



Legislation Text

File #: RES PH 22-188, **Version:** 1

Authorizing the City to establish a \$124,248 budget in the PED Operations Fund and transfer \$969,910 of American Rescue Plan funds from the 30% AMI Deeply Affordable Housing account and ARP Administration account to a specific account for program administration.

WHEREAS, since the first case of coronavirus disease 2019 (COVID-19) was discovered in the United States in January 2020, the disease has infected over 85 million and killed over 1 million Americans and impacted every part of life; and

WHEREAS, both the public health and economic impacts of the pandemic have fallen most severely on communities and populations disadvantaged before it began; and

WHEREAS, amid this crisis the City of Saint Paul (the City) has been called on to respond at an immense scale; and

WHEREAS, on March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President of the United States; and

WHEREAS, the ARPA established the Coronavirus Local Fiscal Recovery Fund, intended to provide support to local governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in communities, residents, and businesses; and

WHEREAS, from the Local Fiscal Recovery Fund the U.S. Department of Treasury is distributing \$45.8 billion to metropolitan cities, of which the City's allocation totals \$166,641,623; and

WHEREAS, in May 2021, the City received the first half of its ARPA Local Fiscal Recovery Fund allocation of \$83,320,812; and

WHEREAS, in June 2022, the City received the second half of its ARPA Local Fiscal Recovery Fund allocation of \$83,320,812; and

WHEREAS, according to the ARPA, the Local Fiscal Recovery funds may be used for the following expenses and must be obligated by December 31, 2024 and spent by December 31, 2026:

- 1) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- 2) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- 3) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- 4) To make necessary investments in water, sewer, or broadband infrastructure; and

WHEREAS, on December 16, 2021, via RES 21-1794, the City allocated \$20 Million of its ARPA Local Fiscal Recovery Funds to its department of Planning and Economic Development for the provision of deeply

affordable housing as a response to the negative economic impacts suffered from the COVID-19 public health emergency; and

WHEREAS, to effectively administer and ensure Federal compliance for the 30% AMI Deeply Affordable Housing funds, the City identified the following amount of funds needed:

1. PED 30 Percent AMI Deeply Affordable Housing Administration: \$969,910

WHEREAS, the Mayor, pursuant to Section 10.07.1 of the City Charter, certifies that there is available for appropriation funds of \$124,248 in excess of those budgeted in the PED Operations Fund in 2022; and

WHEREAS, pursuant to Section 10.07.4 of the City Charter, the Mayor recommends the transfer of unencumbered ARPA 30% AMI Deeply Affordable Housing appropriations and ARP Administration appropriations as outlined in the attached financial analysis, which is consistent with the City's plan to shift ARPA funds to project-specific accounts for spending; now therefore, be it

RESOLVED, that the City Council of Saint Paul does hereby:

1. Authorize the City to budget \$124,248 in the PED Operations Fund as outlined in the attached financial analysis.
2. Authorize the City to transfer \$659,228 from the ARPA 30% AMI Deeply Affordable Housing holding account and \$310,682 from the ARP Administration account to a project-specific account as outlined in the attached financial analysis.
3. Authorize the appropriate City Officials to execute agreements and such other documents necessary to carry out this Resolution.
4. Authorize City staff to take all other actions necessary to carry out this Resolution.

See attachment.