

RESOLUTION AUTHORIZING USE OF ELIGIBLE GOVERNMENT SERVICES
EXPENSES FOR FULL \$59.4 MILLION ARPA GRANT ACCORDING TO U.S.
TREASURY'S GENERAL ALLOCATION METHOD FOR GRANT ADMINISTRATION

WHEREAS, the City received \$59.4 million from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Fund;

WHEREAS, the moneys must be spent according to the U. S. Treasury Department's (UST) "Final Rule" which, as one option, outlines certain specific eligible uses such as, to address public health matters, negative economic impacts, provide premium pay and to support infrastructure needs;

WHEREAS, the "Final Rule" further provides that funds may be generally allocated by a government by submitting eligible government services expenditures incurred by the government, up to the amount of "revenue loss" that the government sustained due to the pandemic;

WHEREAS, according to the revenue loss calculation methodology provided by UST, the City of Greensboro's full \$59.4 million ARPA award qualifies to be administered under the general allocation method;

WHEREAS, this approach allows the City to use ARPA funds to initially cover local expenditures already provided for in the annual operating budget, such as salaries and benefits, and most other expenditures necessary to provide municipal government services;

WHEREAS, the City's budgeted local general revenues that would have been used to cover these government services are then made available to fund the allocations to various outside agencies and other internal projects, as selected by City Council in accordance with an application process and certain selection criteria;

WHEREAS, since the allocation to outside agencies will be awarded from local funds, certain of the procurement and other recordkeeping administration duties by the agencies and the City may be streamlined;

WHEREAS, more funds may then be used to support the projects' intent rather than for administration and is considered by the School of Government to be an efficient approach;

WHEREAS, for projects administered in this manner, funds will be obligated by December 31, 2024 and spent by December 31, 2026;

WHEREAS, a full accounting and reporting of the funds allocated to community agencies and for certain internal City projects will be maintained and funds will be specially designated until the full ARPA award of \$59.4 million is formally allocated by City Council to projects; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That staff's recommended grant administration strategy to use \$59.4 million of ARPA funds for eligible government services expenditures under the general allocation method, which frees up the City's general revenues to support allocations to various community agencies and internal departments for projects submitted during the application process, is adopted.