

### Watertown City Council

July 14<sup>th</sup>, 2020

**Agenda Item: Coronavirus Relief Funds Transfer**

**Request for Action: Adopt Resolution #2020-93, Authorizing Transfer of Funds to EDA**

**Department: Shane Fineran, City Administrator**

**Background:**

The Minnesota Department of Revenue has published a distribution and certification of aid process of the state’s share of federal Coronavirus Relief Fund (CRF) dollars that will be available for local governments to use for local preparation and mitigation efforts related to the COVID-19 pandemic. The city’s share will be \$350,564. Staff has completed the certification process and the funds have been received into the city’s general fund.

Based on Treasury Department [guidance](#) and subsequent publication of [Frequently Asked Questions](#) can utilize these funds for “necessary expenditures incurred due to the public health emergency” and for which “were not accounted for in the budget most recently approved”. Funds may not be used to fill shortfalls in revenue such as fees, property tax collection, or forgone utility billing collections. Funds must be committed by November of 2020 and spent by December 30<sup>th</sup>.

The EDA meet last week to review three possible grant programs for local businesses to provide support related to mandated closures and impacts of the COVID-19 pandemic and will be meeting this week to formally approve program policies, guidelines, and application materials. The initial round of programs would seek to disburse up to \$250,000 of funds into the local economy.

Coronavirus Relief Funds will need to be transferred from the general fund to the EDA operating fund for disbursement. The resolution authorizes this transfer for accounting and documentation purposes for management of the funds.

**Funding Source:**

Coronavirus Relief Funds

**Attachments:**

Resolution #2020-93

**CITY OF WATERTOWN  
RESOLUTION NO. 2020-93**

**RESOLUTION AUTHORIZING THE TRANSFER OF CORONAVIRUS RELIEF FUNDS TO THE ECONOMIC DEVELOPMENT AUTHORITY**

**WHEREAS**, the COVID-19 pandemic is a novel public health emergency that has resulted in unprecedented state and local response; and

**WHEREAS**, on March 13, 2020, Governor Tim Walz declared a Peacetime State of Emergency to authorize all necessary resources to be used in support of the COVID-19 response; and

**WHEREAS**, the City of Watertown (the “City) has taken unique and solitary steps to support our local economy, businesses and residents through direct investment of local funds in programs; and

**WHEREAS**, the City has received \$350,354 in Coronavirus Relief Funds (the “Funds”) from the State of Minnesota; and

**WHEREAS**, via Resolution #2020-45, the City Council authorized the Economic Development Authority (the “EDA) to develop any necessary policies and programs for loans and assistance it deems necessary to provide emergency assistance to businesses within the City; and

**NOW THEREFORE BE IT RESOLVED**, the City Council authorizes the transfer of \$250,000 of the Funds to the EDA operating budget for use and disbursement related to programs and policies developed by the EDA.

Adopted by the City Council of the City of Watertown this 14<sup>th</sup> day of July 2020.

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Steve Washburn, Mayor

ATTEST:

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Lynn Tschudi, City Clerk-Treasurer