



## **American Rescue Plan to Stimulate Santa Fe Recovery from Pandemic City Expects \$15 Million+ for Budget Residents to Receive New Round of Direct Aid**

The \$1.9 trillion American Rescue Plan (ARP) Act passed by Congress and signed by President Biden last week will provide much needed direct relief to individuals and families. It will also inject meaningful impetus to the recovery of Santa Fe's public and private sectors from the economic destruction caused by the COVID-19 pandemic.

The local economy lost nearly half a billion dollars (\$465 million) in taxable gross receipts since last March. Gross receipts taxes are the City's largest single source of revenue, comprising 25% of the budget; because of the shortfall, the City relied on cash reserves to balance the 2021 budget. The City is now expecting to receive at least \$15.4 million in the coming months. The City awaits guidelines from the Treasury Department about how that money can be spent.

Many residents of Santa Fe will soon receive direct payments that will help to offset lost income due to months of unemployment and underemployment, and business slowdowns and shut-downs. This influx of cash will stimulate the local economy precisely at the moment when businesses are planning to start reopening at greater capacity.

Since the onset of the pandemic last year, Mayor Webber has stressed the need for federal relief dollars to address problems for our community like socio-economic equity, debt, evictions, and myriad other budget problems created by the COVID-19 pandemic. Federal funds that have made their way to Santa Fe from the CARES Act (\$17.5 million) and the COVID Relief package passed in December 2020 provided various forms of economic support to New Mexico and Santa Fe: direct assistance, unemployment benefits, rental assistance, SNAP benefits, broadband access, PPP Loans for our local businesses, and assistance addressing COVID-19 public health needs.

Mayor Webber says: "The American Rescue Plan will help the residents of Santa Fe and our City government move quickly and effectively toward recovery and healing as we come out of COVID. I'm grateful to our Congressional delegation, who stood up for Santa Fe. It looks like we'll be getting about \$15 million under this bill, money that we'll use to help our small businesses recover and our families meet their needs. I've said all along that we need help from the Federal government to make it through this pandemic and I'm grateful and optimistic now that help is on its way. With this help from Washington, DC, we'll be able to help more people in Santa Fe."

City Councilor Roman Abeyta, Chair of the Governing Body Finance Committee, says: "The last year has been challenging financially for families and for the City. The federal stimulus will jump start the economy with targeted investments in housing, parks, transportation, and other critical areas for Santa Fe's families."