



Justin Elicker  
*Mayor*

## CITY OF NEW HAVEN OFFICE OF MANAGEMENT & BUDGET

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Shannon McCue  
*Budget Director*

July 25, 2024

The Honorable Tyisha Walker-Myers, President  
City of New Haven  
165 Church Street  
New Haven, CT 06510

Dear President Walker-Myers:

Respectfully submitted for the consideration of the Board of Alders, attached please find a request for approval of multi-year inter department MOU's to formalize the obligation of funds to various City Departments in accordance with prior Board of Alders authorizations and approvals. American Rescue Plan Act funding, According to Federal guidelines, ARPA funds must be fully obligated, as defined by Treasury, by December 31, 2024, or they must be returned to the U.S. Department of the Treasury.

On May 10, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. Since that time the treasury has released updated guidance documents with details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest- hit by the COVID-19 crisis. The City is eligible for receipt of funds under programs established by the American Rescue Plan. The U.S. Treasury now considers an interagency agreement, including an agreement in the form of a memorandum of understanding (MOU), to constitute a "transaction requiring payment" similar to a contract or subaward and therefore an obligation for purposes of the ARPA\SLFRF final rule and meeting the threshold for "obligation" required of funding by December 31, 2024.

These MOUs will enable departments to continue with important project delivery work through the December 2026 spending deadline.

Sincerely,

Shannon McCue  
Budget Director