

Legislation Text

File #: 15-15628, Version: 1

Appropriate Additional Coronavirus Relief Funds

Action:

- A. Adopt a budget ordinance appropriating \$74,470,000 from the Coronavirus Local Fiscal Recovery Fund provided by the American Rescue Plan Act of 2021 in the General COVID-19 Assistance Fund, and**
- B. Authorize the City Manager to negotiate and execute any necessary contracts and agreements related to the Coronavirus Local Fiscal Recovery Fund.**

Staff Resource(s):

Kelly Flannery, Finance
Ryan Bergman, Strategy and Budget

Explanation

- The Coronavirus Local Fiscal Recovery Fund (CLFRF), which provided \$130 billion in direct assistance for local governments, is to be used to mitigate the fiscal effects stemming from the COVID-19 public health emergency.
- The CLFRF provides direct payments to metropolitan cities and counties; Charlotte was one of the 990 cities across the nation that met the criteria.
- Funds from the CLFRF may only be used to cover costs incurred by December 31, 2024, for the following purposes:
 - to respond to the COVID-19 public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible city employees who are performing such essential work or by providing grants to eligible employers that have eligible workers who perform essential work;
 - for the provision of government services to the extent of the reduction in revenue in the city's budget due to the COVID-19 public health emergency relative to revenues collected in Fiscal Year (FY) 2019; and
 - to make necessary investments in water, sewer, or broadband infrastructure.
- Potential uses of the funds include: investments in local job creation and retention; aid to heavily impacted industries; housing and homelessness-related support; assistance for arts and culture organizations; investments in information technology to support a virtual work environment; reimbursement of COVID-19 related city operations costs; the replacement of city revenue that was reduced as a result of COVID-19; and the continuation of various programs implemented utilizing Coronavirus Aid, Relief and Economic Security Act (CARES Act) funding.
- A second tranche of funds will be available to the city approximately one year after this tranche of funds is received from the federal government.

Background

- On March 11, 2021, in response to the COVID-19 public health emergency, President Biden signed the American Rescue Plan Act of 2021 (ARPA).
- The enactment of this legislation is in addition to the CARES Act enacted in March 2020.

- The CARES Act provided \$154.5 million to the City of Charlotte.
- In April 2020, the Mayor and City Council established three Community Recovery Task Forces to address community concerns related to COVID-19. These Task Forces focused on three specific areas: Small Business, Housing, and the Airport.
- Through the CARES Act and FY 2021 Consolidated Appropriations Act, the city has also received funding for housing-related programs such as the Emergency Solutions Grant and emergency rental assistance, CATS, the Airport, and the Charlotte-Mecklenburg Police Department.

Attachment(s)

Budget Ordinance