



Legislation Text

File #: RES PH 21-129, **Version:** 1

Amending the City budget to accept \$83,320,812 in federal Coronavirus Local Fiscal Recovery Funds to respond to the COVID-19 public health emergency and its negative economic impacts.

WHEREAS, since the first case of coronavirus disease 2019 (COVID-19) was discovered in the United States in January 2020, the disease has infected more than 32 million and killed more than 575,000 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 will receive the first 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 from March 3, 2021 to December 31, 2026 and funds must be fully obligated by December 31, 2024:

- 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, the Mayor, pursuant to Section 10.07.1 of the City Charter, certifies that there is available for appropriation funds of \$83,320,812 in excess of those budgeted in the Grant Fund in 2021; now, therefore, be it

RESOLVED, that the City Council of Saint Paul does hereby authorize the City to accept the ARPA funds, amend the budget as described in the attached financial analysis, and authorizes the appropriate City officials

to execute agreements and take any other action necessary to carry out this resolution.

See Attachment.