss eligible use category subject to the Davis-Bacon Act?

The Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for SLFRF-funded construction projects undertaken by the District of Columbia. The Davis-Bacon Act specifically applies

to the District of Columbia when it uses federal funds (SLFRF funds or otherwise) to enter into contracts over \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Recipients may be otherwise subject to the requirements of the Davis-Bacon Act when SLFRF award funds are used on a construction project in conjunction with funds from another federal program that requires enforcement of the Davis-Bacon Act. Additionally, corollary state prevailing-wage-in-construction laws (commonly known as “baby Davis-Bacon Acts”) may apply to projects. Please refer to [FAQ #4.8](#) concerning projects funded with both SLFRF funds and other sources of funding.

Treasury has indicated in its final rule that it is important that capital expenditure projects and necessary investments in water, sewer, or broadband infrastructure be carried out in ways that produce high-quality results, avert disruptive and costly delays, and promote efficiency. Treasury encourages recipients to ensure that capital expenditure projects and water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality projects, but also to support the economic recovery through strong employment opportunities for workers. Using these practices in projects may help to ensure a reliable supply of skilled labor that would minimize disruptions, such as those associated with labor disputes or workplace injuries.

Treasury has also indicated in its reporting guidance that recipients will need to provide documentation of wages and labor standards for capital expenditure projects and infrastructure projects over \$10 million, and that that these requirements can be met with certifications that the project is in compliance with the Davis-Bacon Act (or related state laws, commonly known as “baby Davis-Bacon Acts”) and subject to a project labor agreement. Please refer to the Reporting and Compliance Guidance for more detailed information on the reporting requirement.

6.16. What is the difference between using funds for eligible water and sewer projects and using funds under revenue loss for non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?

As noted in [FAQ #6.1](#) and the Overview of the Final Rule, eligible projects that a recipient may fund under the water and sewer infrastructure eligible use category of SLFRF include eligible projects under EPA’s CWSRF and EPA’s DWSRF. Recipients may also fund certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units. Per [FAQ #6.6](#), recipients spending SLFRF funds under the water and sewer eligible use category are not required to obtain project pre-approval from Treasury or any other federal agency unless otherwise required by federal law.

Projects that recipients undertake with SLFRF funds under the water and sewer eligible use category are separate and distinct from projects that a recipient manages through their CWSRF and DWSRF. As noted in [FAQ #4.6](#) and [FAQ #6.2](#), recipients may use funds

under the revenue loss eligible use category for non-federal matching requirements, including for EPA's Clean Water State Revolving Fund and EPA's Drinking Water State Revolving Fund. By contrast, funds spent under the water and sewer infrastructure eligible use category may not be used to meet non-federal matching requirements.

6.17. Can SLFRF funds be used to pay for the replacement or placement of utility poles under the water, sewer, and broadband infrastructure eligible use category?

Under the water, sewer, and broadband infrastructure eligible use category, the replacement or placement of utility poles is eligible when it is directly related to or part of an eligible SLFRF infrastructure project, such as an eligible SLFRF broadband infrastructure project that is consistent with Treasury's final rule. The use of SLFRF funds to fund a project for which the only purpose is to pay for the replacement or placement of utility poles is not an eligible use under the water, sewer, broadband infrastructure eligible use category.

6.18. Do the Buy America Preference requirements for infrastructure projects apply to awards made under the SLFRF program?

Awards made under the SLFRF program are not subject to the Buy America Preference requirements set forth in section 70914 of the Build America, Buy America Act included in the Infrastructure Investment and Jobs Act, Pub. L. 117-58.

6.19. Do the Buy America Preference requirements for infrastructure projects apply to SLFRF-funded projects if they are supplemented with funding from other federal financial assistance programs?

Infrastructure projects funded solely with SLFRF award funds are not subject to the Buy America Preference requirements set forth in section 70914 of the Build America, Buy America Act included in the Infrastructure Investment and Jobs Act, Pub. L. 117-58. SLFRF recipients may be otherwise subject to the Buy America Preference requirements when SLFRF award funds are used on an infrastructure project in conjunction with funds from other federal programs that require compliance with the Buy America Preference requirements. Recipients are advised to consult with the other federal agencies administering federal financial assistance that is being blended or braided with SLFRF funds regarding the applicability of the Buy America Preference requirements.

6.20. Does Section 106 of the National Historic Preservation Act (NHPA) apply to projects funded with SLFRF funds?

Section 106 of the NHPA does not apply to Treasury's administration of SLFRF funds, including funds expended under the revenue loss, public health and negative economic impacts, and water, sewer, and broadband infrastructure eligible use categories. Projects supported with payments from the funds may still be subject to Section 106 of the NHPA if they involve participation from other federal agencies, including funding from other federal financial assistance programs, or are subject to receipt of approvals from other

federal agencies.

7. Non-Entitlement Units (NEUs)

Answers to frequently asked questions on distribution of funds to NEUs can be found in this [FAQ supplement](#).

8. Ineligible Uses

8.1. May recipients use funds to replenish a budget stabilization fund, rainy day fund, or similar reserve account?

No. Funds made available to respond to the public health emergency and its negative economic impacts are intended to help meet pandemic response needs and provide immediate stabilization for households and businesses. Contributions to rainy day funds and similar reserve funds would not address these needs or respond to the COVID-19 public health emergency, but would rather be savings for future spending needs. Similarly, funds made available for the provision of governmental services (to the extent of reduction in revenue) are intended to support direct provision of services to citizens. Contributions to rainy day funds are not considered provision of government services, since such expenses do not directly relate to the provision of government services.

8.2. What is meant by a pension “deposit”? Can governments use funds for routine pension contributions for employees whose payroll and covered benefits are eligible expenses?

In the context of the restriction on deposits into pension funds, “deposit” means an extraordinary payment of an accrued, unfunded liability. The term deposit does not refer to routine contributions made by an employer to pension funds as part of the employer’s obligations related to payroll, such as either a pension contribution consisting of a normal cost component related to current employees or a component addressing the amortization of unfunded liabilities calculated by reference to the employer’s payroll costs.

In general, if an employee’s wages and salaries are an eligible use of SLFRF funds, recipients may treat the employee’s covered benefits as an eligible use of funds.

8.3. May recipients use Fiscal Recovery Funds to fund Other Post-Employment Benefits (OPEB)?

OPEB refers to benefits other than pensions (see, e.g., [Governmental Accounting Standards Board, “Other Post-Employment Benefits”](#)). Treasury has determined that Sections 602(c)(2)(B) and 603(c)(2) of the Social Security Act, which refer only to deposits to pensions funds, do not prohibit SLFRF recipients from funding OPEB. Recipients may use funds for eligible uses, and a recipient seeking to use SLFRF funds

for OPEB contributions would need to justify those contributions under one of the four eligible use categories.

9. Reporting

Recipients should consult the Recipient Compliance and Reporting Responsibilities [page on Treasury's website](#) to access the latest Compliance and Reporting Guidance. Recipients should consult this guidance for additional detail and clarification on recipients' compliance and reporting responsibilities. User guides, which also contain FAQs pertaining to reporting, are provided for additional information.

10. Miscellaneous

10.1. Are recipients required to remit interest earned on SLFRF payments made by Treasury?

No. SLFRF payments made by Treasury to states, territories, and the District of Columbia are not subject to the requirement of the Cash Management Improvement Act and Treasury's implementing regulations at 31 CFR Part 205 to remit interest to Treasury. SLFRF payments made by Treasury to local governments and Tribes are not subject to the requirements of 2 CFR 200.305(b)(8) and(9) to maintain SLFRF award funds in an interest-bearing account and remit interest earned above \$500 on such payments to Treasury. Moreover, interest earned on SLFRF award funds is not subject to program restrictions. Finally, states may retain interest on payments made by Treasury to the state for distribution to NEUs that is earned before funds are distributed to NEUs, provided that the state adheres to the statutory requirements and Treasury's guidance regarding the distribution of funds to NEUs. Such interest is also not subject to program restrictions.

Among other things, states and other recipients may use earned income to defray the administrative expenses of the program, including with respect to NEUs.

10.2. May recipients use funds to cover the costs of consultants to assist with managing and administering the funds?

Yes. Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements.

11. Operations

11.1. How do I know if my entity is eligible?

The American Rescue Plan Act of 2021 set forth the jurisdictions eligible to receive funds under the SLFRF program, which are:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities (typically, but not always, those with populations over 50,000)
- Non-entitlement units of local government, or smaller local governments (typically, but not always, those with populations under 50,000)

11.2. How does an eligible entity request payment?

Eligible entities (other than non-entitlement units) must submit their information to the [Treasury Submission Portal](#). Please visit the [Coronavirus State and Local Fiscal Recovery Fund website](#) for more information on the submission process.

11.3. I cannot log into the Treasury Submission Portal or am having trouble navigating it. Who can help me?

If you have questions about the Treasury Submission Portal or for technical support, please email covidreliefitsupport@treasury.gov.

11.4. What do I need to do to receive my payment?

All eligible payees are required to have a Unique Entity ID (UEI) as part of registration in addition to maintaining an active registration in the System for Award Management (SAM) (<https://www.sam.gov>).

Eligible payees must have a bank account enabled for Automated Clearing House (ACH) direct deposit. Payees with a Wire account are encouraged to provide that information as well.

More information on these and all program pre-submission requirements can be found on the [SLFRF website](#).

11.5. Why is Treasury employing ID.me for the Treasury Submission Portal?

ID.me is only required for submitting applications for funding in the Treasury Portal. ID.me is not required for users accessing the Treasury portal to complete reporting.

ID.me provides secure digital identity verification to those government agencies and healthcare providers to validate the individual entity – and block fraudulent attempts to access online services. All personally identifiable information provided to ID.me is encrypted and disclosed only with the express consent of the user. Please refer to ID.me Contact Support for assistance with your ID.me account. Their support website is

<https://help.id.me>.

11.6. Why is an entity not on the list of eligible entities in the Treasury Submission Portal?

The ARPA lays out which governments are eligible for payments. The list of entities within the Treasury Submission Portal includes entities eligible to receive a direct payment of funds from Treasury, which include states (defined to include the District of Columbia), territories, Tribal governments, counties, and metropolitan cities.

Eligible non-entitlement units of local government will receive a distribution of funds from their respective state government and should not submit information to the Treasury Submission Portal.

If you believe an entity has been mistakenly left off the eligible entity list, please email SLFRF@treasury.gov.

11.7. What is an Authorized Representative?

An Authorized Representative is an individual with legal authority to bind the government entity (e.g., the Chief Executive Officer of the government entity). An Authorized Representative must sign the Acceptance of Award terms for it to be valid.

11.8. How do I know the status of my request for funds (submission)?

Entities can check the status of their submission at any time by logging into the [Treasury Submission Portal](#).

11.9. My Treasury Submission Portal submission requires additional information/correction. What is the process for that?

If your Authorized Representative has not yet signed the award terms, you can edit your submission within the [Treasury Submission Portal](#). If your Authorized Representative has signed the award terms, please email SLFRF@treasury.gov to request assistance with updating your information.

11.10. My request for funds was denied. How do I find out why it was denied or appeal the decision?

Please check to ensure that no one else from your entity has applied, causing a duplicate submission. Please also review the list of all eligible entities on the [Coronavirus State and Local Fiscal Recovery Fund website](#).

If you still have questions regarding your submission, please email

SLFRF@treasury.gov.

11.11. When will entities get their money?

Before Treasury is able to execute a payment, a representative of an eligible government must submit the government's information for verification through the [Treasury Submission Portal](#). The verification process takes approximately four business days. If any errors are identified, the designated point of contact for the government will be contacted via email to correct the information before the payment can proceed. Once verification is complete, the designated point of contact of the eligible government will receive an email notifying them that their submission has been verified. Payments are generally scheduled for the next business day after this verification email, though funds may not be available immediately due to processing time of their financial institution.

11.12. How does a local government entity provide Treasury with a notice of transfer of funds to its State?

For more information on how to provide Treasury with notice of transfer to a state, please email SLRedirectFunds@treasury.gov.

12. Tribal Governments

12.1. Do Treasury's pandemic recovery program awards terms and conditions impose civil rights laws on Tribes?

The award terms and conditions for Treasury's pandemic recovery programs, including SLFRF, do not impose antidiscrimination requirements on Tribal governments beyond what would otherwise apply under federal law. Treasury has amended its reporting requirements with respect to the SLFRF, Treasury's Emergency Rental Assistance Program, and Homeowner Assistance Fund to reflect this clarification.

12.2. How does a Tribal government determine its allocation?

Tribal governments received information about their allocation when their submission to the Treasury Submission Portal was confirmed to be complete and accurate.

13. Uniform Guidance

13.1. What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply?

Most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program, including the Cost Principles and Single Audit Act requirements. Recipients should refer to the Assistance Listing for detail on the specific provisions of the Uniform Guidance

that do not apply to this program. The Assistance Listing will be available at <https://sam.gov/fal/7cecfdef62dc42729a3fdcd449bd62b8/view>.

For information related to Single Audit requirements specifically, please refer to the [Compliance Supplement materials](#) released by the Office of Management and Budget.

13.2. Do federal procurement requirements apply to SLFRF?

Yes. The procurement standards for federal financial assistance are located in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200.317 through 2 CFR 200.327 and apply to procurements using SLFRF funds. Pursuant to 2 CFR 200.317, recipients that are non-state entities, such as, metropolitan cities, counties, non-entitlement units of local government, and Tribes must comply with the procurement standards set forth in 2 CFR 200.318, through 2 CFR 200.327, when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317, as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327 when using their SLFRF award funds to procure goods and services to carry out the objectives of their SLFRF award. *See also* SLFRF Award Terms and Conditions.

Recipients are prohibited from using SLFRF funds to enter into subawards and contracts with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs. *See* [2 CFR 200.214](#).

Moreover, a contract made under emergency circumstances under the Coronavirus Relief Fund (CRF) cannot automatically be transferred over to SLFRF. These programs are subject to different treatment under the Uniform Guidance. Under the CRF program, recipients are permitted to use their own procurement policies to acquire goods and services to implement the objectives of the CRF award. Under the SLFRF program, recipients are required to follow the procurement standards set out in 2 CFR Part 200 (Uniform Guidance) pursuant to the SLFRF Award Terms and Conditions executed by the recipients in connection with their SLFRF awards.

13.3. What is the threshold for competitive bidding for my government?

As stated above, recipients are required to comply with the procurement standards set forth in 2 CFR 200.317 through 2 CFR 200.327 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to 2 CFR 200.317, States, the District of Columbia, and U.S. Territories should refer to the competitive bidding thresholds described in their own procurement policies and procedures. Other non-federal entities, such as metropolitan cities, counties, non-entitlement units of local government, and Tribes must adhere to the competitive bidding thresholds set forth in 2 CFR 200.320 for the relevant procurement methods.

[2 CFR 200.320 describes methods of procurement based](#) on two procurement thresholds.

There are two thresholds that recipients should keep in mind related to procurement requirements: the Micro purchase threshold (MPT) and the Simplified Acquisition Threshold (SAT).

Micro-purchase threshold (MPT) - 2 CFR 200.320(a)(1): Purchase of supplies and services for a price below the MPT, currently set at \$10,000, are not required to be solicited competitively. However, there are circumstances when a recipient may have a MPT that is greater than \$10,000. For example, all non-Federal entities may increase their MPT up to \$50,000 if they follow the protocols described in 200.320(a)(1)(iv). Additionally, non-federal entities such as metropolitan cities, counties, non-entitlement units of local government, and Tribes may use their own MPT if they follow the protocols described in 200.320(a)(1)(iv).

Simplified Acquisition Threshold (SAT) - 2 CFR 200.320(a)(2): Purchases of property and services at a price above the recipient's MPT and below the SAT, currently set at \$250,000, may be made following the small purchase procedures described in the definition of SAT in 2 CFR 200.1 and 2 CFR 200.320(a)(2). Procurement of property and services at a price above the SAT must follow the formal procurement methods outlined in 2 CFR 200.320(b).

13.4. Can a recipient prequalify firms for projects funded with SLFRF?

The Uniform Guidance permits recipients to use prequalified lists of persons, firms, or products so long as a list is current and includes enough qualified sources to ensure maximum open and free competition. The Uniform Guidance does not specifically define the term "current" for purposes of 2 CFR 200.319(e), and Treasury has not adopted additional guidance regarding this requirement as it applies to the SLFRF. As such, recipients must determine when a prequalified list would be sufficiently current, and a recipient must not preclude potential bidders from qualifying during the solicitation period. See 2 CFR 200.319(e). Furthermore, recipients may not utilize this provision to evade conducting their procurement transactions in a manner that provides for full and open competition.

Recipients should be mindful that other provisions of the Uniform Guidance inform the procurement requirements. For example, metropolitan cities, counties, non-entitlement units of local government, and Tribes must have and use documented procurement procedures, consistent with binding State, local, and Tribal laws and regulations. See 2 CFR 200.318(a).

13.5. Where can one find the most current information on assuring minority-owned businesses are included in the awards process?

The most up-to-date information on assuring that minority-owned businesses are included in the procurement process is located in [2 CFR 200.321](#), *Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms*.

13.6. Is there certain language that needs to be included in a bidding package?

Treasury does not require that there be specific language included in bidding packages, but SLFRF recipients must ensure all contracts made with SLFRF award funds contain the applicable contract provisions listed in 2 CFR Part 200, Appendix II.

13.7. Are recipients allowed to leverage existing contracts?

Recipients may leverage existing contracts for SLFRF activities if the existing contracts conform to the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 (Uniform Guidance). States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317 as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327. All other recipients must follow 2 CFR 200.318, *General procurement standards*, through 200.327, *Contract provisions*.

13.8. Would an interlocal agreement—an agreement entered into between governments to effectuate an eligible use of the funds—or a cooperative purchase agreement need to be bid out?

States, the District of Columbia, and U.S. Territories must follow their own procurement policies pursuant to 2 CFR 200.317 as well as comply with the procurement standards set forth at 2 CFR 200.321 through 2 CFR 200.323, and 2 CFR 200.327. All other recipients must follow 2 CFR 200.318, *General procurement standards*, through 200.327, *Contract provisions*.

Recipients should consult the applicable procurement standards or policies to determine whether a cooperative purchase agreement must be bid out. Information on when competition is required and when exceptions to competition are permitted are located in 2 CFR 200.319, *Competition*, and 2 CFR 200.320, *Methods of procurement to be followed*.

It is permissible for recipients to use interlocal agreements but procurement standards set forth in the Uniform Guidance may still apply.

13.9. How is a “contract” different than a “subaward”?

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 (Uniform Guidance) provides definitions for “contract” and “subaward.” A *contract* is a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a federal award. A *subaward* is distinct from a contract in that a subaward is an award provided by a recipient of a federal award to a subrecipient to carry out part of a federal award on behalf of the recipient. Recipients may make subawards through any form of legal agreement, including an agreement that the recipient considers a contract. See 2 CFR 200.331 for more information on the differences between contracts and subawards.

13.10. What other background laws must recipients comply with?

SLFRF recipients must comply with all laws outlined in the SLFRF Award Terms and Conditions that the recipients accepted in connection with their SLFRF award and all other applicable executive orders, federal statutes, and regulations in carrying out their SLFRF award. Recipients must also provide for such compliance by other parties in any agreements it enters into with other parties relating to the award. The award terms listed specific statutes and regulations that apply to the award, but the award terms made clear that these lists were not exclusive. Particularly in the case of the SLFRF, it's not possible to enumerate the full list of federal statutes, regulations and executive orders that may be applicable to the award given that the range of eligible uses of funds is so broad, including the provision of government services.

13.11. How does Treasury treat program income?

Per 2 CFR 200.307, Treasury is specifying here that recipients may add program income to the Federal award. Any program income generated from SLFRF funds must be used for the purposes and under the conditions of the Federal award.

Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds **is not** program income. For more information on what constitutes "Program Income" please see 2 CFR 200.1.

13.12. Does COVID-19 and the national emergency qualify as "exigency" as a special circumstance under 2 CRF 200.320 (c) in which a noncompetitive procurement can be used? If so, may a contract utilizing this special circumstance have a term that extends beyond the national emergency? For example, may the County execute a contract (without going through a competitive solicitation) immediately with a contractor to provide services with a term through the end of 2024, relying upon this special circumstance?

The COVID-19 public health emergency does not itself qualify as a "public exigency or emergency" under 2 CFR 200.320 (c). In other words, a recipient may not justify a noncompetitive procurement simply on the basis that the procurement is conducted during the public health emergency or that the project is in response to the public health emergency.

Instead, the recipient must make its own assessment as to whether in the case of a particular project there is a public exigency or emergency that "will not permit a delay resulting from publicizing a competitive solicitation."

13.13. What compliance and reporting requirements apply to subrecipients and

beneficiaries?

As detailed in Treasury’s [Compliance and Reporting Guidance](#) (pg. 11), subrecipients are required to comply with all of the restrictions applicable to recipients, including audit requirements under the Single Audit Act, whereas beneficiaries are not subject to these requirements. The distinction between subrecipients and beneficiaries is addressed in the supplemental information to Treasury’s final rule.⁶ For example, when recipients of SLFRF funds provide award funds to individuals or entities as a result of experiencing a public health or negative economic impact of the pandemic, those receiving such funding are beneficiaries of the funds. In contrast, when recipients provide award funds to an entity to carry out a program in response to the public health emergency or its negative economic impacts, the entities receiving such funding are subrecipients.

Treasury requires recipients to report detailed information in the Treasury reporting portal as part of the Project and Expenditure Report regarding subrecipients that receive subawards of \$50,000 or more and certain beneficiaries that receive direct payments of \$50,000 or more in SLFRF funds. Requirements for this reporting can be found in the [Compliance and Reporting Guidance](#) (pg. 21).

Recipients are not required to separately identify payments to specific individuals receiving funds as beneficiaries in the Project and Expenditure Report. Those funds must be reported in the aggregate as part of the “Payments to Individuals” section.

As in the case of reporting under the Coronavirus Relief Fund, information on both beneficiaries and subrecipients will be collected in a single form in the Project and Expenditure Report.

13.14. Do recipients need to report subrecipient information for the revenue loss eligible use category?

No. Treasury is not collecting subaward data for projects categorized under Expenditure Category Group 6 “Revenue Replacement.” Treasury has determined that there are no subawards under this eligible use category. The definition of subrecipient in the Uniform Guidance provides that a subaward is provided for the purpose of “carrying out” a portion of a federal award. Recipients’ use of revenue loss funds does not give rise to subrecipient relationships given that there is no federal program or purpose to carry out in the case of the revenue loss portion of the award.

13.15. Which requirements of the Uniform Guidance apply to revenue loss funds?

Under the statute and the final rule, recipients may use SLFRF funds for the provision of government services up to the amount of their revenue loss due to the pandemic. Under the final rule, recipients may either calculate their revenue loss amount using a formula provided in the rule or elect up to a \$10 million “standard allowance” of revenue loss over

⁶ Coronavirus State and Local Fiscal Recovery Funds, 87 FR 4338, 4394.

the life of the program. Recipients have considerable flexibility to use SLFRF revenue loss funds on activities to address the diverse needs of their communities, as discussed in FAQ 3.2, but may not use the funds for the following ineligible uses:

- Offset a reduction in net tax revenue (applicable to states and territories)
- Make a deposit into a pension fund (applicable to all recipients except Tribes)
- Service debt or replenish financial reserves (e.g., “rainy day funds”) (applicable to all recipients)
- Satisfy settlements and judgments (applicable to all recipients)
- Fund programs, services, or capital expenditures that include a term or condition that undermines efforts to stop the spread of COVID-19 (applicable to all recipients)

In-depth descriptions of the ineligible uses can be found in the “Restrictions on Use” section of the [Coronavirus State and Local Fiscal Recovery Funds: Overview of the Final Rule](#).

The SLFRF award terms and conditions provide that the requirements of the Uniform Guidance, 2 C.F.R. Part 200, apply to SLFRF awards other than such provisions as Treasury may determine are inapplicable to the award and subject to such exceptions as may be otherwise provided. The 2022 Compliance Supplement also provided that the requirements of 2 C.F.R. Part 200 are applicable unless stated otherwise. As such, recipients are required to follow Subparts A, B, C, and F of the Uniform Guidance for expenses categorized under Expenditure Category 6 “Revenue Replacement.” However, given the purpose and very broad scope of eligible uses of the revenue replacement funds, only a subset of the requirements in Subparts D and E of the Uniform Guidance apply to recipients’ use of such funds. The applicable requirements are listed below. In general, these requirements provide that recipients should not deviate from their established practices and policies regarding the incurrence of costs, and that they should expend and account for the funds in accordance with laws and procedures for expending and accounting for the recipient’s own funds.⁷ Recipients’ use of revenue replacement funds remains subject to the other applicable requirements of the SLFRF program, including among other things the deadlines for obligations and expenditures and the application of federal antidiscrimination requirements.

Uniform Guidance Subpart D and E Requirements Applicable to Revenue Loss Funds Used for the Provision of Government Services

Subpart D Post Federal Award Requirements

- 200.300 Statutory and national policy requirements.
- 200.302 Financial management.
- 200.303 Internal controls.
- 200.328 Financial reporting.
- 200.329 Monitoring and reporting program performance.

⁷ Cf. 2 CFR 200.302(a), 2 CFR 200.404(e).

- Record Retention and Access (2 C.F.R. 200.334 – 200.338)
 - 200.334 Retention requirements for records.
 - 200.335 Requests for transfer of records.
 - 200.336 Methods for collection, transmission, and storage of information.
 - 200.337 Access to records.
 - 200.338 Restrictions on public access to records.
- Remedies for Noncompliance (2 C.F.R. 200.339 – 200.343)

Note: These sections will apply to Treasury’s administration of the funds. Because the revenue loss eligible use category does not give rise to subawards, as discussed in FAQ 13.14, recipients will not be in a position to apply these provisions with respect to subrecipient relationships.

 - 200.339 Remedies for noncompliance.
 - 200.340 Termination.
 - 200.341 Notification of termination requirement.
 - 200.342 Opportunities to object, hearings, and appeals.
 - 200.343 Effects of suspension and termination.
- 200.344 Closeout.

Note: This section will apply to Treasury’s administration of the funds. Because the revenue loss eligible use category does not give rise to subawards, as discussed in FAQ 13.14, recipients will not be in a position to apply this provision with respect to subrecipient relationships.
- 200.345 Post-closeout adjustments and continuing responsibilities.

Note: This section will apply to Treasury’s administration of the funds. Because the revenue loss eligible use category does not give rise to subawards, as discussed in FAQ 13.14, recipients will not be in a position to apply this provision with respect to subrecipient relationships.
- 200.346 Collection of amounts due.

The program income requirements of 2 CFR 200.307 do not apply under revenue loss eligible use category. As such, recipients may maintain program income, which will not be considered an addition to the federal award.

Consistent with the Uniform Guidance, if SLFRF is to be used to cover a cost incurred by a recipient, the cost must be one that is allowable. In determining whether a cost is allowable for purposes of funds used under the revenue loss eligible use category, only the following factors and requirements apply:

Subpart E – Cost Principles

- 200.400(a) - (c), and (e) Policy guide.
- 200.403(a), (c), (d), (g), and (h) Factors affecting allowability of costs.
- 200.404(e) Reasonable costs.

13.16. What are the use and disposition requirements for assets purchased with SLFRF funds?

SLFRF funds may be used to acquire real and personal property, supplies, and equipment.

For example, a recipient may use SLFRF funds to, among other things, construct or renovate affordable housing, childcare facilities, schools, and hospitals under the eligible use category for responding to the public health emergency or its negative economic impacts pursuant to Treasury’s implementing Final Rule, 31 CFR 35.6(b), and to make investments in water, sewer, and broadband infrastructure pursuant to Final Rule, 31 CFR 35.6(e).

Except for property, supplies, or equipment acquired using revenue loss funds, recipients must follow the applicable provisions of the Uniform Guidance regarding property standards (2 CFR 200.310-316), subject to the requirements set out in this FAQ.

During the period of performance, a recipient may use property, supplies, or equipment purchased or improved with SLFRF funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the eligible use requirements. If a recipient changes the use of an asset to an ineligible use or sells the asset prior to the end of the period of performance, then the recipient must follow the disposition procedures in the Uniform Guidance. *See* 2 CFR 200.311, 200.313, 200.314, and 200.315.

After the period of performance, the property, supplies, or equipment must be used consistent with the purpose for which it was purchased or improved or for any other eligible purpose in the same category as the purpose reported to Treasury as of the final reporting period, as set forth in the table below.

Category	Use Requirements
Public Health and Assistance to Households and Individuals	Property, supplies, or equipment last reported as being used to respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), or being used for the provision of services to households provided in 31 CFR 35.6(b)(3)(ii)(A), are authorized to fulfill any eligible use of funds provided in these subparagraphs of the Final Rule.
Assistance to Small Businesses, Nonprofits, and Impacted Industries	Property, supplies, or equipment last reported as being used for the provision of services to small businesses, nonprofits, and impacted industries outlined in 31 CFR 35.6(b)(3)(ii)(B)-(D) are authorized to fulfill any eligible use of funds outlined in the public health and negative economic impacts eligible use category.
Water, Sewer, or Broadband Infrastructure	Property, supplies, or equipment last reported as being used to make investments in water, sewer, or broadband infrastructure pursuant to 31 CFR 35.6(e) are authorized to fulfill any eligible use of funds outlined in the water, sewer, and broadband infrastructure eligible use category.
Government Services/Revenue Loss	Property, supplies, or equipment acquired with revenue loss funds are exempt from the use and disposition requirements of the Uniform Guidance, regardless of award size.
Premium Pay	N/A

If an asset’s use shifts within the parameters of the eligible purpose according to this table

after the period of performance, no repayment would be required. For example, converting a hospital to a behavioral health facility would qualify as being used for the eligible purpose because both expenditures respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), so reimbursement to Treasury would be unnecessary.

If an asset's use shifts outside the parameters of the eligible purpose according to this table after the period of performance, then the recipient or subrecipient must follow the disposition procedures in the Uniform Guidance. *See* 2 CFR 200.311, 200.313, 200.314, and 200.315.

Recipients are responsible for being able to substantiate their determinations on whether the use of an asset is authorized and maintain a record of that determination in accordance with the requirements set forth in the financial assistance agreement accepted in connection with their award. Recipients are not required to seek or obtain the approval of Treasury prior to changing the use within the parameters of the authorized purpose.

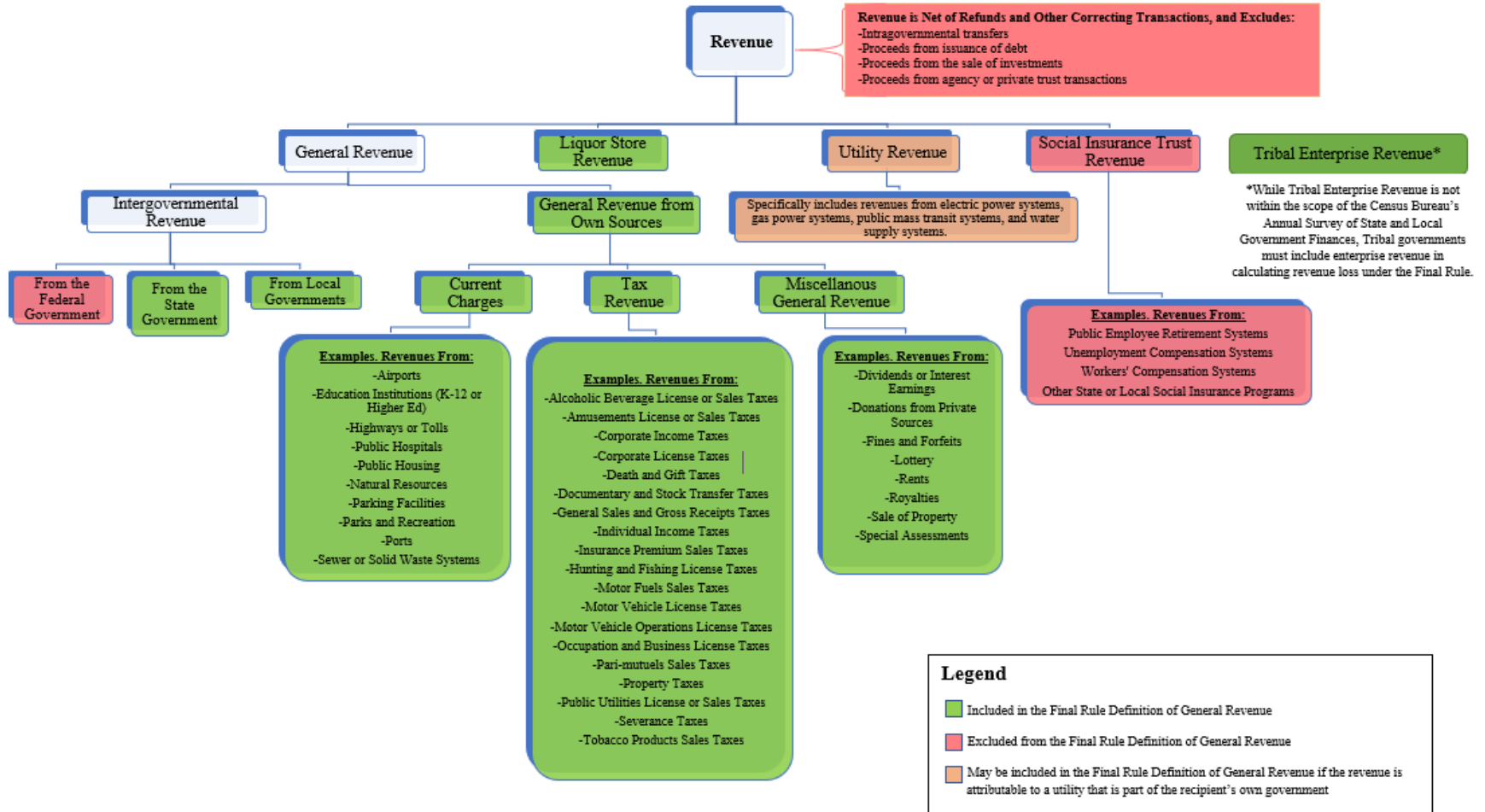
13.17. In the definition of “obligation” in the final rule, what does Treasury mean by “similar transactions that require payment?”

As stated in the final rule, obligation means “an order placed for property and services and entering into contracts, subawards, and similar transactions that require payment.” See 31 CFR 35.3.

As contemplated by this definition, Treasury recognizes that recipients may obligate funds through means other than contracts or subawards, for example in the case of payroll costs. In these circumstances, recipients must follow state or local law and their own established practices and policies regarding when they are considered to have incurred an obligation and how those obligations are documented. For example, a recipient may have incurred an obligation even though the recipient and its employee may not have entered into an employment contract.

Appendix

Final Rule Definition of General Revenue Within the Census Bureau Classification Structure of Revenue



Source: [U.S. Bureau of the Census Government Finance and Employment Classification Manual, 2006; Annual Survey of State and Local Government Finances](#)



TOWN OF OCCOQUAN TOWN COUNCIL MEETING

Agenda Communication

10. Discussion Items	Meeting Date: January 16, 2024
10C: Discussion on Mill House Museum Lease and Status of Structure	

Attachments: a. N/A

Submitted by: Adam C. Linn
Town Manager

Explanation and Summary:

This is a discussion item to review the most recent lease for the Mill House Museum and the current status of the building.