



STAFF REPORT

DATE: July 6, 2021

CONSENT

AGENDA ITEM: ACEEPT ARPA Funds

TO: Mayor and City Council

SUBMITTED BY: Samuel Magureanu, Finance Director

BACKGROUND:

Congress adopted the American Rescue Plan Act in March 2021 (“ARPA”) which included \$65 billion in recovery funds for cities across the country. 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. The City of Lake Elmo has been allocated \$967,050 pursuant to the ARPA to use in a manner consistent with the Department of Treasury’s guidance.

ISSUE BEFORE COUNCIL:

Should Council direct city staff to take any actions necessary to receive the City’s share of ARPA funds from the State of Minnesota?

PROPOSAL:

Included in your packet is a resolution to accept the ARPA funds and direct City staff to apply and collect City’s share of ARPA funds in the amount of \$967,050.

FISCAL IMPACT:

The funds will allow the City to recover from the economic impact of the pandemic and respond to the needs of the community.

OPTIONS:

- 1) Approve Resolution No 2021-071
- 2) Amend and then Approve Resolution No 2021-071
- 3) Don not accept the ARPA funds

RECOMMENDATION:

Motion to approve Resolution No 2021-071

ATTACHMENTS:

- Resolution No 2021-071

**CITY OF LAKE ELMO
RESOLUTION NO. 2021-071**

A RESOLUTION TO ACCEPT THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND 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.

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

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

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.

WHEREAS, \$967,050 has been allocated to the City of Lake Elmo (“City”) pursuant to the ARPA (“Allocation”).

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

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

WHEREAS, the State of Minnesota will distribute ARPA funds to the City because its population is less than 50,000.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE ELMO, MINNESOTA AS FOLLOWS:

1. The City intends to collect its share of ARPA funds from the State of Minnesota to use in a manner consistent with the Department of Treasury’s guidance.

2. City staff, together with the Mayor and the City Attorney are hereby authorized to take any actions necessary to receive the City's share of ARPA funds from the State of Minnesota for expenses incurred because of the Pandemic.
3. City staff, together with the Mayor and the City Attorney are hereby authorized to make recommendations to the City Council for future expenditures that may be reimbursed with ARPA funds.

Adopted by the City Council of Lake Elmo, Minnesota this 6th day of July, 2021.

Charles Cadenhead
Mayor

Attested:

Julie Johnson
City Clerk