

Legislation Text

File #: BILL NO. 21-163, **Version:** 1

An Ordinance approving the execution of a grant agreement by and between the U.S. Department of the Treasury and the City of Lee's Summit, Missouri for the American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery Funds Program.

(Note: First read by Council on August 17, 2021. Passed by unanimous vote.)

Issue/Request:

The American Rescue Plan Act of 2021 ("ARPA") allocated \$8,310,882 in Coronavirus Local Fiscal Relief Funds ("Funds") to the City to respond to the COVID-19 emergency and its accompanying economic fallout. The Funds allow for a broad range of eligible uses to fill the identified needs of the community.

The guidance and federal regulations applicable to these funds emphasize a strong, equitable recovery and addresses those areas and populations disproportionately affected by the pandemic. Many, but not all, of the City's internal acute pandemic response needs were already addressed through previous funding provided by the CARES Act. The ARPA funding allows for a broader range of eligible uses to fill identified needs of the community.

Section 9901 of the ARPA provides for the following eligible uses:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

The City received half of the funding, and the remaining half is scheduled to be received no earlier than in May 2022. All funds must be expended or encumbered by December 31, 2024.

The interim regulations governing the Funds can be found at 31 CFR Part 35, can provide additional direction on the City may use the Funds and the reporting requirements associated with such uses.

City staff is working to develop options for use of the funds to be considered by the Mayor and Council.

Proposed City Council Motions:

I move to adopt an Ordinance approving the execution of a grant agreement by and between the U.S. Department of the Treasury and the City of Lee's Summit, Missouri for the American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery Funds Program.

Bette Wordelman, Finance Director

Staff recommends approval.