

CITY OF NORTHFIELD, MINNESOTA
CITY COUNCIL RESOLUTION 2020-077
AUTHORIZING FEDERAL CARES ACT FUNDING & RELATED BUDGET AMENDMENT
FOR AUTHORIZED EXPENDITURES

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, passed on March 27th, provides over \$2 trillion in federal economic relief to protect the American people from the public health and economic impacts of COVID-19; the CARES Act provides assistance for American workers, families, and small businesses, and preserves jobs for American industries; and

WHEREAS, Section 5001 of the CARES Act established the \$150 billion Coronavirus Relief Fund (CRF), providing payments to state, local, and tribal governments navigating the impact of the COVID-19 outbreak; and

WHEREAS, on June 26, 2020, the Minnesota Legislative Advisory Commission approved Governor Walz's request to formally allocate state received CARES Act funds to counties, cities, and townships in the State of Minnesota (State); and

WHEREAS, the City of Northfield has received \$1,538,900 in Federal CARES Act funds from the State; and

WHEREAS, the CARES Act sets criteria that expenses must meet to be eligible for CRF funding reimbursement, and the Federal Treasury's Coronavirus Relief Fund Guidance (Treasury Guidance) and Section 601(3) of the Social Security Act further outline allowable uses of CARES Act funds; and

WHEREAS, the Treasury Guidance permits local governments to transfer CARES Act funds to non-profit entities for further distribution, so long as such distribution qualifies as an eligible expense; and

WHEREAS, pursuant to the CARES Act and Treasury Guidance, the City Council has considered how to use its CARES Act funds in a manner that complies with each of the following requirements:

1. CARES Act funds shall be used to meet necessary expenditures incurred due to the public health emergency with respect to COVID-19; An expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Coronavirus Relief Fund payments; Expenditures must be used for actions taken to respond to the public health emergency, including expenditures incurred to respond directly to the emergency, as well as expenditures incurred to respond to second order effects, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures;
2. CARES Act funds shall be used to meet costs not accounted for in the city's budget most recently approved as of March 27, 2020;
3. CARES Act funds must not be used to cover an expense for which funding has already been received from an alternative Federal or State program;

4. Performance or delivery must occur during the covered period, but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred); for cities, the covered period is March 1, 2020, to Nov. 15, 2020; and

WHEREAS, the City has determined that it is in the best interests of the City, and in compliance with the CARES Act, Treasury Guidance, and guidance promulgated by the State, to allocate a portion of the City's CARES Act funds to certain non-profit entities for eligible purposes; and

WHEREAS, the City has further determined that it is in the best interests of the City, and in compliance with the CARES Act, Treasury Guidance, and guidance promulgated by the State, to demarcate a portion of the CARES Act funds for specific use by the City for eligible purposes; and

WHEREAS, the City is continuing to explore additional eligible expenditures related to authorizing CARES Act funding.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council authorizes a budget amendment of \$300,000 including expenditures to fund the Northfield Small Business Relief Grant Program to provide temporary financial support to small businesses adversely impacted by the COVID- 19 pandemic and the COVID-19 peacetime emergency. The goal of the Program is to help businesses through the current economic crisis and retain local jobs. The Program policy guidelines are attached as Exhibit A.
2. Also, be it further resolved that the City Council of the City of Northfield, Minnesota authorizes a budget amendment of \$200,000 including expenditures to fund the Northfield Nonprofit Relief Grant Program to provide temporary financial support to nonprofits adversely impacted by the COVID- 19 pandemic and the COVID-19 peacetime emergency. The goal of the Program is to help nonprofits through the current economic crisis, continue to deliver much needed services to the community and retain local jobs. The Program policy guidelines are attached as Exhibit B.
3. Also, be it resolved that by the City Council of the City of Northfield, Minnesota that performance or delivery must occur during the covered period, but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For cities, the covered period is March 1, 2020, to Nov. 15, 2020.
4. Also, be it resolved that any and all distribution, transfer, or use of City CARES Act funds may only occur so long as such distribution, transfer, or use authorized only insofar as such distribution, transfer, or use is made in compliance with the CARES Act and guidance issued by the Treasury Department and/or State.
5. Also, be it resolved that by the City Council of the City of Northfield, Minnesota that the Mayor, City Administrator, staff and consultants are hereby authorized and directed to take any and all additional steps and actions necessary in order to accomplish the intent of this Resolution.

PASSED by the City Council of the City of Northfield on this 1st day of September 2020.

ATTEST

City Clerk

Mayor

VOTE: ___ POWNELL ___ COLBY ___ DELONG ___ NAKASIAN
 ___ NESS ___ PETERSON WHITE ___ ZWEIFEL

EXHIBIT A

NORTHFIELD SMALL BUSINESS RELIEF GRANT PROGRAM POLICY

EXHIBIT B

NORTHFIELD NON-PROFIT RELIEF GRANT PROGRAM POLICY