CITY OF LA CROSSE

400 La Crosse Street
La Crosse, Wisconsin 54601
(608) 789-CITY
www.cityoflacrosse.org

LEGISLATION STAFF REPORT FOR COUNCIL

File ID 26-0731

Caption Resolution #2 regarding the administration and financial maintenance of American Rescue Plan Act (ARPA) funds received by the City.

Staff/Department Responsible for Legislation

Andrea Trane / Planning and Development

Requestor of Legislation

Planning, Finance and Parks

Location, if applicable

NA

Summary/Purpose

Additional ARPA-funded projects have been identified as having come in, or are projected to come in, under budget. This resolution seeks to reallocate those funds.

Unused funds from the Downtown Street Tree Project will be reallocated to the Citywide Tree Planting, which was funding through new borrowing.

The property owner who received the Floodplain Relief Grant decided not to move forward with the full project, leaving the remaining $34,254.54 to be reallocated.

Background

The US Treasury is limiting in how these funds can be redistributed. Working within the US Treasury guidelines, and with assistance from Baker Tilly, staff has worked to reallocate funds to comply with those restrictions.
Administration expenses related to ARPA can be spent through March 2027, and the remainder can be applied to allowable expenses in compliance with ARPA's "Provision of Government Services". Per ARPA guidelines the provision of government services is defined broadly to include nearly any service traditionally provided by the government. The guidelines only specify 4 ineligible uses of the ARPA funds under the provision of government services:
1. deposits into pension funds 2. debt service or debt payments 3. replenishing financial reserves or "rainy day" funds 4. satisfying settlements or judgments

Fiscal Impact

$136,932.28 from the Downtown Street Tree Project, CIP #23-840 to Citywide Tree Planting, CIP #24-771.
$34,254.54 from the Floodplain Grant project, Resolution 23-0451, to ARPA Administrative Expenses and/or Provision of Government Services

Staff Recommendation

Approval