

ORDINANCE NO. 2338

INTRODUCED BY: \_\_\_\_\_

AN ORDINANCE AMENDING THE 2021 BUDGET OF THE CITY OF COMMERCE CITY BY THE RECOGNITION OF THE FIRST TRANCHE OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDING IN THE AMOUNT OF \$5,262,512.50 AND THE APPROPRIATION OF SUCH FUNDS AS REVENUE REPLACEMENT FOR GOVERNMENT OPERATIONS AS AUTHORIZED BY LAW

WHEREAS, on March 11, 2020, the American Rescue Plan Act (ARPA) was signed into law, establishing the Coronavirus Local Fiscal Recovery Fund intended to provide support to local governments in responding to the impact of COVID-19 on their communities, residents, and business;

WHEREAS, the U.S. Treasury Department has provided regulatory guidance on the allowable uses of ARPA funds, which include: public health emergency response with respect to COVID-19 or its negative economic impacts; providing premium pay for essential workers; lost public sector revenue replacement; investments in water, sewer, and broadband infrastructure (Allowable Costs);

WHEREAS, the City will be allocated a total amount of \$10,525,025, of which the City will receive fifty percent (\$5,262,512.50) in 2021 and is anticipated to receive the remaining fifty percent in 2022;

WHEREAS, City staff presented information about the proposed use of ARPA funds to City Council at a study session on June 14, 2021 to address community needs consistent with the requirements of ARPA and applicable federal regulations;

WHEREAS, the City's revenues in 2020 and 2021, to date, have been reduced or have not grown, an amount greater than \$5,262,512.50, as a result of the COVID-19 pandemic and related negative economic impacts; and

WHEREAS, City staff and City Council have identified needs consistent with U.S. Treasury guidance around ARPA funding and City Council has determined to use the full amount of the first tranche of ARPA funds for revenue replacement, with funds claimed as revenue replacement to be tracked, expended, and reported on in a fashion consistent with the spirit of ARPA.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO AS FOLLOWS:

**SECTION 1. Findings.** The recitals to this ordinance are incorporated as findings of the City Council. This ordinance is found to be necessary for the preservation of the public health, safety, and welfare and in the public interest.

**SECTION 2. Budget Amendment & Appropriation.** An amendment is made to the 2021 budget of the City of Commerce City, Colorado to recognize funds from the U.S. Treasury ARPA Allocation (first tranche) in the amount of \$5,262,512.50. The funds are hereby appropriated in the full amount of \$5,262,512.50 as revenue replacement to the unencumbered general fund balance as an allowable ARPA cost (Fund 010).

**SECTION 3. Repealer.** All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency.

**SECTION 4. Effective Date.** This ordinance shall be effective as provided in the City Charter.

INTRODUCED, PASSED ON FIRST READING AND PUBLIC NOTICE ORDERED THIS 19TH DAY OF JULY, 2021.

PASSED ON SECOND AND FINAL READING AND PUBLIC NOTICE ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021.

CITY OF COMMERCE CITY, COLORADO

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Benjamin A. Huseman, Mayor

ATTEST

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Dylan A. Gibson, City Clerk