



City of Blaine Anoka County, Minnesota

Blaine City Hall
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Legislation Details (With Text)

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Sponsors: Joe Huss
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Attachments:

Date	Ver.	Action By	Action	Result
6/30/2022	1	City Council Workshop	Informational: no action required	

Workshop Item *Joe Huss, Finance Director/Asst. City Manager*

Title

American Rescue Plan (ARP) Funding Update

Background

On March 11, the American Rescue Plan (ARP) Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, was signed into law. The act is a \$1.9 trillion economic stimulus bill that builds upon previously enacted aid measures in 2020. Previous estimates indicated Blaine would receive about \$7.3 million; that figure has since changed and Blaine's total allocation is now set at \$6,793,793.

The first payment, \$3,396,896.50, equaling one-half of the total of Blaine's allocation, has been received. The remainder of the funds is expected by mid-2022. Eligible uses of ARP funds and deadlines for expenditures of ARP funds have now been defined:

- **Eligible Expenses**
 - Assistance to households, small businesses, and non-profits to aid in the public health emergency response and address negative economic impacts caused by the emergency.
 - To aid hard-hit industries such as tourism; travel; and hospitality.
 - Replace lost public sector revenue.
 - Provide premium pay for essential workers.
 - Invest in water, sewer, or broadband infrastructure.
- **Ineligible Expenses**
 - Funds cannot be used to directly or indirectly offset tax reductions or delay a tax or tax increase.
 - Funds cannot be deposited in a pension fund.
- **Deadline for committing ARP funds is December 31, 2024; actual expenditure of committed funds must be complete by December 31, 2026.**

While the above provides very broad guidelines for the use of ARP funds, staff continues to gather information regarding specific uses and reporting requirements. To that end, a cross-departmental staff committee is being formed to identify projects that are eligible for ARP. From this committee will come a proposed spending plan that will be presented for Council consideration at the July 12 Council Workshop.

Staff Recommendation

Informational.

Attachment List

No attachments.