

Wilmington, Delaware  
April 1, 2021

**#0043**

**Sponsor:**

**Council  
Member  
Gray**

**WHEREAS**, President Joseph R. Biden, Jr. proposed passage of the American Rescue Plan Act of 2021 to provide help to the many Americans who are suffering due to COVID-19; and

**WHEREAS**, on March 11, 2021, the President signed the American Rescue Plan Act of 2021, as amended, into law (the “Reconciliation Act”); and

**WHEREAS**, the Reconciliation Act includes the Coronavirus State and Local Fiscal Recovery Funds, which will provide \$350 billion in critical aid to state, local and territorial governments; and

**WHEREAS**, as cities continue to respond to the pandemic, we focus on effective governance - public health and economic recovery - over divisive politics. We are committed to working in a fashion to secure direct flexible funding for vulnerable populations realizing they were the most impacted and to share the goal of keeping our residents healthy and our communities safe and vibrant; and

**WHEREAS**, the Reconciliation Act is estimated to provide approximately \$55 million to the City of Wilmington, based on the formula for allocation recently calculated by policy staff of National League of Cities; and

**WHEREAS**, the Reconciliation Act allows for funds to be used:

1. To respond to the pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

2. For premium pay to eligible workers performing essential work (as determined by each recipient government) during the pandemic, providing up to \$13 per hour above regular wages;
  3. For the provision of government services to the extent of the reduction in revenue due to the pandemic (relative to revenues collected in the most recent full fiscal year prior to the emergency); and
  4. To make necessary investments in water, sewer, or broadband infrastructure;
- and

**WHEREAS**, Wilmington will be eligible to receive these funds upon providing the U.S. Treasury with a certification on the use and need of the funds; and

**WHEREAS**, the social and economic impacts of COVID-19 have disproportionately impacted communities on the lower end of our economic scale, and despite good faith efforts, the delivery of funds under the CARES Act have demonstrated the challenge of having these resources reach many of our most impacted communities, leading to concerns about who has been left out; and

**WHEREAS**, the current deadline to expend the Coronavirus State and Local Fiscal Recovery Funds is December 31, 2024, thus allowing adequate time to thoughtfully develop a strategy to deliver these funds to communities most in need; and

**WHEREAS**, a thoughtful strategy will ensure that Wilmington has adequate funds to provide continued testing, vaccination, and other health-related programs needed to fight the ongoing pandemic, to restore costs incurred due to COVID-19, and to replace loss revenue resulting from City efforts and programs to provide needed tax relief to burdened citizens and loss of hotel tax revenue and other lost revenue streams; and

**WHEREAS**, a thoughtful strategy to allocate funds to communities most impacted could provide funds to significantly expand youth employment programs, housing programs, small business support, improvements in social service programs, increased broadband access, and many other needed actions that would mitigate against the current impacts of COVID-19 and build resiliency to strengthen the communities against future crises that disproportionately affect low-income communities; and

**WHEREAS**, Council Members are deeply involved in their communities and provide a strong voice to identify the specific needs of low-income communities, and should be a strong voice in the development of programs to strengthen these communities.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON** that the Council hereby intends to be an active participant in developing the City's strategy for the expenditure of any Coronavirus State and Local Fiscal Recovery Funds distributed to the City of Wilmington.

**BE IT FURTHER RESOLVED** that the Council will work with the Administration on the development and implementation of a comprehensive strategy for the most effective use of these funds and will carefully consider the needs of underserved communities that may be given significant relief through a bold strategy associated with this unique funding opportunity.

**BE IT FURTHER RESOLVED** that the Council also expressly intends that discretionary decision-making of funding allocations from the Coronavirus State and Local Fiscal Recovery Funds, beyond reimbursement of lost City revenue and direct costs of the fight against COVID-19, be considered through a lens of advancing equity and social justice throughout Wilmington.

**BE IT FURTHER RESOLVED** that the Council shall also require that the allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds shall be pursuant to legislative action by Council, a co-equal branch of City Government with the Administration, before any expenditure and that each legislative appropriation include a clear description of how the funds will be expended.

Passed by City Council,

ATTEST: \_\_\_\_\_  
City Clerk

**SYNOPSIS:** This Resolution identifies a process and focus for spending federal funds that will be received by City of Wilmington from the American Rescue Plan Act of 2021 to ensure responsible fiscal oversight and to ensure that discretionary funding decisions prioritize the needs of underserved communities most impacted by COVID-19.