



## Council Communication File Number: Ord 2338

**Agenda Date:** 7/19/2021

**Version:** 1

**Status:** ATS Review

**In Control:** City Council

**File Type:** Ordinance

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

### **Summary and Background Information:**

The American Rescue Plan (ARP) is the latest federal COVID-related relief package. It is a \$1.9 trillion dollar total bill, which includes significant funds for local governments. Commerce City will receive approximately \$10,505,025 from the federal government through the ARP. These are funds designed to support the community and provide significant aid to those who have been most adversely affected by the pandemic. Staff and Council will work together along with partner organizations in order to identify the greatest needs in the community and identify or develop programs to fill them using the ARP funds.

At the June 14, 2021 study session, Council directed staff to claim the first tranche of \$5.25M to use as revenue replacement. On July 2, 2021, finance requested the funds from Treasury. These funds will be used as revenue replacement to ensure they are 'expended' prior to Treasury's deadline, and will then be used for COVID-relief efforts based on Council's future appropriation and direction.

### **Purpose:**

This ordinance recognizes the first tranche funds (\$5.25M) from the federal government and moves it into the general fund for subsequent allocation to COVID-relief programs.

### **Next Steps:**

Once these funds are transferred, they count as 'expended' per current Treasury guidance. Staff will submit documentation of this expenditure to Treasury in accordance with the reporting guidelines. Staff and Council will continue to develop a final plan for the full expenditure of the ARP funds following the iterative process already in progress to develop projects and programs following the allowable uses set out by Treasury.

**Staff Responsible (Department Head):** Roger Tinklenberg, City Manager

**Staff Member Presenting:** Staff will answer questions as needed

**Financial Impact:** \$5,262,512.50

**Funding Source:** Department of the Treasury

**Staff Recommendation:** Approve Ordinance

**Suggested Motion:**

- First Reading: I move to introduce by Council as seated and approve Ordinance 2338 on first reading.
- Second Reading: I move to approve Ordinance 2338 on second and final reading.