CITY OF LUCAN RESOLUTION NO. 2021-10

A RESOLUTION TO ACCEPT THE REDISTRIBUTION OF UNREQUESTED CORONAVIRUS LOCAL FISCAL RECOVERY FUND ESTABLISHED UNDER THE AMERICAN RESCUE PLAN ACT

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, The Fiscal Recovery Funds provides for \$19.53 billion in payments to be made to States and territories which will distribute the funds to nonentitlement units of local government (NEUs).

WHEREAS, NEUs generally have populations below 50,000.

WHEREAS, The ARPA requires that States and territories allocate funding to NEUs in an amount that bears the same proportion as the population of the NEU bears to the total population of all NEUs in the State or territory.

WHEREAS, after the deadline of October 11, 2021, passed for NEUs to request ARPA funds, nearly \$12 million of the \$377 million available to Minnesota's NEUs remained unrequested.

WHEREAS, as allowed by the U.S. Treasury, the State of Minnesota has redistributed these remaining funds amongst eligible local governments who requested ARPA funds.

WHEREAS, the redistribution amount is approximately \$3.47 per capita, capped at 75% of the most recent budget adopted as of January 27, 2020.

WHEREAS, \$606.42 has been allocated to the City of Lucan ("City") pursuant to the ARPA (Redistribution).

WHEREAS, the Redistribution will be distributed in two tranches with half received in 2021 and the second half in 2022.

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

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

- 1. The City accepts the Redistribution of coronavirus local fiscal recovery fund established under the ARPA to be used in a manner consistent with guidance adopted by the United State Department of Treasury.
- 2. The City Clerk and Mayor are authorized to take actions to secure the Redistribution for the City, if necessary.

Adopted by the City Council of Lucan, Minnesota this 6th day of December, 2021.

Rindy Filzen, Mayor

Attested:

Shawna Allan, City Clerk