

..Number

211939

..Version

PROPOSED SUBSTITUTE A

..Reference

210894, 211910

..Sponsor

ALD. ZAMARRIPA

..Title

Substitute resolution relating to the use of the second tranche of American Rescue Plan Act funding for financial sustainability.

..Analysis

This substitute resolution:

1. Authorizes the Department of Administration to accept funding from the U.S. Department of Treasury for the American Rescue Plan Act (ARPA) grant in the amount of \$197,113,324.50.
2. Allocates \$96,900,000 to maintain service levels in the 2023 and 2024 budgets under the revenue loss provision, to fund housing programs, and to fund ARPA administration and compliance staff as follows:

	2023	2024
Revenue Loss	\$75,000,000	
Street Lighting	\$ 5,000,000	\$ 5,000,000
Capital Budget – Housing	\$ 4,700,000	\$ 4,700,000
Administrative and Compliance Staff	\$ 1,250,000	\$ 1,250,000
	\$85,950,000	\$10,950,000

3. Provides that the remaining unallocated funds shall be allocated according to the approval of the Finance and Personnel Committee after hearing the American Rescue Plan Act Funding Allocation Task Force's recommendations. Any allocation of these funds shall require the approval of a two-thirds majority of the Common Council.

..Body

Whereas, On October 21, 2021, the Common Council adopted Resolution File Number 210894, relating to the appropriation of the first tranche of ARPA funds; and

Whereas, The City anticipates receiving the second tranche of the ARPA grant award under the Local Fiscal Recovery Fund (LFRF) in the amount of \$197,113,324.50 in May 2022, of which the full amount is provided by the grantor, with \$0 provided by the City; and

Whereas, Common Council File Number 211910 relates to the creation of the American Rescue Plan Act Funding Allocation Task Force (ARPA Task Force); and

Whereas, The LFRF provides substantial flexibility for the City of Milwaukee to provide the foundation for a strong and equitable recovery from the COVID-19 pandemic; and

Whereas, The LFRF can be used to support COVID-19 and other public health response efforts, replace lost public sector revenue and support local public services, support economic stabilization for households and businesses, make necessary investments in water, sewer and broadband infrastructure, and address public health, economic and educational disparities; and

Whereas, The City faced substantial financial hardship due to the COVID-19 pandemic in the form of revenue loss, housing, employee retirement funding, public safety, and administrative costs; and

Whereas, It is necessary to ensure effective administration of the LFRF and compliance with all ARPA requirements; and

Whereas, It is a priority to maintain current service levels in the 2023 and 2024 budgets; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Administration is authorized to accept an American Rescue Plan Act grant through the Local Fiscal Recovery Fund without further approval unless the terms of the grant change as indicated in s. 304-81 of the Code of Ordinances; and, be it

Further Resolved, That the City Comptroller is authorized to:

1. Commit funds within the project/grant parent of the 2022 Special Revenue Grant and Aid Projects Fund the following amounts for the Local Fiscal Recovery Fund

Project/Grant	GR0002200000
Fund	0150
Org	9990
Program	0001
Budget Year	0000
Sub Class	R999
Account	000600
Project	Grantor Share
Amount	\$197,113,324.50

2. Create the necessary grant and aid project/grant and project/grant levels, budget against these project grant values the amount required under the grant agreement.

3. Establish the necessary city share project values.

; and, be it

Further Resolved, That \$96,900,000 of the LFRF grant funds from the second tranche are allocated for the purposes of maintaining service levels in the 2023 and 2024

budgets under the revenue loss provision, providing funding for housing programs, and funding administrative and compliance staff for ARPA as follows:

	2023	2024
Revenue Loss	\$75,000,000	
Street Lighting	\$ 5,000,000	\$ 5,000,000
Capital Budget – Housing	\$ 4,700,000	\$ 4,700,000
Administrative and Compliance Staff	\$ 1,250,000	\$ 1,250,000
	<u>\$85,950,000</u>	<u>\$10,950,000</u>

; and, be it

Further Resolved, That City Departments whose budgets include a portion of the LFRF grant funds may enter into leases, contracts, subcontracts, and sub-award agreements as may be necessary to effectuate the budgeted purpose of those departments' LFRF grant funds, provided that those departments continue to follow normal City policies that relate to purchasing contracts; and, be it

Further Resolved, That the remaining unallocated funds shall be allocated according to the approval of the Finance and Personnel Committee after hearing the recommendations of the American Rescue Plan Act Funding Allocation Task Force, and that any allocation of these funds shall require the approval of a two-thirds majority of the Common Council.

..Requestor

..Drafter
LRB 177299-5
Tea B. Norfolk
5/3/2022