



Memorandum

To: Mayor Nelson and Members of the City Council
From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer
Date: March 2, 2021
Subject: COVID-19 Pandemic Rescue Plan update

As you likely have heard on the news, the US House has passed the \$1.9 trillion COVID-19 Pandemic Rescue Plan and has sent it to the US Senate for its consideration.

The US House bill includes \$350 billion in State and Local Government Coronavirus Relief Funds. According to the House bill, the funds can be used for the following purposes:

- Respond to or mitigate the public health emergency with respect to COVID-19 or its negative economic impacts
- Cover costs incurred as a result of such emergency
- Replace revenue that was lost, delayed or decreased (as determined based on revenue projections for the city as of January 27, 2020) as a result of such emergency
- Address the negative economic impacts of such emergency

This is significantly more flexible than the dollars allocated to the City through the federal CARES Act.

The House Oversight Committee has put together an initial spreadsheet giving an approximation of funds to be allocated to each City. In that spreadsheet, the City is estimated to receive \$787,935 in COVID-19 relief funds. This is subject to change as the bill makes its way through the US Senate, likely conference committee, and re-passage by both bodies before being signed into law by President Biden. The bill also omitted some cities, which could reduce some of the allocations.

As staff learns more details about the COVID-19 Pandemic Rescue Plan, we will share those details with the City Council.

Link to LMC information: <https://www.lmc.org/news-publications/news/all/federal-pandemic-rescue-plan/>

If you have any questions, please don't hesitate to contact me at 763-784-6491.

