



Memorandum

Date: 8/17/2021  
Meeting of: City Council

File No. AM No. 21-125  
Type: Consent Item

TO: Members of the City Council  
FROM: Mayor Angela Birney  
DEPARTMENT DIRECTOR CONTACT(S):

Finance	Chip Corder	425-556-2189
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DEPARTMENT STAFF:

Finance	Marissa Flynn	Senior Financial Analyst
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TITLE:

Adoption of an Ordinance Amending Ordinance Nos. 3026, 3041, and 3042 by Making Adjustments to the City’s 2021-2022 Biennial Budget to Recognize a Portion of the American Rescue Plan Act Funding to be Held in the COVID Recovery Fund

- a. Ordinance No. 3051: An Ordinance of the City Council of the City of Redmond, Washington, Amending Ordinance Nos. 3026, 3041, and 3042 by Making Adjustments to the City’s 2021-2022 Biennial Budget, in Exhibit 1

OVERVIEW STATEMENT:

The purpose of the budget adjustment is to formally recognize \$9.6M of the \$9.9M allocated to the City as part of the American Rescue Plan Act (ARPA). On March 11, 2021 President Biden signed a bill to provide additional relief for states, counties, cities and towns as well as public utilities, libraries and transit agencies affected by the coronavirus pandemic. The City of Redmond will receive a total of \$9,928,999, in two increments, during the 2021-2022 biennium. The APRA funds will be held in the COVID Recovery Fund until a recommended spending plan is approved by Council.

The funds must be obligated by December 2024 and spent on qualifying expenses by December 2026. Staff is still gathering information on ARPA, but allowable uses of the funds include:

- COVID-19 emergency response;
- Assistance to households, small businesses, and nonprofits related to the negative economic impacts of COVID-19;
- Aid to impacted industries such as tourism, travel, and hospitality;
- Hazard pay for eligible local government essential workers;
- Grants to eligible private employers to provide hazard pay to essential workers;
- Provide government services to the extent of the reduction in revenue due to COVID-19; and
- To make necessary investments in water, sewer or broadband infrastructure.

Additional Background Information/Description of Proposal Attached

**REQUESTED ACTION:**

- Receive Information       Provide Direction       Approve

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
Fiscal Policies
- **Required:**  
RCW 35A.33.120 Funds-Limitations on expenditures-Transfers and adjustments.
- **Council Request:**  
N/A
- **Other Key Facts:**  
N/A

**OUTCOMES:**

The budget adjustment is necessary to align City financial records with decisions made by the Council.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
N/A
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**  
\$9,564,842

**Approved in current biennial budget:**       Yes       No       N/A

**Budget Offer Number:**  
N/A

**Budget Priority:**  
N/A

**Other budget impacts or additional costs:**       Yes       No       N/A  
*If yes, explain:*

N/A

**Funding source(s):**  
N/A

**Budget/Funding Constraints:**  
N/A

**Additional budget details attached**

**COUNCIL REVIEW:**

**Previous Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
6/22/2021	Committee of the Whole - Finance, Administration, and Communications	Provide Direction
7/27/2021	Study Session	Provide Direction

**Proposed Upcoming Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
N/A	None proposed at this time	N/A

**Time Constraints:**

All budget adjustments for the 2021-2022 biennium must be approved no later than December 31, 2022 and ARPA funds must be obligated no later than December 2024 and spent no later than December 2026.

**ANTICIPATED RESULT IF NOT APPROVED:**

The ARPA funds would remain unrecognized and would be lost if not obligated by December 2024 and spent by December 2026.

**ATTACHMENTS:**

Attachment A: Ordinance: 2021-2022 Budget Adjustment #9 - ARPA COVID Recovery Fund  
Exhibit 1: Summary of 2021-2022 Budget Adjustments - ARPA COVID Recovery Fund