

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

May 10, 2023

No. 23-35

**A RESOLUTION TO AUTHORIZE EXPENDITURE OF CORONAVIRUS LOCAL
FISCAL RECOVERY FUNDS ESTABLISHED UNDER THE AMERICAN RESCUE
PLAN ACT**

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 32 million and killed over 575,000 Americans (“Pandemic”). The disease has impacted every part of life: as social distancing became a necessity, businesses closed, schools transitioned to remote education, travel was sharply reduced, and millions of Americans lost their jobs;

WHEREAS, as a result of the Pandemic, cities have been called on to respond to the needs of their communities through the prevention, treatment, and vaccination of COVID-19; and

WHEREAS, city revenues, businesses and nonprofits in the city have faced economic impacts due to the Pandemic; and

WHEREAS, Congress adopted the American Rescue Plan Act in March 2021 (“ARPA”) which included \$65 billion in recovery funds for cities across the country; and

WHEREAS, ARPA funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities, residents, and businesses; and

WHEREAS, \$604,112.20 has been allocated to the City of Falcon Heights of which the initial distribution of \$302,056.11 has already been received pursuant to the ARPA (“Allocation”); and

WHEREAS, the United States Department of Treasury has adopted guidance regarding the use of ARPA funds; and

WHEREAS, the City, in response to the Pandemic, has had expenditures and anticipates future expenditures consistent with the Department of Treasury’s ARPA guidance; and

WHEREAS, the State of Minnesota distributed ARPA funds to the City because its population is less than 50,000; and

WHEREAS, In May of 2021, the US department of Treasury (“Treasury”) published the Interim Final Rule describing eligible and ineligible uses of funds as well as other program provisions, sought feedback from the public on these program rules, and began to distribute funds; and

WHEREAS, On January 6, 2022, Treasury issued the final rule. The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process; and

WHEREAS, the final rule offers a standard allowance for revenue loss of up to \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation; and

WHEREAS, recipients that select the standard allowance may use that amount, in many cases their full award, for governmental services, with streamlined reporting requirements; and

WHEREAS, the City Council has discussed the expenditures of the funds under the guidance of our attorneys and city auditors; and

WHEREAS, the City Council has determined that the funds are best used in our Sanitary Sewer Fund 601, which experienced significant revenue losses during and after the pandemic. The funds are to be used on our Metropolitan Council sanitary sewage treatment costs.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Falcon Heights, Minnesota:

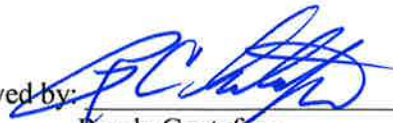
1. The City elects under the standard allowance available under the revenue loss provision of the American Rescue Plan Act in the amount of \$604,112.20 to be used for the replacement of revenue lost.
2. The City intends to utilize the funds towards our Metropolitan Council sanitary sewer charges in 2023.
3. City staff, together with the Mayor and the City Attorney are hereby authorized to take any actions necessary to allocate the City's share of ARPA funds from the State of Minnesota for expenses incurred because of the Pandemic.

Adopted by the City Council of City of Falcon Heights, Minnesota this ninth day of March 2022.

Moved by:

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Approved by:



Randy Gustafson
Mayor

Attested by:



Jack Linehan
City Administrator

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In Favor

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Against

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