

CITY OF NEW BEDFORD JONATHAN F. MITCHELL, MAYOR

August 12, 2021

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City Council President Joseph P. Lopes and the Honorable Members of the New Bedford City Council 133 William Street New Bedford, MA 02740

Dear Council President Lopes and Members of the Council:

As you are aware, in March of this year, Congress enacted the American Rescue Plan Act, which provides funding to people, organizations and governmental entities to assist in the recovery from the public health and economic effects of the pandemic. Among its many provisions, ARPA allocated some \$65 billion in grant funding to state and local governments to support specific types of recovery initiatives. As part of this allocation, the City of New Bedford is receiving a grant in the amount of \$64,729,754. The uses of this grant are subject to the eligibility provisions of ARPA itself, as well as regulations promulgated by the U.S. Department of Treasury.

Massachusetts General Law, Chapter 44, Section 53A nominally requires that the Mayor and City Council "accept" grants from the federal government and charitable organizations. I am therefore submitting the grant for your acceptance.

I have asked Jonathan Silverstein, a partner at the firm of KP Law, which specializes in municipal law and has represented the City in a variety of matters, to provide us guidance about the City Council's acceptance of federal grants. His guidance letter is attached, along with a proposed order.

Situation

Jonath n F. Mitchell

Ma/or



August 11, 2021

101 Arch Street, Boston, MA 02110 Tel: 617.556.0007 | Fax: 617.654.1735 www.k-plaw.com

Jonathan M. Silverstein jsilverstein@k-plaw.com

Hon. Jonathan F. Mitchell Mayor of New Bedford New Bedford City Hall 133 William Street New Bedford, MA 02740

Re: Expenditure of Coronavirus Local Fiscal Recovery Fund Grant

Dear Mayor Mitchell:

You have requested an opinion as to the procedure for the expenditure of funds received from the Coronavirus Local Fiscal Recovery Fund grant pursuant to the American Rescue Plan Act of 2021 (the "ARPA Grant").

I understand that the City has obtained ARPA grant funds and has been advised by the Department of Revenue to follow the procedures in G.L. c. 44, §53A. This statute, which addresses the receipt and expenditures of grants or gifts received by the City, provides in pertinent part as follows:

An officer or department of any city ... may accept grants or gifts of funds from the federal government and from a charitable foundation... and in the case of any other grant or gift may expend such funds for the purposes of such grant or gift in cities having a Plan D or Plan E form of government with the approval of the city manager and city council, in all other cities with the approval of the mayor and city council... Notwithstanding the provisions of section fifty-three, any amounts so received by an officer or department of a city ... shall be deposited with the treasurer of such city ... and held as a separate account and may be expended as aforesaid by such officer or department receiving the grant or gift without further appropriation.

Both the Mayor and the City Council need only to accept the grant in order for the City to expend the grant funding. Upon acceptance of the grant by the Mayor and a vote of acceptance by the City Council, the City may expend the ARPA grant funds for the purposes stated in ARPA without need for further appropriation.



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Please contact me with any further questions regarding this matter.

Very truly yours,

Jonathan M. Silverstein

JMS/man

cc: City Solicitor

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IN CITY COUNCIL, August 19, 2021

Referred to the Committee on Finance.

Dennis W. Farias, City Clerk

a true copy, artest:

City Clerk