

To: **Mayor and City Council**
From: **Ryan Schroeder, City Manager**
Date: **August 17, 2020**

Approve CARES ACT Allocation (initial)

BACKGROUND INFORMATION:

On July 27, the City Council approved the CARES ACT expenditure plan. Enclosed is the initial allocation pursuant to that plan. The allocation is in conformance with the allocation approach provided within the expenditure plan as follows:

Allocation Approach

- Upon guidance from the City's audit firm, it is intended that the City would first allocate Police Department payroll expenditures against CARES ACT funding
- Upon approval of the City Council, the City would create a Business Grant Program or provide funding to a Dakota County Community Development Agency (CDA) Business Grant Program to assist West St. Paul businesses with CARES ACT eligible expenses directly attributable to or in response to COVID-19
- As per the above, the City would allocate direct expenditures for PPE, sanitizing, teleworking/computer/server/telephone COVID-19 related expenditures
- To the extent funding would be available, the City would allocate Staff expense for those positions identified above, to the extent that these positions have been substantially dedicated to COVID-19 response or mitigation
- South Metro Fire is an eligible sub-grantee with direct COVID-19 expenditure which may be allocated

Approval Approach

1. Council approval of the Expenditure Plan
2. Council approval of the Small Business Grant Program and/or approach
3. Future Council approval of CARES ACT allocations
4. If Business Grant Program is approved, future Council approval of Individual Business Grants
5. Upon approval of the Federal Single Audit (spring/summer 2021), re-allocation of any residual revenue per adopted fund balance policy

The total amount provided to the City of West St. Paul was \$1,586,138 plus any interest earnings. This initial allocation request is for \$880,743.64.

FISCAL IMPACT:

STAFF RECOMMENDATION:

By motion, approve the enclosed allocation of CARES Act funding.