



Agenda Item Details

Meeting	Aug 16, 2021 - Village Board Regular Meeting Agenda
Category	13. New Business - All Listed Items for Discussion and Possible Action
Subject	J. Ordinance Authorizing the Acceptance of the Village's Allocation of American Rescue Plan Act (ARPA) Funds Pertaining to the Coronavirus Local Fiscal Recovery Fund for the Village of Wheeling
Type	Action
Recommended Action	Motion to Approve

From: Michael Kaplan, Director of Finance
Subject: American Recovery Plan Act Funding

EXECUTIVE SUMMARY

The American Rescue Plan Act (ARPA) of 2021 provides \$19.53 billion in COVID-19 financial relief for non-entitlement units of local government. Recently, the Village learned that it is entitled to receive more than \$5.25 million in ARPA funding, which it must spend on eligible uses as determined by the United States Treasury. If the Village does not request the funds prior to September 30, 2021, however, it will forfeit its right to receive them. Consequently, staff is seeking Board approval of an ordinance allowing the Village Manager to claim the Village's allocation of ARPA funds and execute related forms.

MEMO

Background and Analysis:

On March 11, 2021, President Biden signed H.R. 1319, entitled the American Rescue Plan Act (ARPA) of 2021. The law provides \$1.9 trillion in economic stimulus and COVID-19 relief, including \$19.53 billion in assistance for non-entitlement units of local government (NEUs), which generally speaking are municipalities with a population of 50,000 or less. Initial estimates from the federal government indicated that the Village would receive \$4.77 million of ARPA funds, but staff learned recently that the revised (but still preliminary) number is \$5,253,699.92, an increase of approximately \$484,000. The final amount allocated to the Village could be even more than \$5.253 million if any of the more than 1,200 eligible Illinois communities do not request their allocation; if that happens, the state will redistribute the funds initially allocated to those communities to the ones that requested their allocation by the deadline.

While the United States Treasury is administering the Coronavirus Local Fiscal Recovery Fund, the Illinois Department of Commerce and Economic Opportunity (DCEO) is responsible for distributing the funds to NEUs in Illinois. The Village must request its allocation by September 30, 2021, after which it forfeits its right to receive its allocation. Once it makes its request, the Village will receive the funds in two tranches: the first within 30 days, and the second approximately 12 months later. ARPA funds must then be spent on eligible uses (as determined by the United States Treasury) by December 31, 2024.

As with any program involving the distribution of federal funds, the ARPA includes a number of regulations and reporting requirements the Village must accept if it intends to participate in the program. Initially, the Village must execute two forms: (1) the Coronavirus Local Fiscal Recovery Fund Award Terms, and (2) the Conditions and Assurances of Compliance with Civil Rights Requirements.

For the reason noted, staff requests Village Board approval to participate in the program, to claim the Village's allocation of ARPA funding, and to execute necessary and related forms and agreements. After the Village has completed the legislative requirements, staff will complete its internal review and discussion of potential uses for the funds and will provide a thorough and complete recommendation to the Board as part of the FY2022 budget discussion.

In the meantime, staff requests Board approval of the attached ordinance, which authorizes the Village President and/or Village Manager to request the Village's allocation of ARPA funds, to sign all related paperwork, and to serve as the Village of Wheeling's authorized representative with the United States Treasury and the State of Illinois.

Strategic Plan Priorities Addressed:

Financial Strength (High-Stakes Strategy and Vision)

1. Capitalize on opportunities that are created or presented concerning the method of delivery of core services
2. Identify opportunities for new sources of revenue
3. Avoid issuing property tax levy supported debt

[NEU_Award_Terms_and_Conditions.pdf \(120 KB\)](#)

[Title_VI_Assurances.pdf \(132 KB\)](#)

[ARPA - funds ordinance.pdf \(53 KB\)](#)

Motion & Voting

Motion to Approve

Motion by Dave Vogel, second by Mary Papantos.

Final Resolution: Motion Approved

Yes: Pat Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Joe Vito, Dave Vogel