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How Kansas City Will Spend Its \$195B Stimulus Windfall.

Kansas City is set to receive \$195 million over two years from the American Rescue Plan.

The *Kansas City Star* has an [instructive breakdown](#) of how the city will spend the money:

A detailed spending plan emerged at City Hall this week for how it may end up spending that \$195 million over the next two years. The plan illustrates how deeply the pandemic cut into City Hall's revenues and the extent to which the American Rescue Plan spared Kansas City from difficult cuts to services.

More than half of ARP funds — \$111 million — goes to replacing tax and fee revenue that was lost from the last year, which forced the Kansas City Council to spend out of its fund balances to avoid debilitating service and personnel cuts.

That leaves \$83.86 million. From there, the city plans to spend \$12 million for the Kansas City Health Department's coronavirus response. Another \$8.3 million is earmarked for housing and homelessness services.

Another sign of the pandemic's effect on city finances: Kansas City is setting aside about \$23 million over the next two years in anticipation of people requesting refunds on their earnings taxes.

by CivMetrics Staff | May 5, 2021