

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

April 27, 2022

No. 22-15

**A RESOLUTION TO PROVIDE GUIDANCE ON REPORTING ON 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; 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 will distribute ARPA funds to the City because its population is less than 50,000; and

WHEREAS, In May 0f 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.

WHEREAS, the final rule allows for completion of the required report using the “No Projects Verification” section with an explanation provided by the recipient.

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

1. The City has previously elected to use 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 general provision of government services.
2. The City intends to use the “No Projects Verification” section of the report at this time and provide an explanation as to not listing specific projects at this time. An appropriate explanation would be:
3. “The City has experienced significant revenue losses in the sanitary sewer operation due to coronavirus. With the coronavirus continuing to impact city operations, the City chooses to use its ARPA funds for general governmental services in the sanitary sewer operation; storm sewer maintenance and improvements; city operations; and infrastructure street and equipment maintenance and improvements.”

Adopted by the City Council of City of Falcon Heights, Minnesota this twenty seventh day of April 2022.

Moved by:

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Approved by:


Randy Gustafson
Mayor

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In Favor

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Against

Attested by:


Tim Pittman
Interim City Administrator