

First Selectman

From: Collins, Claire <CCollins@uhy-us.com>
Sent: Thursday, August 10, 2023 12:53 AM
To: Dave Koji
Cc: Valerie Geato; Andreas Bisbikos; gbarden06415@gmail.com
Subject: RE: ARPA Question: Income thresholds

Sorry federal thresholds in example are up to certain thresholds, not above.

Claire Collins

Consulting Senior Manager - ARPA | UHY Advisors, Inc.
8601 Robert Fulton Drive, Suite 210, Columbia, MD 21046
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From: Collins, Claire
Sent: Thursday, August 10, 2023 12:39 AM
To: Dave Koji <dkoji@colchesterct.gov>
Cc: Valerie Geato <vgeato@colchesterct.gov>; Andreas Bisbikos <abisbikos@colchesterct.gov>; Greg Barden <gbarden06415@gmail.com>
Subject: RE: ARPA Question: Income thresholds

Dave,

HUD income thresholds are not mandatory and often are used by a local government to avoid any potential appearance of not establishing reasonable income thresholds. The Town can set the income threshold in defining the class of households eligible to qualify for funding. The federal government developed its thresholds for households and individuals to qualify for stimulus funding. For example, to qualify for the third round of the stimulus, your adjusted gross income in 2021 had to be above certain thresholds: \$75,000 for individuals, \$112,500 for heads of household or \$150,000 for married couples. Any adjusted gross incomes above those certain thresholds did not qualify to receive the third round of funding in 2022.

Hope this helps.

Claire Collins

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From: Dave Koji <dkoji@colchesterct.gov>
Sent: Thursday, August 10, 2023 12:18 AM
To: Collins, Claire <CCollins@uhy-us.com>
Cc: Valerie Geato <vgeato@colchesterct.gov>; Andreas Bisbikos <abisbikos@colchesterct.gov>; gbarden06415@gmail.
Subject: Re: ARPA Question: Income thresholds

Thanks, Claire. On our previous call, I believe you mentioned Colchester could set the income threshold, but this is providing income thresholds per [HUD.gov](https://www.hud.gov). I'm just looking for a clear and definitive answer if Colchester can legally, by the standards of governmental policy, guidelines, etc., set their own income thresholds to administer town grant programs. You use the word "recommended" that the town of Colchester uses the 2023 HUD thresholds, but is it **mandatory** the town does in order to avoid any town liability or possibility of violating any state or federal statutes or laws prohibiting this action?

Thanks!
Dave

On Aug 9, 2023, at 11:59 PM, Collins, Claire <CCollins@uhy-us.com> wrote:

It is recommended to use the 2023 HUD federally recognized income thresholds available at:
https://www.huduser.gov/portal/datasets/il/il2023/2023summary.odn?STATES=9.0&INPUTNAME=METRO35980MM3280*0901115910%2BColchester+town&statelist=&stname=Connecticut&wherefrom=%24wherefrom%24&statefp=09&year=2023&ne_flag=&selection_type=county&incpath=%24incpath%24&data=2023&SubmitButton=View+County+Calculations

Claire Collins

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<image001.jpg>

<image002.jpg>

From: Dave Koji <dkoji@colchesterct.gov>
Sent: Wednesday, August 9, 2023 11:45 PM
To: Collins, Claire <CCollins@uhy-us.com>
Cc: Valerie Geato <vgeato@colchesterct.gov>; Andreas Bisbikos <abisbikos@colchesterct.gov>;

gbarden06415@gmail.com

Subject: Re: ARPA Question: Income thresholds

Thanks, Claire. Looks like you are tackling #2 below. I think we need to be more black and white here with the decision on income limits and have a more decisive state and federal explanation. Also, Treasury "presuming" is not a word I like to see, which means their interpretation is not validated, proven or properly supported by a higher-governing entity that has decision making authority to make this final authoritative decision. How can we get to a ruling that leaves zero interpretation on this matter?

I'll look to Val to tackle #1 still.

Thanks,
Dave

Sent from my iPad

On Aug 9, 2023, at 11:22 PM, Collins, Claire <CCollins@uhy-us.com> wrote:

FYI - Treasury presumes the following households qualify for ARPA funding:

1. Low-income households and communities with income at or below 185% of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines or income at or below 40% of area median income for its county and size of household based on the most recently published data.
2. Households receiving or qualify to receive federal benefits through Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Free- and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs, Medicare Part D Low-Income Subsidies, Supplemental Security Income (SSI), Head Start and/or Early Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Section 8 Vouchers, Low-Income Home Energy Assistance Program (LIHEAP), and Pell Grants.

Claire Collins

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<image001.jpg>

<image002.jpg>

From: Dave Koji <dkoji@colchesterct.gov>

Sent: Wednesday, August 9, 2023 10:37 PM

To: Valerie Geato <vgeato@colchesterct.gov>

Cc: Andreas Bisbikos <abisbikos@colchesterct.gov>; Collins, Claire <CCollins@uhy-

us.com>; gbarden06415@gmail.com

Subject: ARPA Question: Income thresholds

Hi Val,

This may or may not require assistance from Claire, but wanted to run something by you. If you can respond before Monday's meeting that would be great, if not, would love to have this discussion with you at that point. Hopefully you can make our upcoming Monday meeting as your presence will be important.

Questions:

- 1) In relation to **current** social services program income limits. For current, non-ARPA social services programs, is the town bound by any state or federal mandates that require Colchester to adhere to certain income thresholds, or does the town of Colchester have free reign to choose what income limits are imposed on their social service programs?
- 2) This may be more for **Claire**, but in relation to income limits for social services programs using ARPA Dollars. Do rules (if any per #1) change at all for income limit thresholds using ARPA dollars? In other words, are there a different set of rules that municipalities need to follow for ARPA dollars vs standard methods of receiving dollars when it comes to income thresholds when running town social services programs?
- 3) **Val / Claire** - in general, are there any other notable differences between current social service run programs through current funding vs. ARPA dollars?

Thanks,
Dave

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First Selectman

From: Collins, Claire <CCollins@uhy-us.com>
Sent: Thursday, August 10, 2023 3:50 PM
To: Dave Koji; Jason LaChapelle
Cc: Andreas Bisbikos; gbarden06415@gmail.com; ARPA
Subject: RE: Discrimination Determination

Hi all,

I have exhausted all resources available to research any legal or federal detailed determination regarding discrimination of treating small businesses versus individuals with ARPA funding. Please see the information in the below email thread.

Claire Collins

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From: Collins, Claire
Sent: Thursday, August 10, 2023 12:07 AM
To: 'Dave Koji' <dkoji@colchesterct.gov>; Jason LaChapelle <jLaChapelle@colchesterct.gov>
Cc: Andreas Bisbikos <abisbikos@colchesterct.gov>; gbarden06415@gmail.com
Subject: RE: Discrimination Determination

Providing extract from the Federal Register regarding ARPA:

Each eligible use category has separate and distinct standards for assessing whether a use of funds is eligible. Standards, restrictions, or other provisions in one eligible use category do not apply to the others. Therefore, recipients should first determine which eligible use category a potential use of funds fits within, then assess whether the potential use of funds meets the eligibility standard or criteria for that category. In the case of uses to respond to the public health and negative economic impacts of the pandemic, recipients should also determine which sub-category the eligible use fits within (*i.e.*, public health, assistance to households, assistance to small businesses, assistance to nonprofits, aid to impacted industries, or public sector capacity and workforce), then assess whether the potential use of funds meets the eligibility standard for that sub-category. Treasury does not pre-approve uses of funds; recipients are advised to review the final rule and may pursue eligible projects under it.

Claire Collins

Consulting Senior Manager - ARPA | UHY Advisors, Inc.



From: Dave Koji <dkoji@colchesterct.gov>
Sent: Wednesday, August 9, 2023 11:52 PM
To: Collins, Claire <CCollins@uhy-us.com>; Jason LaChapelle <jLaChapelle@colchesterct.gov>
Cc: Andreas Bisbikos <abisbikos@colchesterct.gov>; gbarden06415@gmail.com
Subject: Re: Discrimination Determination

Thanks, Claire. It seems as though, at least at this point in your research, that there is no discriminatory language or ruling that compares businesses to individuals in the context of our ARPA discussions and administrating ARPA programs. I look forward to further research findings as you come upon them.

Jason: do you have specific governmental evidentiary information that sheds light on discriminatory practices for treating businesses and individuals differently with town municipal funding programs, specifically to ARPA or similar federal grant programs?

Thanks,
Dave

On Aug 9, 2023, at 11:02 PM, Collins, Claire <CCollins@uhy-us.com> wrote:

Hi Dave,

I have conducted research and to date have not found any reference(s) regarding discrimination on small business vs. individuals with ARPA dollars. What I have found in Treasury's ARPA compliance guidelines is that it is the responsibility of the Town as recipient of ARPA funding to meet the following:

Civil Rights Compliance.

Recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973

(Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

Also, Treasury as a result of the Final Rule restructured negative economic impacts for use of ARPA funds into the following 5 sub-areas:

- Assistance to Households with 28 expenditure categories
- Assistance to Small Businesses with 5 expenditure categories
- Assistance to Non-Profits with 1 expenditure category
- Aid to Impacted Industries with 2 expenditure categories
- Other with 1 expenditure category

In addition, the Internal Revenue Service Code defines and classifies households, businesses, and non-profits separately.

I will continue to research this and provide an update of any other information found by close of business tomorrow.

Claire Collins

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-----Original Message-----

From: Dave Koji <dkoji@colchesterct.gov>

Sent: Wednesday, August 9, 2023 9:44 PM

To: Collins, Claire <CCollins@uhy-us.com>

Cc: Andreas Bisbikos <abisbikos@colchesterct.gov>

Subject: Discrimination Determination

Hey Claire,

I hope you are well. I wanted to follow up to see where you were with your discrimination research with businesses vs. individuals with ARPA dollars.

When do you think you can have that sent to the BOS and ARPA Committee?

Thanks,
Dave

Sent from my iPad

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