



MEMORANDUM

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**DATE:** June 14, 2021  
**TO:** Honorable Mayor and City Councilmembers  
Dave Perrault, City Administrator  
**FROM:** Gayle Bauman, Finance Director  
**SUBJECT:** Resolution Accepting American Rescue Plan Funds

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	N/A	N/A

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**Council Should Consider**

Motion to approve, table or deny the following:

- Resolution 2021-032, Accepting the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act

*All items need a simple majority for action unless otherwise noted.*

**Discussion**

The attached resolution was developed by the League of Minnesota Cities to accept ARPA funds. There is not a specific requirement in the law that cities pass a resolution, but it is a formal way to acknowledge that the City will be receiving the funds and grants staff the authority to take the necessary steps once the process is open through Minnesota Management and Budget. We were notified that the state has finally received the funds and expect the distribution to the City to occur sometime in July.

**Budget Impact**

Eligible uses of the funds include:

- a. to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- b. to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal / local government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- c. for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal / local government due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or

d. to make necessary investments in water, sewer, or broadband infrastructure.

The criteria are different for these funds and staff will plan on bringing forward more specifics on what is or is not eligible at the June work session. Council will be asked for their priorities as to the use of these funds during the work session and staff will begin work to develop a plan based on this initial discussion.

**Attachments**

A. Resolution 2021-032